

Future Regulatory Framework Review
Financial Services Strategy
HM Treasury
1 Horse Guards Road
SW1A 2HQ



By email to FRF.Review@hmtreasury.gov.uk

9 February 2022

Dear Sir/Madam,

SBPP RESPONSE TO FINANCIAL SERVICES FUTURE REGULATORY FRAMEWORK REVIEW: PROPOSALS FOR REFORM

In our response to the original consultation the Panel expressed the view that the FCA Panels are a unique element of the governance process, that there were elements of the relationship which could be addressed in order to work more effectively but cautioned that any changes must be carefully considered so as not to inadvertently lose any of the benefits of the current relationship to the regulatory process.

We welcome the fact that the government acknowledges the role of the Panels as critical friends, which we believe lies at the core of the relationship, and that it does not seek to change this. The Panels had, and continue to have, the ability to provide input at all stages of policy development, but a statutory requirement for the regulators to publish information on their engagement with the Panels is welcome without being overly prescriptive. We support the proposal to require the FCA to publish a statement on its approach to the recruitment of Panel members, to ensure that their membership represents a truly diverse range of stakeholder views, while acknowledging the difficulty of representing the views of over 50,000 firms across all regulated sectors.

We believe that the proposals in this consultation broadly address our concerns and are a pragmatic way forward.

Yours faithfully,

Marlene Shiels
Chair, FCA Smaller Business Practitioner Panel