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By email

9 December 2025

Dear Prime Minister, Chancellor and Secretary of State,

Re: Update on our approach to growth

In January, we set out almost 50 pro-growth measures. We have delivered the vast majority of these and more. We will go further next year.

Unlocking capital investment and liquidity

This year, we:

- made it easier for companies to raise capital with a new [prospectus regime](#), [private stock market](#) and [public offer platform](#).
- supported retail investment by [simplifying product information](#), [easing access to corporate bonds](#), and transforming [advice rules](#) so more people get help with pensions and investment choices.
- began changing pensions value for money frameworks pending legislation.
- bolstered liquidity and access to data, advancing a [consolidated tape](#) for fixed income markets and consulting on one for [equities](#).
- levelled the playing field with overseas markets, with more [streamlined rules](#) for fund managers, including to pay for research, more flexible and simpler [bank remuneration](#) and insurance rules.
- strengthened [commodity derivatives](#) markets.

Next year, we will:

- reform rules for venture capital and alternative investment fund managers.
- consult on the pension charge cap so consumers are not disincentivised from investments due to higher performance fees.

Accelerating digital innovation to enhance productivity

This year, we:

- consulted on a proportionate regime for digital assets and [allowed](#) retail crypto exchange traded notes (cETNs).
- [supported](#) accelerating the transition to settling certain trades 1 business day after execution, with a deadline now of 11 October 2027.
- will issue rules allowing firms with adequate fraud protections to remove or amend the [£100 contactless limit](#).

Next year, we will:

- oversee the launch of variable recurring payments to give people more control of regular payments and drive competition.
- finalise digital assets rules and progress UK-issued sterling stablecoins.

- set the delivery plan for open finance, prioritising SME lending.

Reducing regulatory burden

This year, partly relying on and streamlining Consumer Duty requirements, we:

- began once-in-a-generation mortgage [reform](#). 85% of the market responded to our flexibility on stress testing with home buyers able to borrow £30,000 more, on average. It is also now easier to remortgage, reduce terms or talk with an adviser.
- [stripped out data requests](#) for 36,000 firms and [proposed removing some transaction reporting](#) to save firms £100m a year.
- made compliance easier, with 80% of regulated firms using our new single sign in – [MyFCA](#) – and launching [a machine-readable handbook](#).

Next year, we will:

- further overhaul mortgage rules so more people get on the housing ladder and can unlock housing wealth in later life. We consider the Government can now safely retire the Mortgage Charter to reduce duplication and reporting.
- with the Treasury and Financial Ombudsman Service, finalise reforms to the redress system and provide clarity on fair motor finance compensation.

Making it easier for firms to start up and grow

In 2025, we enhanced our service for new and scaling-up firms and mutuals by:

- speeding up authorisation decisions, with 99.5% of cases processed on time. We will start reporting against [faster statutory deadlines and voluntary targets](#) next year.
- launching a [Scale-Up Unit](#), with the Prudential Regulation Authority (PRA), and increasing by 50% the number of dedicated supervisors, to better support fast-growing, innovative firms.
- [expanding pre-application support](#), with 158 wholesale, crypto and payments firms applying since April, and providing more certainty faster by letting over 200 firms know we were '[minded to approve](#)' them.
- setting up a [Mutual Societies Development Unit](#) and announcing plans to [cut mutuals registration times by a third](#).

Next year, we will:

- further speed up IPO applications by proposing to remove the seven-day research waiting period.
- get ready to enable some early-stage firms to conduct regulated business before full authorisation for when legislation is passed.

Improving exports and inward investment

This year, we:

- set up a streamlined investor experience with partners and established a [presence](#) in the USA and Asia-Pacific.
- made it easier for [UK and Swiss firms](#) to do business cross border.

Next year, we will:

- establish a presence in Singapore and deepen integration with the USA.
- engage with US G20 Presidency plans on regulatory modernisation.

Going further in 2026

Growth is a cornerstone of our strategy to 2030. In addition to the examples above, we are actively supporting firms seeking to digitise, with 31 already testing AI use cases with us. We will also enable our world-leading asset management sector to tokenise their funds, driving efficiencies and competition.

Rapid technological change means we must focus on outcomes, not prescriptive rules. We will further adapt our supervisory approach, with more tailoring to firms' size and type, accepting some things will go wrong and prioritising the most egregious harms. A clearer articulation of the Government's risk appetite with metrics would help anchor this shift and support innovation and growth.

We also want to use our convening power to galvanise a system-wide response to issues which touch our remit but involve other partners, be that financial inclusion or mobilising defence investment to protect our national and economic security and, with it, market integrity.

