



Asset Management and Funds Policy Team  
Wholesale Buy-side Division  
Financial Conduct Authority  
12 Endeavour Square  
London E20 1JN

By email

22 May 2023

Dear Sir/Madam,

**DP23/2: Updating and improving the UK regime for asset management**

The Panel is pleased that the FCA is interested in consulting with practitioners on updating and improving the regime for Asset Management, and we welcome the opportunity to present our thinking on how best to approach the breadth of ideas contained in this discussion paper.

Broadly, the Panel is supportive of mostly copying existing regulation as stands into the FCA rules. This will ensure continuity and regional operability, which is key. The UK is well regarded internationally for its robust regulatory framework, and it is vital that the strengths of the current system are not lost.

We recognise there is the opportunity to make adjustments to the regime to encourage investment and remove barriers to growth in keeping with the UK's new secondary competitiveness and growth objective. We believe there are several potential areas that the FCA could address given this opening, however it will be quite challenging to know how to prioritise this work. There are a range of stakeholder interests who are likely to have differing priorities, and this has the potential to divert FCA resources in multiple directions. Therefore, there is a need for focus and strategic prioritisation to steer the approach.

Our suggestion is for the FCA to clearly lay out specific desired outcomes from the movement of the files. We would be happy as practitioners to review and challenge the desired outcomes. Once the desired outcomes are established, the various ideas proposed by stakeholders could be weighted based on an agreed set of criteria.

Finally, we suggest that a practitioner working group be convened to assist the FCA in creating focus and giving precedence to work which supports the strategic priorities for UK financial services. This could possibly be an extension of the work we do on the Practitioner Panel via a sub-group which might also include representatives from the Smaller Business Practitioner Panel.

We look forward to engaging with the FCA to further develop this important work.

Yours faithfully,

[signed]

Matt Hammerstein  
Deputy Chair, FCA Practitioner Panel