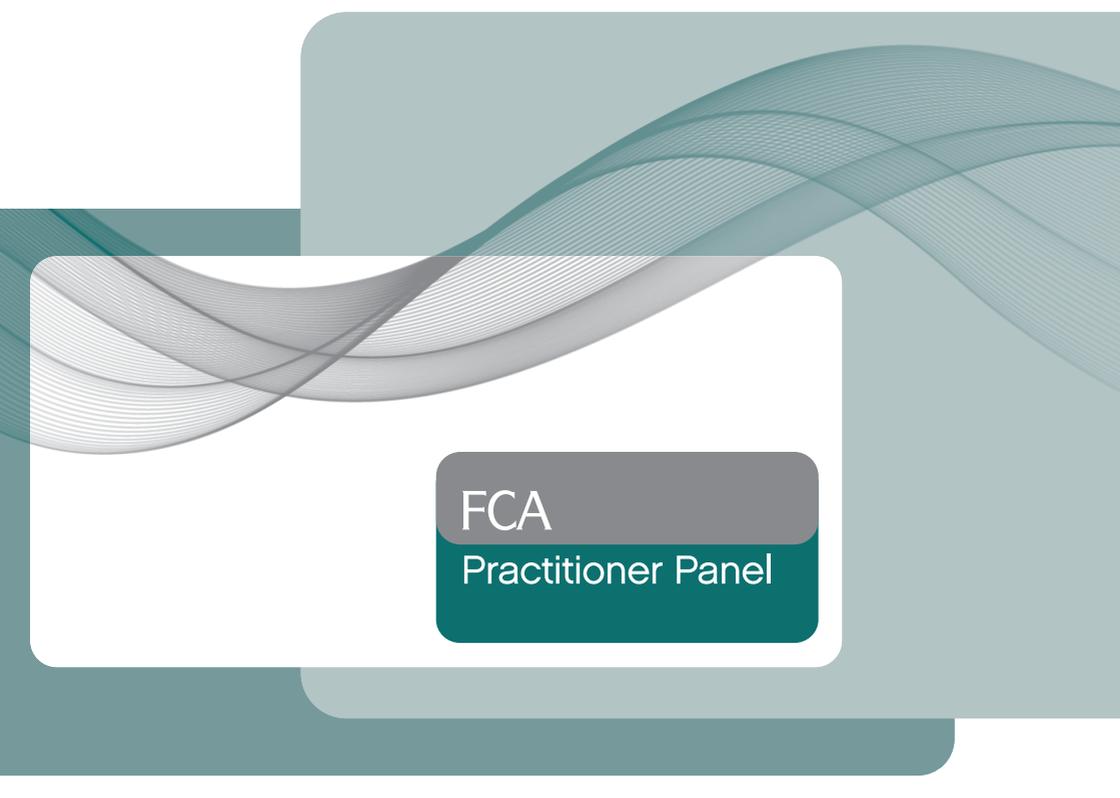


# Annual Report

2024/25



FCA

Practitioner Panel

# Practitioner Panel Annual Report 2024-25

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# Chair's foreword

This report covers the period from April 2024 to March 2025.

Last year, I highlighted that the Panel took an outcomes-focussed approach to engaging with the FCA on priority work, including implementation of the Consumer Duty, the development of AGBR proposals and operationalisation of the secondary international competitiveness and growth objective. We maintained this approach this year, concentrating on the highest priority work, and where the Panel's input can be most impactful.

The development of the FCA's Strategy 2025-30 was a significant area of focus for the Panel this year. We welcomed the opportunity to help the FCA sharpen attention on a smaller number of priorities and present a clear vision for the next 5 years. The focus on four key priorities: Supporting growth, Helping consumers navigate their financial lives, Being a smarter regulator, and Fighting crime, provides a coherent framework for ruthlessly prioritising work over the next 5 years. We stressed the importance of being equally clear on what work is being deprioritised. During the year, we also continued to provide constructive challenge on the rationale for proposed interventions where alignment with strategic priorities was not clear, such as the enforcement transparency proposals.