I appreciate the confidence you and the Chancellor have shown in us. The consolidation of the Payment Systems Regulator into the FCA is well progressed as we deliver the National Payments Vision. Ahead of legislation, we will also prepare to become the anti-money laundering supervisor for professional services. Tackling illicit finance is fundamental for the trust and confidence required for growth. We hope plans for digital ID progress quickly as it could streamline know your customer requirements and further benefit firms and their customers. Faster legislation would also help us maintain the pace of reform, for instance the much-needed modernisation of the Consumer Credit Act.

Finally, I would like to acknowledge the commitment of my team at the FCA across London, Leeds and Edinburgh who have delivered at pace this year to ensure that the UK continues to excel at financial services, support economic growth and improve lives.

Yours sincerely,

Nikhil Rathi
Chief Executive

Annex: Progress against January 2025 growth commitments

1. Issued [final rules](#) to improve the investment research market.
2. Pension value for money framework work continued ahead of legislation being passed.
3. [Issued rules](#) reforming commodity derivatives framework.
4. Published, with PRA, [changes to bankers' bonuses](#).
5. Published [6 economic research projects](#).
6. Reformed [prospectus rules](#) to lower costs and help quicker company listings.
7. Established a [new platform for public offers](#), supporting greater investment.
8. Established [new private stock market](#) (PISCES) and approved first 2 operators.
9. Near final rules on targeted support to be published by end 2025.
10. Issued final rules to [simplify investment product information](#).
11. [Simplified insurance rules](#).
12. Streamlined assessment of [value reporting requirements](#).
13. Tendered for a [bond consolidated tape provider](#).
14. We will shortly issue an engagement paper on capital requirements for specialised trading firms.
15. [Appointed David Geale](#) as first Executive Director for Payments and Digital Finance and Managing Director PSR.
16. First day of trading under a T+1 standard now [set for 11 October 2027](#).
17. [16 applicants accepted](#) into new digital securities sandbox.
18. [Vision for digital assets](#) published and [consultation on fund tokenisation](#).
19. New [Credit Reporting Governance Body](#) established.
20. Consultation on reforming online pensions tools due before end of year.
21. Pension providers [able to connect to MAPS dashboard system](#) ahead of deadline.
22. Scheme operator for [variable recurring payments](#) (VRPs) legally incorporated.
23. Delivered [Policy sprint](#) and [research note](#) on open finance and banking.
24. Final rules allowing firms to set [contactless limit](#) to be published by end 2025.
25. Worked with life insurers to adopt [simpler, digital bereavement claim processes](#).
26. [Feedback on rule review published](#) and Consumer Duty requirements review issued.
27. Launched a new, [machine readable Handbook](#) in July.
28. Reduced the burden of [regulatory returns for 36,000 firms](#).
29. Consultation on changes to [Senior Managers and Certification regime](#) complete.
30. Removed the expectation for a [Consumer Duty Board champion](#) in February.
31. Embedded check on whether Consumer Duty sufficient across all relevant consultations.
32. [Clarified application](#) of interest stress test rule to mortgages.
33. Issued [policy statement](#) to simplify mortgage rules and increase flexibility.
34. Issued [discussion paper](#) on the future of the mortgage market.
35. Improved, with HM Treasury, effectiveness of [money laundering regulations](#).
36. 99.5% of cases [processed on time](#).
37. Increased proportion of forms submitted via digital platform from 8% in January to almost 40% by September.
38. [Dedicated case officer](#) for every firm in regulatory sandbox.
39. 50% more dedicated supervisors for early and high growth firms.
40. [Pre-application service](#) extended.

41. Over 200 firms informed that we are '[minded to approve](#)' them.
42. Progressed with HMT [a new legislative framework](#) to enable firms to conduct limited regulated activities with streamlined conditions.
43. Worked with partners to establish [Office for Investment: Financial Services](#)
44. Established presence at the [British Embassy](#) in Washington from April.
45. Established a [regional office in Asia-Pacific](#) from July 2025.
46. [Consulted](#) on industry wide scheme for motor finance compensation.
47. Consulted on [modernising the redress system](#) and [improved complaints reporting process](#).

List of completed actions for our Leeds Reforms and Mansion House growth activities

- Delivered a [regional sprint](#) in Leeds in October.
- We will report against proposed [new authorisation service standards](#) and voluntary targets from early 2026.
- Launched a [Scale-Up Unit](#) with the PRA.
- [Sought feedback](#) on the future regulation of alternative fund managers.
- Engaged with industry initiatives on digital ID.
- Consulted on plans to update the [client categorisation framework](#).
- Began the process of [integrating the PSR into the FCA](#).
- [Consulted](#) on ESG ratings regulation and launched a transition finance pilot with the PRA and Green Finance Institute (GFI).

Additional pro-growth measures delivered

- Launched [My FCA](#) for firm regulatory reporting.
- [Lifted the retail ban](#) on cryptoasset exchange traded notes (cETNs).
- [Began the removal](#) of Dear CEO portfolio strategy letters.
- Launched a [stablecoin-specific cohort](#) in our Regulatory Sandbox.