

FCA Practitioner Panel publishes its latest survey of industry views

21st July 2016

The FCA Practitioner Panel today published the findings from its 2016 annual survey. The survey gives a view across the financial services sector of the FCA's performance as a regulator. It provides a robust set of data on the opinions of the industry, with over 3,000 regulated firms completing the online questionnaire between February and April this year.

Overall findings

The Panel carries out the survey every year. Our collective objective is to rebuild trust between the regulator, the industry and consumers. This is why this year the survey has looked in more detail at firms' views on their level of trust in the FCA and how it has changed in the last 12 months.

The top level finding of the survey is that the majority of firms are reasonably satisfied with the regulatory relationship, but there is still room for improvement in both satisfaction and effectiveness. The industry's score for the FCA's overall effectiveness has remained the same as last year at 6.7 out of 10. Satisfaction with the FCA has increased slightly from 7.1 out of 10 in 2015 to 7.2 in 2016.

Areas for improvement

The survey has identified that the long-term savings and pensions sector in particular has lower levels of satisfaction in almost all areas of the survey, and generally that there is lower industry confidence in the FCA's ability to achieve its competition objective, compared to its market integrity and consumer protection objectives.

Analysis of underlying drivers of satisfaction has identified three areas where the industry would particularly value improvement from the FCA. These are:

- Improving the knowledge of FCA staff and supervisors;
- More transparent regulation, including emphasis on the independence of the FCA and consistency of action;
- More forward-looking regulation, including a better grasp of the impact of its work on the industry.

António Simões, Chair of the FCA Practitioner Panel, commented that:

"Last year we highlighted that the FCA faced substantial challenges to its operations and strategy and this has been compounded this year by changes to its leadership and senior management. To have maintained broadly similar scores for effectiveness and satisfaction in this environment is encouraging. The Panel has discussed the key areas for improvement with the FCA Board and Executive with a view to working together on the issues identified to help our common objective of rebuilding trust in the industry."

Responding to the survey findings, Andrew Bailey, Chief Executive of the FCA said:

"The FCA Practitioner Panel annual survey provides a valuable insight into how the firms we regulate view our performance. As a regulator that emphasises proportionality, it is encouraging that firms feel that our interactions with them strike the right balance. The

survey also identifies where improvements can be made to achieve our aim of making financial markets work well so that consumers get a fair deal. We will consider the specific findings and look forward to working with the Panel on this over the next year."

The FCA Practitioner Panel, FCA Smaller Business Practitioner Panel and FCA Markets Practitioner Panel have also published annual reports on their activities at <https://www.fca-practitioner-panels.org.uk/>.

Notes for editors

1. The 2016 Practitioner Panel survey was carried out on behalf of the Panel between February and April 2016 by independent research agency TNS BMRB.
2. The survey is available on the Panel's website <https://www.fca-pp.org.uk/fcapp-publications/surveys-research> .
3. The FCA Practitioner Panel, FCA Smaller Business Practitioner Panel and FCA Markets Practitioner Panel were established under the Financial Services Act 2012, along with the Financial Services Consumer Panel. The FCA has a statutory duty under the Act to consider representations that the Panels make. The Act also requires the FCA from time to time to publish, in such manner as it thinks fit, responses to the representations.
4. FCA Practitioner Panel members are drawn from senior levels of the industry and represent the various sectors within which regulated financial businesses operate. The Panels provide input to the FCA from the industry in order to help it meet its statutory and operational objectives in an effective manner. The FCA Practitioner Panel represents the interests of practitioners in larger firms, the FCA Smaller Business Practitioner Panel represents the interests of smaller regulated firms, and the FCA Markets Practitioner Panel the interests of the markets sector.
5. More information on the FCA Practitioner Panels is available at <https://www.fca-practitioner-panels.org.uk/>

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