Creating the right conditions to support competitiveness and growth, and the FCA's role within this, has been an area of even greater focus of the Panel's discussions this year. We emphasised the importance of

consistency and predictability, and the impact of regulatory uncertainty on the cost and availability of capital (which directly limits the industry's ability to both compete internationally and help the UK economy grow optimally). We also provided feedback on the potential of proposed initiatives to help or hinder growth ambitions, focussing on encouraging investment in the UK and removing barriers to innovation and development. Our discussions recognised that enabling competitiveness and growth will require regulators, government, other organisations and industry to work together to address fundamental issues such as the need to improve consumer financial literacy and grow risk appetite in the UK. Growth cannot occur without risk – for individuals, companies or the economy. Far more needs to be done to explain, evidence and celebrate that fact – including giving the FCA encouragement and permission to take risk itself. We encouraged the FCA to work collaboratively and build on opportunities to help progress these collective goals.

During the year the Panel received regular updates on the Consumer Duty and encouraged the FCA to continue to share lessons learned to enable industry to make iterative improvements as the Duty continues to embed. We also provided feedback on areas of the FCA's rules which could be simplified or updated now that the Consumer Duty is in place, while also emphasising that any changes require resources to implement so need to be pursued with a clear eye on the "net" impact. Alongside this, we supported the initiation of joint

work looking at modernising the redress system to ensure there is a consistent and complementary approach to the interpretation of rules. We welcome that proposals to strengthen the Wider Implications Framework and possible immediate tactical changes are being explored in tandem with consideration of more fundamental change which could require legislation. Both are required.

Another key area of focus was the importance of maintaining momentum on the AGBR work, and we urged the FCA to move at pace, working collaboratively with industry, to develop proposals for targeted support for pensions. The FCA has done some stellar work through its 'sandbox' to this effect, and the Panel both welcomed this enthusiastically and encouraged the FCA to find more opportunities to build on it as an example. Leveraging the results of that testing will be vital in helping people to access the support they require sooner, as they strive to save for their retirement through their own actions. We were also supportive of the development of a simpler product information regime to help consumers understand the investment products they are buying, and we highlighted where further work is needed to achieve the intended outcomes.

Looking forward, we recently updated our priorities for 2025-26 to elevate focus on growth and competitiveness, alongside continued embedding of the Consumer Duty, the development of AGBR and pensions proposals, and consideration of where technological developments bring opportunities and/or risks. The FCA has also set out the areas it wishes to prioritise engagement with the Panel on, and there is clear and explicit symmetry with the Panel's own priorities. I look forward to continuing to guide the Panel's constructive engagement with the FCA in the year ahead.

**Matt Hammerstein**  
Chair, FCA Practitioner Panel

# 1

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## Introduction

The FCA Practitioner Panel is a statutory panel for the Financial Conduct Authority (FCA). It is one of a number of panels which the FCA is required to establish by the Financial Services and Markets Act. Alongside the Smaller Business and Markets Practitioner Panels it represents the interests of practitioners and provides advice to the FCA on the extent to which its policies and practices are consistent with its general duties.

The Panel meets on a regular basis to provide senior-level industry input into the FCA's policy and regulatory development, with membership selected to reflect the major sectors of the UK financial services industry. It focuses predominantly on issues with a strategic cross-sectoral impact and provides advice and feedback directly to the FCA Board and Executive.

The Panel believes that a well-functioning market considers elements including care, trust, innovation and sustainability. Within this framework the Panel continued with the seven areas of focus adopted in December 2023:

1. Better understanding and influencing the FCA's approach to prioritisation – Ensuring there is a clear connection between objectives, priorities and activities driving desired outcomes.
2. Embedment and maturation of the Consumer Duty, including:
  - a. Approach to “Closed products”
  - b. Application of “fair value” assessments
  - c. FOS alignment and effectiveness of “wider implications” framework
  - d. Areas of risk in terms of misalignment/ misunderstanding
  - e. Simplification of the existing FCA rulebook
3. Revised approach to the provision of advice and guidance, including:
  - a. Clear specification of the societal challenge and the desired outcomes
  - b. Explicit articulation of challenge from consumer and firm perspectives
  - c. Recognition that “advice” and “guidance” will require different approaches
  - d. Proportionate approach to addressing each challenge
4. More clear and consistent approach to policy and its proportionate application, including:
  - a. Encourage applying lessons learned from past policy
  - b. Data-based outcome tracking to identify potential gaps
  - c. Highlight where supervisory approach to implementation may not align with intended policy design and outcomes sought
5. Effective consideration of perimeter, including:
  - a. Big Tech
  - b. Critical Third Parties
  - c. Crypto
  - d. Appropriate transition for “challenger” organisations

- e. Unsecured credit (credit reference agencies; buy now-pay later)
6. Embracing the future of data and technology (especially AI), including:
    - a. Tackling financial crime, fraud, scams and online safety
    - b. Regulatory principles/ systems and controls
    - c. Developments frameworks/ Sandboxes
    - d. Digital identity
  7. Practical application of secondary objective on competitiveness and growth.

In April 2024 the FCA set out the areas it wanted to prioritise engagement with the Panel on:

- Help to identify priorities for the FCA, in line with our statutory objectives (including REUL file transfers) and provide views on how to balance any differing statutory objectives
- Alert us to emerging risks/issues in industry especially those relevant to our statutory objectives, including monitoring/managing the impact of external shocks
- Implementation of the Consumer Duty including the outcomes-based approach, implications for wider FCA rulebook, any unintended consequences
- Delivering the new secondary international competitiveness and growth objective in support of existing primary objectives
- Managing the opportunities and risks of data and digitalisation, including artificial intelligence

- Supporting consumers make investment and pension choices that are right for their circumstances, including advice/guidance and redress
- Approach to enforcement and the Integrated Regulatory Model work which will look at how cases are identified and progressed across the FCA as well as possible changes to our supervisory model

In February 2025 the Panel updated its priorities to focus on:

1. Competitiveness, Growth and Innovation
2. Consumer Duty
3. Advice Guidance Boundary Review/ Pensions
4. Technological developments

# 2

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Better understanding  
and influencing the  
FCA's approach to  
prioritisation

*The development of the FCA Strategy 2025 was a central area of focus for the FCA this year. The Panel engaged regularly with the FCA to provide feedback on evolving thinking and to provide its perspective on the prioritisation of policy proposals within the context of the FCA's broad regulatory remit.*

## FCA Strategy 2025-2030

*On 25 March 2025 the FCA launched a new 5-year strategy to deepen trust, rebalance risk, support growth and improve lives. The Strategy focusses on 4 priorities: Be a smarter regulator; Support sustained economic growth; Help consumers navigate their financial lives and Fight financial crime.*

The Panel welcomed the opportunity to provide feedback on the FCA's first 5-year strategy and noted that the breadth of the FCA's remit and the wide-ranging nature of the challenges it faces meant that it would be vital to identify clear priorities for its work. This included consideration of big strategic questions about how the FCA delivers its role and remit, the impact of regulation on financial services firms and the attractiveness of the UK for investors. It also discussed how financial services could play a part in broader social policy issues such as financial inclusion, recognising that many challenges such as building up consumer financial literacy, will require collaborative work with the Government, other regulators and industry to address. To this end, it encouraged the FCA to look for

opportunities to use its convening powers to coordinate and help drive change.

The Panel reflected that implementation of the Consumer Duty across the industry, which was completed on 31 July 2024, created a strong foundation with a clear focus on delivering good outcomes which should allow the FCA to sharpen its focus on 'bad actors'. Alongside this, there was opportunity and impetus to increase focus on the FCA's primary objective to promote competition in the interests of consumers, to grow understanding of what this objective means, what the FCA's new secondary competitiveness objective means, and how they are distinct from each other.

