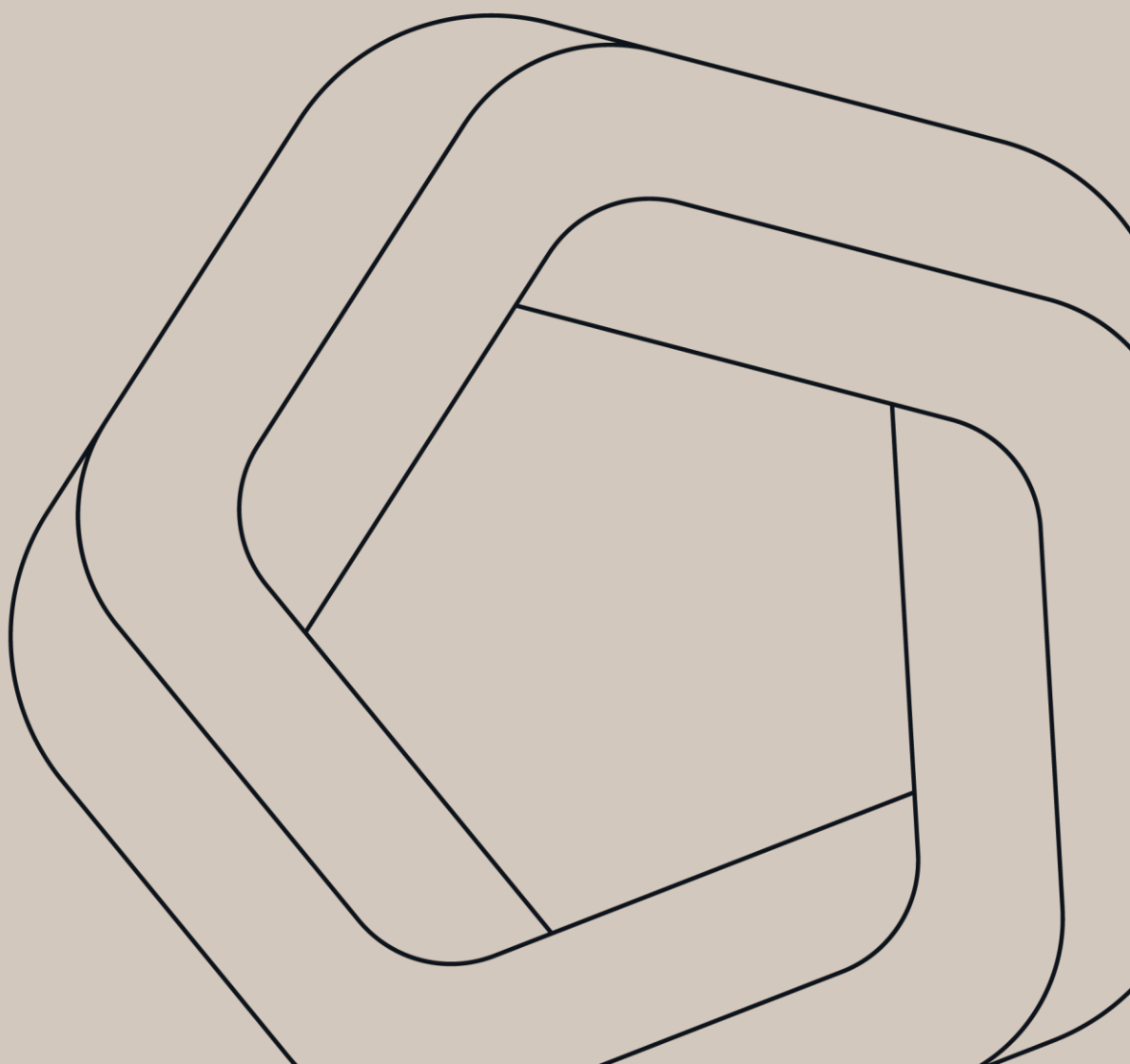


The FCA & Practitioner Panel 2026 survey

Key Findings
Produced by Verian

October 2026



2026 Joint Survey Foreword

FCA Chief Executive

Last year, we launched a new 5-year Strategy focused on four priorities: supporting growth, helping consumers, fighting financial crime, and becoming a smarter regulator.

The annual FCA & Practitioner Panel survey provides essential insight into how firms perceive our performance, and by extension, the progress we are making against the Strategy. I am grateful to everyone who took part.

This year's results are encouraging. Authorisations and enforcement - explored for the first time - received positive assessments, reflecting considerable work undertaken to address industry feedback. On the Consumer Duty, we took on board feedback that firms needed more support, and the high levels of understanding now reported indicate our guidance has helped. Banks and building societies have become the highest-rated sector in the UK Customer Satisfaction Index for the first time, suggesting consumers are feeling the difference too.

