Is the FCA Sharpening Its Focus on Money Remitters? The Signals are Hard to Ignore

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The Financial Conduct Authority (FCA) does not always communicate its supervisory priorities explicitly. More often, the direction of travel is revealed through quieter signals, supervisory activity, thematic work, and increasingly, recruitment.

One such signal has recently emerged (and you might have missed it as I almost did!): the FCA was, not long ago, actively hiring a Senior Money Remitters Associate within its *Payments & Digital Assets Directorate*, specifically within a dedicated *Money Remitters Portfolio*.

This is not just another regulatory role, it is a strong indication that money remittance firms are moving up the FCA's supervisory agenda.

A Dedicated Portfolio: A Clear Sign of Segmentation

Perhaps the most telling element is not the seniority of the role, but the structure around it.

The FCA has carved out a dedicated "Money Remitters Portfolio", sitting within its broader payments and digital assets supervision framework. This is important. It reflects a continued move away from treating payment institutions as a single homogeneous group and instead recognising distinct risk profiles across sub-sectors.

Typically, money remitters, by virtue of their business models, sit firmly within the higher-risk category, especially for banks. So this is not really a surprise, in that sense.

The Regulatory Lens: What the FCA is Really Looking At

The job description offers unusually clear insight into the FCA's areas of focus. The successful candidate will be expected to:

- Develop a deep understanding of cross-border payment flows, agent networks, and third-party dependencies
- Assess risks relating to financial crime, safeguarding, and operational resilience
- Conduct supervisory assessments, investigations, and firm engagements
- Challenge firms' leadership and "pressure senior management to make changes", including escalation to enforcement where necessary
- Work closely with HMRC and law enforcement, sharing intelligence and contributing to joint activity

Taken together, this paints a very clear picture of supervisory intent.

This is not "light-touch" supervision. It is intrusive (in a good sense, perhaps!), risk-led, and increasingly data-driven.

A Strong Financial Crime Narrative

There is a particularly strong emphasis on financial crime risks throughout the role.

The FCA is explicitly looking for candidates with:

- Experience in AML, fraud, or counter-terrorist financing
- The ability to assess whether systems and controls are effective "in practice"
- Investigation and enforcement capabilities

This aligns with a long-standing regulatory concern: money remittance firms, especially those operating cross-border and through agent networks, can present heightened exposure to financial crime risks if controls are not robust.

What is notable here is the focus on how controls operate in reality, rather than how they are documented. This reflects a broader FCA shift towards outcomes-based supervision, testing effectiveness rather than simply reviewing policies.

From Supervision to Intervention

Another key takeaway is the tone of the role. The expectation is not just to assess, but to intervene with a clear emphasis on:

- Escalation
- Regulatory action
- Influencing senior management
- Managing high-volume casework

which all together suggests that the FCA anticipates a pipeline of supervisory interventions in this space.

This is consistent with a regulator that is increasingly willing to act earlier and more decisively where it identifies weaknesses, particularly in sectors deemed higher risk.

What This Means for Money Remitters

For firms operating in the money remittance space, the implications are clear. The FCA is preparing to:

- Engage more deeply with firm business models
- Scrutinise agent oversight frameworks and third-party dependencies
- Challenge the effectiveness of AML transaction monitoring systems
- Examine safeguarding arrangements beyond surface-level compliance
- Hold senior management directly accountable

In short, firms should expect more intrusive supervision, not less, and must put the "house in order" so they can engage with the regulator when necessary.

A Broader Shift in Payments Supervision

This development also reflects a wider trend. As the payments sector evolves, through open banking, digital assets, and new payment models, the FCA is becoming more granular in its supervisory approach (as they should!). Rather than applying a one-size-fits-all model, the FCA is now:

- Segmenting firms by risk
- Building specialised supervisory teams
- Increasing collaboration with law enforcement and other agencies

In that sense, money remitters, given their exposure to cross-border flows and financial crime risks, are now clearly a priority within this framework.

An Opportunity for Well-Prepared Firms

While increased scrutiny is often seen negatively, it should also be viewed as an opportunity. Effectively, those firms that can demonstrate they have:

- Strong governance and accountability
- Effective, evidence-based AML controls
- Robust oversight of agents and partners
- Clear audit trails and operational transparency

will not only be better positioned to withstand regulatory scrutiny, but also to strengthen relationships with banks, partners, and investors.

In a market where access to banking and trust are critical, regulatory credibility, as it's always been the case, is a competitive advantage.

Final Thoughts and Key Actions

The FCA rarely signals its priorities loudly, but when it creates dedicated teams, recruits specialist supervisors, and emphasises enforcement-ready skillsets, the message is clear: Money remitters are under the spotlight again.

For firms in this space, the question is not whether scrutiny will increase, but whether they are ready for it. Now is the time to move beyond paper compliance and ensure that systems, controls, and governance frameworks are truly effective in practice.

Usually, from experience, firms over rely on policies that just show how commitments towards compliance principles have been stablished but they lack of clear procedures that demonstrate how these "principles" were operationalised. This "culture" must change to allow firms to align with regulatory and supervisory expectations.

API Compliance would be happy to support your firm to assess your compliance framework to identify potential gaps and plan for remediation accordingly. It is essential for firms to take the initiative before the regulator "knocks on your door", at which point it may be too late to get things back on track.