While welcoming the ambition in tackling financial crime, the Panel cautioned that criminals were always likely to be one step ahead and stressed the importance of targeting action where it would make the biggest difference and placing greater focus on helping consumers to avoid scams in the first place. This would need to be underpinned by consumer financial education, and the FCA should be proactive in using its convening powers to help build consumer understanding.

The Panel also provided feedback on the FCA's proposed approach to reporting and suggested greater focus on developing the metrics around growth, which could include the cost of capital for UK financial services firms, the size of capital formation and provision to different segments. Some of the conditions needed for, and

circumstances affecting, growth are outside of the FCA's control, but we discussed that the FCA could influence key drivers and should seek to measure progress where possible.

### Joint FCA and Practitioner Panel survey

Each year the Panel and the FCA launch a joint survey to gather feedback from UK financial services firms on how the FCA is doing in regulating the industry, and current issues. The data collected in the joint survey provides invaluable feedback for the FCA to reflect on how and where it can improve its performance and how it communicates with firms.

The Panel discussed how the results of the 2023-24 joint FCA/Practitioner Panel survey could help further inform FCA prioritisation and should be actively taken into account as the next Strategy was developed.

Feedback from the joint survey identified areas where improvements could be made including communications with firms, proportionality when introducing new initiatives and in supervisory approach, addressing the volume of data requests, and being clearer on what the FCA was doing to deliver on its mandate to facilitate growth and competitiveness.

This year the Panel worked with the FCA to maintain a shorter length for the survey, and for the first time conducted a census of all firms to seek a wider range of feedback.

# 3



## Embedment of the Consumer Duty

*During the year the FCA published several publications to support continued embedment of the Consumer Duty, including on good and poor practice for price and value outcomes, dealing with complaints, implementation of the Duty by payment firms, and treatment of vulnerable customers. The FCA also sought input on a review of its rules following implementation of Consumer Duty.*

### Helping firms implement and embed the Duty

The Panel appreciated receiving regular updates on the Consumer Duty as its embedment across industry matures and lessons are learned. It provided feedback to help inform the FCA's approach on key matters including highlighting the need to focus on measuring the consumer experience in qualitative terms as well as using quantitative measures such as time taken to respond to queries. In assessing 'fair value', wider benefits such as quality of service may be of worth to some consumers, and the supervisory approach needed to take this into account. The Panel emphasised it is the responsibility of firms to demonstrate good outcomes, and the need to be mindful of unintended consequences as supervisory and other interventions are made, to avoid perceptions new 'de facto' rules may be being introduced indirectly.

### Modernising the redress system

*In November 2024 the FCA and the Financial Ombudsman Service (FOS) published a joint call for input to seek views on how to modernise the redress system, so it better serves consumers and provides greater stability for firms to invest and innovate. This included proposed enhancements to the Wider Implications Framework to improve the way the FCA, FOS, FSCS work together, and with TPR and MaPS, to improve outcomes for consumers and other financial services market participants when an issue arises.*

The complexity of the UK redress system, involving multiple agencies with differing bases of interpretation of the same laws and rules, has created an environment of regulatory uncertainty, for both businesses and consumers. The Panel highlighted that this is affecting the cost and availability of capital for UK financial services firms to enable them to innovate, take risks and grow, and having flow on effects for growth in the wider economy due to constraints on lending and the provision of equity. There is opportunity for change to the framework to ensure the right outcomes for both firms and consumers, recognising that primary legislation may be needed to effect fundamental change.

As part of joint engagement with the FCA and the FOS we welcomed the FCA's intention to pursue more immediate, tactical change, including proposals to strengthen the Wider Implications Framework, to ensure there is a consistent and complementary

approach to the interpretation of rules. We were pleased to hear that information sharing is happening in both directions, at all levels of seniority, and both centrally and by sector, to avoid misalignment and to highlight areas where further clarification from the FCA might help. We encouraged the FCA and FOS to be more transparent about work they are doing together, to provide industry with more confidence there is a joined-up approach.

