

Prudential Regulation Authority

Sam Woods

Deputy Governor, Prudential Regulation
CEO, Prudential Regulation Authority

Nikhil Rathi

CEO, Financial Conduct Authority

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Dear Chief Executive Officer

Transforming data collection – an update on progress and plans for 2022

Last year we commenced a decade-long programme to transform data collection together with the financial services industry. As set out in our letter to firms¹ last February, improvements to data collection require action by both regulators and regulated firms. Having high quality and timely data remains essential to being able to regulate UK financial services effectively. It is at the heart of our data strategies and is a priority for both the Bank of England (Bank) and the Financial Conduct Authority (FCA).

This letter provides an update on the work we are doing as part of the joint transformation programme to improve the way that we collect data from all regulated firms. It covers:

- what we have achieved in the first year;
- what we are progressing; and
- what we need from you.

What we have achieved in the first year

We have set up a joint transformation programme with the aim of ensuring that the Bank and the FCA collect the data they need at the lowest possible cost to the industry. This has involved more than 100 participants from over 40 regulated firms working

¹ Dear CEO letter to dual regulated firms: [Transforming data collection – an update on progress and plans for 2021](#)

together to develop solutions to current issues with data collection. We are pleased with the level of engagement from firms in the first year of the programme and look forward to working with more firms as the programme continues.

We have a good understanding of the challenges and opportunities that we face with data collection. The collaboration has been extremely valuable in identifying and prioritising issues and opportunities that the industry face. An understanding of issues on both sides remains vital to produce better outcomes for those submitting and receiving data.

The work has led to an initial set of recommendations for data collection changes. The recommendations, along with our response, **has been published today**.

Many of you have been working with us during the early stages of the programme, from participating in working and governance groups, to seconding employees full-time to the programme. We would like to thank you for your participation, which has been vital in making this first year successful.

We strongly believe that continued collaboration with industry is the best way to deliver long-term benefits in this area.

What we are progressing

In response to the recommendations, we are taking a number of data collection initiatives forward, including:

- delivering a more intuitive form design across regulatory returns that will make data submission simpler, faster, and more valuable - forms will include hints and tips to improve data collection accuracy;
- implementing a new landing page and set of reporting instructions for a statistical reporting form to make it easier for firms to understand their requirements and which data to provide; and
- exploring the concept of a unified data collection portal for regulated firms to interact with regulators, which we believe has the potential to be a transformational change.

We are expanding our teams to support the ongoing work that this will require. In line with **our ambition at the start of this programme**, we expect to deliver the initial benefits to firms from these initiatives by July 2023.

In parallel, we are investigating a longer-term funding and resource model to ensure that the programme is set up to deliver the desired transformation over the coming years.

What we need from you

In April, [we identified five data collections](#) to explore in the programme over the next year which may help you identify areas of interest for your firm. This work requires ongoing collaboration, commitment, and resource from firms. We believe it will benefit firms to continue to be involved in shaping and delivering this work and would like to see a meaningful contribution from industry to continue supporting our efforts this year.

To find out more information about how to get involved or to join the programme, please visit the [Transforming Data Collection webpage](#).

Your involvement will enable us to progress more quickly towards our shared objective to transform, improve, and ultimately reduce the burden of data collection.

Yours sincerely

Sam Woods

Deputy Governor and CEO,
Prudential Regulation Authority

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CEO
Financial Conduct Authority

