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INTERVIEW : MARGARET COLE EX-FSA ‘enforcer’

By Dina Medland

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Margaret Cole demonstrated the importance of having a strong message when she went for a top job at the now-abolished Financial Services Authority.

When headhunters called her about the role of FSA director of enforcement she prepared herself well for a meeting with its chief executive: “I sold myself by saying to John Tiner that you have been approaching regulation all wrong – ‘You need to get credibility. Why have there been no prosecutions for insider dealing?’”she says.

“The FSA did not like ‘enforcing’ when I joined – it saw it as a failure, a case of ‘because we supervise we don’t need to enforce’. It had to change its approach.”

She gave seven high-profile years of her career to the FSA, the UK’s financial regulator that was wound up last month and turned into two new organisations – the Financial Conduct Authority and the Prudential Regulation Authority.

During that time she transformed the FSA’s approach to enforcement, leading a host of prosecutions and securing many convictions. She was its managing director of enforcement and financial crime, the first managing director of its conduct business unit and a member of the authority’s board.

But when it became clear last year that she would not secure the top job at the FCA, she set about widening her horizons by becoming a partner and general counsel on the executive board of PwC, the accountancy firm.

She joined PwC in September, ready for a new challenge: “I wanted a role where I could make a difference in the way they go about things. I also wanted to be part of a firm with a great brand.”

Making sure her horizons stayed wide was instilled at a young age by her mother. “When I came along, more than 10 years after my brothers, I was the first one to be academically inclined,” she says.

“All my mother’s energy went into wanting more for me and I did not see myself in a traditional female role.” When interviewed for a place at a private convent school at the age of four, she was asked what she wanted to be when she grew up. “Prime minister,” was her response.

Her family background was, she says, “staunchly working class”. Living in Preston, Lancashire, her father worked as a fitter at Courtaulds, the textile factory, and her mother took on a variety of jobs. Life was not easy and day-to-day financial security was far

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from guaranteed: “My father was made redundant the year I went to university,” she says. “That generation of working people thought the pinnacle of achievement was having a ‘profession’ – which amounted to not just a job, but security and a place in society,” Ms Cole says.

The family made sacrifices to help her achieve it, struggling to pay for a place at a private school, in spite of her mother’s strong socialist convictions. Her mother’s influence also led to her taking a gap year from education aged 17, which she spent on a kibbutz in Israel. “It was a formative year in my life,” she says.

Winning a place at Cambridge University, Ms Cole read law, largely because it was a profession. “The absence of family money pulled me away from being a barrister,” she says. Instead, she joined Stephenson Harwood, a medium-sized law firm, and today counts herself lucky not to have ended up in one of “the legal factories that were starting to develop”.

Qualifying to be a litigation lawyer, she became a specialist in banking and commercial work by the end of the 1980s, which saw the beginning of an economic downturn. There were “massive insolvencies” to keep her busy as a partner in 1990.

When the Bank of Credit and Commerce International was forced to close by the Bank of England in 1991, it was the world’s biggest liquidation, triggering more than 70,000 claims from a wide range of creditors.

This was quickly followed by the demise of Robert Maxwell and the collapse of his media empire. “Real pensioners had lost their money. We got some of that money back and it gave me a first taste for the public sector,” she says. It was also the making of her public profile.

“There was a dramatic late-night hearing at the Royal Courts of Justice in London when we were asking to take Robert Maxwell’s son Kevin’s passport away so he could not fly to New York in the morning. I found myself speaking to the BBC, not realising I had become the self-appointed media person. It was a big case, and suddenly I had a big name,” she says.

Her next step was to join the London office of White & Case, an international law firm, to set up and lead its dispute resolution department. She stayed with the firm for 10 years. “I was one of the first who went from a ‘safe’ UK law firm to a US firm. It was a huge culture change, but based in London – though I travelled a lot. It probably had 40 people when I moved there. But I started to feel I had been a City lawyer for 20 years and it was time to think of the next move.”

Her move into public service at the FSA followed.

Now, at PwC, Ms Cole is looking forward to new openings. She speaks about the private and public sectors and says she “approves of the cross-fertilisation” opportunities.

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Pay in the private sector might be higher than at the FSA but that is no reason for her to forget the frugality of her roots. A keen horsewoman, she confides that she has just bought a horsebox that will need to be collected from Scotland: “When men have a mid-life crisis they buy a shiny new red sports car – let’s just say I’m buying a shiny red secondhand horsebox.”

Secret CV

Who were your mentors?

My mother was clearly the formative influence in my life.

Your first big break?

The Robert Maxwell case propelled me into a media situation that I managed to handle.

What else might you have done?

My mum wanted me to be prime minister – and sadly she isn’t with me any more. But she also wanted me to be a barrister and thought being a solicitor was really quite dull.

Your best career advice to others?

Have a sense of your own values, brand and integrity, as well as a sense of a wider purpose – and pursue it at all costs. And remember to have fun.

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