### Consumer Duty rule review

*In July 2024 the FCA issued a Call for Input on a Review of FCA requirements following introduction of the Consumer Duty, seeking ideas to streamline the existing rules and remove areas of duplication and over-prescription. In March 2025 the FCA published a Feedback Statement on immediate areas for action and plans for further consultation and engagement.*

The Panel provided feedback on several areas of the Handbook that could be simplified and updated or modernised, to remove duplication and address areas of complexity, and to allow a much clearer focus on ensuring good consumer outcomes consistent with the Consumer Duty foundation that has been established. In doing so, it cautioned that careful thought needs to be given even to “deregulatory” measures, such as Consumer Duty-driven handbook changes, to avoid unnecessary updates such as minor administrative changes which could involve significant resource to implement but have minimal impact in terms of outcomes sought.

### Financial inclusion

*In September 2024 the FCA published independent research on Exploring financial exclusion to better understand the lived experience of those who are particularly at risk of exclusion and inform thinking about how to ensure people have access to appropriate and affordable financial products and services.*

The Panel highlighted that building consumer financial resilience will be an important component of achieving financial inclusion goals, and that a joined-up approach is needed to solve the holistic challenges those at risk of exclusion often face. It is right that financial services firms take appropriate responsibility to ensure that their customers have access to products and services that they need, support those individuals with characteristics of vulnerability and see if the firm can help those individuals better withstand shocks. However, the drivers of vulnerability were not well understood and, in many cases included difficulties due to pressures of council tax, utility and other bills, which are outside the control of financial services firms. The Panel stressed that the input of financial services firms must be proportionate and part of a broader network of support for their underlying needs. The Panel encouraged the FCA to continue to use its convening powers to collaborate with other organisations to enable a shared understanding of responsibilities and approach collectively, to really help consumers.

# 4

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## Revised approach to the provision of advice and guidance

## Advice Guidance Boundary Review

*In December 2024 the FCA published a consultation on proposals to take forward a new type of support for consumers with their pensions, called targeted support, to address the gap between general guidance and bespoke financial advice. This outlined proposals to help consumers, at scale, to make effective, timely and properly informed decisions about their pensions.*

The Panel has continued to engage regularly with the FCA on the development of AGBR proposals and welcomed the innovative approaches it is taking to tackling the challenges involved. Given the importance of this work to achieving better outcomes for consumers it has continued to stress the importance of maintaining momentum and encouraged the FCA to consider whether sequencing implementation of parts of the proposals may be helpful. It is vital that industry is enabled and encouraged to move forward with building and testing solutions alongside any required further consultation and legislative change, so that the new regime can start to go live and enable consumers to have access to much-needed advice and support as soon as possible.

## Future pensions framework

*The FCA has been working with HMT, DWP, and TPR to support implementation of the policy changes building on the Government's launch of a review into the UK pensions industry. In August 2024 the FCA consulted on detailed rules and guidance for a new value for money (VfM) framework for savers invested in default arrangements of workplace defined contribution pension schemes, and in December issued a discussion paper seeking views on whether further changes may be needed to certain aspects of the regulatory framework for pensions. The aim is to deliver a pension system that supports consumer decision-making, provides good products with value for money, ensures strong confidence in pensions, and ensures markets function well.*

The Panel engaged regularly with the FCA workstreams making up the future pensions framework and welcomed that the FCA, government departments and TPR are working closely together to ensure a joined-up and consistent approach. On the VfM proposals, the Panel expressed its support for moving to a wider concept of value beyond price to support better outcomes for members in the longer-term and welcomed the proposed service metrics for investment performance, costs and service quality, also noting that it would be helpful to set out what 'good' looks like from an outcomes perspective to help guide a different approach in practice. It also provided feedback that the Consumer Duty principles and outcomes should form the basis for

any changes to the existing pensions framework, particularly highlighting it will be important that disclosure rules written for a pre-digital age do not hamper firms' ability to offer targeted support as set out in AGRB proposals.

