Safeguarding & Financial Conduct Authority

At Mitie, we recognise that safeguarding is increasingly relevant within financial services and regulated environments. The Financial Conduct Authority (FCA) regulates the conduct of roughly 42,000 financial services businesses in the UK, ensuring consumers are treated fairly, markets operate with integrity, and competition is healthy. The FCA is now placing growing emphasis on organisational culture, non-financial misconduct and the responsibility firms have to create safe, respectful and accountable workplaces.

What's behind the focus on culture?

The FCA has increasingly highlighted the connection between workplace culture and wider organisational risk. Their 2025–2030 strategy identifies several core priorities relevant to safeguarding and workplace culture, including:

- Smarter regulation through data and technology
- Strengthening market integrity and consumer protection
- Tackling both financial and non-financial misconduct

The FCA has recognised behaviours such as bullying, harassment and violence as potential regulatory concerns. Toxic workplace cultures are being linked to wider governance failures, decision making risks and consumer harm.

These developments signal a continued shift away from viewing workplace misconduct and culture as a human resources (HR) matter.

FCA expectation

The FCA's approach, alongside wider legislative developments such as the Worker Protection Act, reflects a broader expectation that organisations proactively manage behavioural and cultural risks.

Safeguarding is increasingly recognised as part of effective governance, healthy culture and sustainable organisational performance. Financial services organisations are expected to evidence:

- Strong governance and accountability
- Healthy workplace culture
- Effective reporting mechanisms
- Appropriate investigation processes
- Leadership visibility and ownership
- Consistent management of conduct concerns
- Effective oversight and assurance
- Data-informed decision making
- Prevention-focused approaches

Firms are also expected to understand behavioural risks across all workforce groups, including contractors and third parties.

Enforcement and regulatory direction

The FCA has demonstrated its willingness to intervene where safeguarding and conduct concerns intersect with regulatory fitness, governance and accountability.

Examples referenced publicly include:

- Action linked to misconduct occurring outside the workplace where this raised concerns regarding fitness and propriety.
- Enforcement linked to sexual misconduct and safeguarding-related offending.
- Significant penalties where leaders failed to appropriately respond to harassment concerns or obstructed investigations.

These examples reinforce the increasing regulatory expectation that firms actively **identify, manage and respond to behavioural and cultural risks.**

Potential risks across financial services

These risks often sit across safeguarding, conduct, HR, compliance and governance functions. They include:

- Seniority and power imbalance
- Alcohol-related workplace culture concerns
- Inappropriate behaviour at work-related events
- Fear of repercussions for speaking up
- Bullying within high-performing teams
- Inconsistent management handling of concerns
- Underreporting linked to reputation concerns

Third party conduct risks

Recommendations for financial services

Safeguarding is now being viewed as part of effective conduct risk management and organisational governance. With that in mind, financial services should:

- Integrate safeguarding into governance and risk frameworks
- Conduct behavioural risk and cultural assessments
- Align investigation processes with regulatory obligations
- Update policies to reflect non-financial misconduct expectations
- Improve safeguarding oversight and reporting arrangements
- Embed safeguarding expectations into leadership behaviours
- Strengthen reporting confidence and speak up culture
- Monitor behaviour and repeat risks

How Mitie can support

- Safeguarding and culture reviews
- FCA-aligned governance assurance assessments
- Workforce behaviour risk reviews
- Speak up and reporting pathway evaluations
- Executive and Board-level briefings
- Conduct and safeguarding training
- Safeguarding investigations support

For more information contact

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Let’s work together to create safer communities and high-performing places.