### Pensions dashboards regulatory framework

*In May 2024 the FCA consulted on a proposed regulatory framework for pensions dashboard service firms. This was followed by the publication of a Policy Statement in November setting out the future rules to enable firms to start considering and preparing their prospective business models, service design, research and testing in advance of the gateway opening in October 2026.*

The Panel expressed its support for the proposals and encouraged allowing firms as much flexibility as possible to present choices tailored to consumer journeys and consistent with the Consumer Duty. The aim should be to ensure that access to post-view services is frictionless and intuitive from a consumer perspective to help drive positive consumer outcomes through a self-service model. It will also be important to make data export as straightforward as possible so that consumers who consent to share their data with financial advisers can do so in a frictionless manner, enhancing engagement, knowledge and support while also reducing cost.

### Consumer Composite Investments Framework

*In December 2024 the FCA consulted on a new product information regime aimed at helping consumers understand the investment products they are buying, while giving firms flexibility to innovate.*

The Panel supports the objective for consumers to be in receipt of product information that is accurate, engaging and simple to understand, but expressed concern that the proposals set out in the consultation would not achieve this aim. It highlighted the changes required to implement the new regime would impact a range of systems and processes without achieving substantive change in terms of enabling greater consumer understanding through a more streamlined view of the key information. A "less is more" approach relying more on the Consumer Duty would better support innovation, including robust consideration of what really needs to be regulated and as much simplicity as possible for elements such as costs and charges. It also emphasised the importance of international comparability and further noted a high bar should be set for amending methodology where it is proposed to retain a concept that already exists in PRIIPs.

# 5



## Approach to policy and its proportionate application

## Data requests

*One of the FCA's new strategic priorities is to 'Be a smarter regulator'; predictable, purposeful and proportionate'. This includes improving processes, being easier to engage with and considering how it collects and uses data to reduce burden on firms.*

Feedback from the joint FCA/Practitioner Panel survey identified the volume of data requests from the FCA continued to be an issue for firms. The Panel observed there appeared to be continuing high volumes of data requests with firms in some cases having to hire new staff to handle responses to requests which appeared to be uncoordinated and unclear in purpose. It highlighted the importance of placing renewed attention on assessing and communicating the need for future requests, being mindful of both the substance and tone, as well as providing feedback on how the information has been used. The increased focus on this in the 2025 Strategy is very much welcomed.

## Enforcement transparency proposals

*In November 2024 the FCA published a follow up to its February 2024 consultation on its proposed changes to its Enforcement Guide and approach to publicising enforcement investigations. The proposals aimed to increase transparency about enforcement work and its deterrent effect and to disseminate best practice. Following feedback, in March 2025 the FCA updated that aspects of the proposals which were widely supported would be progressed, and that it would not be taking forward proposals to shift from an exceptional circumstances test to a public interest test for announcing investigations into regulated firms.*

Consistent with wider feedback, the Panel agreed with the rationale for the FCA to have the ability to confirm information put in the public domain by firms, and to share anonymous versions of investigations for other firms to learn from but expressed concerns about the proposals to publicise investigations. It highlighted that trust would need to be built, with industry and potential investors, that the proposed public interest test would be applied in a considered and proportionate way. Implementing this change would be likely to increase regulatory uncertainty which would not be helpful for the growth agenda. Given that in practice only a small proportion of cases would be proactively published, the Panel challenged whether this element of the proposals should be a priority at this time. The FCA's willingness to listen to

feedback, to work constructively with industry and to de-prioritise work where there is clear rationale for doing so was welcomed by the Panel.

### Diversity and inclusion in the financial sector

*In March 2025 the FCA announced it would not be progressing proposals to introduce a new regulatory framework on Diversity and Inclusion (D&I) in the financial sector, and would be progressing, at a later time, other aspects of the September 2023 consultation related to non-financial misconduct.*

In discussions with the FCA the Panel emphasised that the importance of achieving greater levels of diversity and inclusion within firms to ensure

good customer outcomes was well understood. Most firms not only recognise the importance of diversity and inclusion, but also already have processes and reporting in place to identify and address issues, including regular discussions and scrutiny at Board level. Other authorities also have accountability requirements in place related to broader corporate governance obligations which firms must adhere to. Firms which are unable credibly to demonstrate progress against their commitments would rapidly find themselves at a competitive disadvantage and under public scrutiny. Within this context, the Panel challenged whether additional action by the FCA would add value or should be a priority and welcomed that this feedback was heard.



6

# Effective consideration of the perimeter

## Big Tech and digital wallets

*In July 2024 the FCA and the Payment Systems Regulator published a joint Call for Information on Big Tech and Digital Wallets. Views were invited on the future development and use of digital wallets as a payment method which is increasingly being adopted by consumers, including benefits, any issues and potential competition, consumer protection or market integrity issues.*

The Panel provided suggestions on where regulatory attention might be focussed to provide consumers with appropriate understanding, protection, and choice in the long-term, to make the market as effective as possible. Digital Wallets offer clear and compelling benefits to consumers, including convenience, flexibility and ease of control for payments and other functions, however the regulatory and legislative framework has struggled to keep up with the pace of adoption and innovation. Currently there is onus on consumers to educate themselves regarding the implications of using wallets to facilitate payments, including consumer protection rights and security and resilience implications. It would be helpful to clarify the proper apportionment of responsibility between the provider of the digital wallet and the individual payment providers

when things go wrong, as well as liability for unauthorised transactions. Digital wallet providers should have the same incentives to prevent fraud as Account Servicing Payment Service Providers. The Panel also highlighted that the dominance of Big Tech in the development of digital wallets has implications for competition in the market and consumer choice and noted it will be important for the FCA and the CMA to continue to develop their understanding of market power in this area.

## Deferred payment credit

*In October 2024 the government published a consultation on a proposed regulatory regime for Buy-Now, Pay-Later (BNPL) credit agreements, alongside draft legislation. Once in effect, third-party lenders providing deferred payment credit agreements will come under the regulation of the FCA.*

In March the Panel provided feedback to the FCA to help inform a consultation on information requirements and creditworthiness for Deferred Payment Credit (DPC), and how these will be delivered in the Handbook. It broadly welcomed the proposed approach and noted the importance of ensuring there is equal opportunity and conditions for similar credit provision.

## Critical third parties to the UK financial sector

*In November 2024 the FCA, Prudential Regulation Authority and the Bank of England issued a joint policy statement setting out the final operational resilience requirements and expectations for critical third parties (CTPs).*

In discussions with the FCA the Panel noted financial services firms and CTPs needed to act together to mitigate risks and improve resilience. It also highlighted it was more difficult to conduct diligence on private companies where there was less transparency and it would be helpful, in due course, to gain an understanding of the principles informing how designated CTPs would be selected, their power and how to manage the risks to help to make the market safer.

# 7



## Embracing the future of data and technology

## Approach to AI

*In October 2024 the FCA launched an AI Lab to support innovators in financial services developing new AI models and solutions, and to deepen understanding of the risks and opportunities AI presents to UK consumers and markets. This included an 'AI Spotlight' looking at specific projects, an AI sprint held in January bringing together industry, academics, regulators, technologists, and consumer representatives to discuss the regulatory approach to AI focussing on safe adoption, and an 'AI Input Zone' to provide an online feedback platform for stakeholders. The FCA also engaged with the Panel on its regulatory approach to AI.*

Discussions with the FCA on the approach to AI explored how to balance an outcomes-based regulatory approach with calls for certainty on what is deemed "safe". The Panel expressed the view that further regulation or guidance specifically for AI would not be helpful at this time, and the focus should remain on outcomes. The FCA might play a convening role in developing technical standards where those would complement the Consumer Duty and SM&CR. It also encouraged the FCA to allow firms to experiment in the sandbox as early as possible to test and develop ideas and innovations in a safe space.



# Practical application of secondary objective on competitiveness and growth

*The Financial Services and Markets Act 2023 set out a new secondary objective for the FCA of 'facilitating, subject to aligning with relevant international standards: 1) the international competitiveness of the economy of the UK (including in particular the financial services sector), and 2) its growth in the medium to long term'. In January 2025 the FCA published a letter to the Prime Minister, Chancellor, and Secretary of State setting out its commitment to growth and outlining work in train and planned, alongside options to go further.*

How to create the right conditions to support growth, and the FCA's role within this, was a primary area of focus of the Panel's discussions during the year. The Panel emphasised that regulatory consistency and predictability is vital to enable innovation, investment and growth. It highlighted that regulatory uncertainty impacts the cost and availability of capital, affecting the affordable resources needed for innovation and the development of more effective customer services. It also inhibits growth in the wider economy, as it constrains lending and the provision of equity. The uncertainty stems principally from the complexity of UK regulation as perceived by investors outside the UK when assessing the risk

of investing in the UK, a lack of clarity relating to FCA outcomes and fear of retrospective decisions by the Financial Ombudsman Service. We encouraged the FCA to consider how it can work with key partners and the government to provide clear and consistent signals of future intentions of work that will help address this.

The importance of encouraging a greater risk appetite in the UK has also been a central area of discussion this year. Creating alignment on higher risk appetite is essential for innovation and growth and will take time and collective effort. The Panel highlighted that more work will be needed to translate the concept of 'empowered risk taking' as well as 'risk-reward' for different stakeholder groups, as these terms are generally well understood by industry but have different connotations for consumers.

Linked to this the Panel discussed that financial education is essential, both for growth and for enabling better consumer self-protection. This is a broader issue that the FCA alone will not be able to address, and it will be important that a much clearer, more compelling and outcome-oriented agenda be put in place to help address this gap more quickly.

# 9

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## Panel diversity statement

The FCA has agreed to adopt diversity targets for all the FCA's Independent Panels. These targets reflect those introduced by the FCA in April 2022 for the board and executive management of listed companies:

- At least 40% of each Panel are women
- At least one of the senior positions (Chair, Deputy Chair or equivalent) across the Panels is held by a woman
- At least one member of each Panel is from an ethnic minority background

The Panel supports the FCA in its objective of improving diversity in the appointments it makes to all the independent Panels.

To monitor our progress against these targets diversity monitoring information is collected from Panel members on a voluntary basis. Based on the data collected, against these targets, we can report that as of 31 March 2025:

- 0% of the Practitioner Panel are women.
- Across all the Independent Panels, the target for at least one senior position to be held by a woman is exceeded.
- 4 out of 6 Independent Panels meet the target that at least one member is from an ethnic minority background.

The Panel supports the FCA in its objective of improving diversity in the appointments it makes to all the independent Panels.

# List of Practitioner Panel members

(1 April 2024 – 31 March 2025)

## Matt Hammerstein

Panel Chair  
Chief Executive Officer  
UK Corporate Bank and Head of Public  
Policy & Corporate Responsibility  
Barclays

## Chirantan Barua

Member from 29.01.24  
Chief Executive, Scottish Widows and  
CEO, Insurance, Pensions & Investments  
Lloyds Banking Group

## Debbie Crosbie

Chief Executive  
Nationwide Building Society

## Sean Hagerty

Member until 05.07.24  
Managing Director  
Vanguard Europe

## Alasdair Haynes

President  
Aquis Exchange plc

## Christopher Hill

Deputy Panel Chair  
Senior Adviser to Boston Consulting  
Group and a non-executive director of  
Quilter plc

## Nasreen Kasenally

Chief Executive Officer  
UBS Asset Management (UK) Ltd

## Steven Levin

Member from 21.04.25  
Chief Executive Officer  
Quilter plc

## David Lindberg

Member from 26.05.23 until 31.01.25  
Chief Executive, Retail Banking  
NatWest Bank Group

## Andy Mielczarek

Member and Chair of Smaller Business  
Practitioner Panel  
Former Chief Executive  
Chetwood Financial Limited

## Cristina Nestares

Member from 26.05.23 until 09.10.24  
Chief Executive  
Admiral UK

## Richard Oldfield

Member from 01.12.24  
Group Chief Executive  
Schroders

## Paul Stockton

Chief Executive  
Rathbones Group Plc

## Adam Winslow

Member from 08.11.24  
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