Firms are more positive about both the FCA's effectiveness as a regulator and the impact of our work. Trust in us remains high - something we do not take for granted.

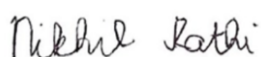
In response to feedback, we streamlined our supervisory approach, reduced information requests, and delivered more than 50 pro-growth measures. It is promising to see stronger scores now coming through across those areas, suggesting firms are feeling the benefits.

However, some firms continue to find regulation burdensome. While collecting data is essential to effective regulation, our approach must be proportionate and improvements felt consistently. Our progress on innovation, digital markets and new technologies is not yet being fully reflected in firms' experiences. There is more to do, particularly with smaller firms, to show how our innovation services can support competitiveness and growth.

These expectations go to the heart of our Strategy and our commitment to being a smarter regulator. Smart regulation is not regulating less, but regulating better: re-balancing risk, making better use of technology and data, and reducing burden where possible. And in doing so, being transparent about our choices and accountable for the outcomes they deliver.

These principles will guide our work over the coming year. I look forward to continued constructive engagement with the Panel, as we shape an agile regulatory system that supports consumers, innovation, competition, and sustainable growth.

Nikhil Rath



2026 Joint Survey Foreword

Practitioner Panel Chair

The Panel welcomes the positive findings from this year's survey, which indicate a notably improved picture across many aspects of firms' engagement with the FCA. We are also particularly encouraged by the strong levels of understanding of expectations under the Consumer Duty, indicating the regime has become embedded in firms' thinking and there is growing confidence in application of the rules.

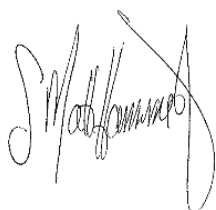
This year's survey also provides an early insight into industry perceptions of the FCA's 2025-30 Strategy. A substantial majority of firms view the Strategy as clear and believe the FCA is making good progress across its strategic priorities. The Panel welcomes these findings and believes they provide a good foundation for the FCA as it continues to deliver its long-term programme of change.

We note that while perceptions of competition and growth have improved, firms continue to be less positive about the FCA's performance in supporting innovation and delivering against its secondary international competitiveness and growth objective. This may reflect a need for greater clarity around the FCA's growth agenda, supported by practical examples of how regulatory reforms are intended to encourage investment, innovation and responsible risk-taking.

The results also highlight a continuing desire from firms for simpler regulation, greater predictability and a more proportionate regulatory framework – which raises questions around whether simplification initiatives are translating into meaningful reductions in regulatory burden or cost. Similarly, while perceptions of the volume of information requests have improved, data requests and regulatory coordination remain recurring themes, emphasising the importance of maintaining focus on streamlining data collection and making better use of information already held. We encourage the FCA to continue its work in these areas to ensure that improvements are experienced in practice as well as in principle.

Finally, the survey demonstrates that experiences continue to vary across different sectors and firm types. Examining these differences in greater depth will help the FCA to better understand the drivers of divergent results and identify where targeted improvements could have the greatest impact. We look forward to working with the FCA over the coming year to help ensure that positive momentum is translated into tangible improvements for firms, consumers and the wider UK financial services sector.

Matt Hammerstein

A handwritten signature in black ink, appearing to read 'Matt Hammerstein', with a stylized flourish at the end.

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The year at a glance: full permission firms



POSITIVE NEWS



75%

reported high trust in the FCA as a regulator, all things considered



76%

rated the FCA as a highly effective regulator in the last 12 months

↑ Up from 69% in 2025



79%

were highly satisfied with their relationship with the FCA in the last 12 months

↑ Up from 74% in 2025



CLARITY OF EXPECTATIONS



75%

found the FCA's Strategy 2025-2030 clear



88%

agreed their firm understands FCA expectations re: support for consumers and embedding the **Consumer Duty**



88%

felt the FCA explained well expectations re: **financial crime controls**



CONFIDENCE IN THE FCA'S DELIVERING AGAINST ITS STATUTORY OBJECTIVES

87%

Securing an appropriate degree of protection for consumers

85%

Ensuring relevant financial markets function well

85%

Protecting and enhancing the integrity of the UK financial system

72%

Promoting effective competition in the interests of consumers

54%

Delivering the Secondary International Competitiveness and Growth Objective (SICGO)



AREAS FOR FURTHER DEVELOPMENT

Proportionality, cost of regulation and regulatory burden



25%

actively said that the FCA does not act proportionately from a cost-benefit perspective

32%

actively said that the simplification of Handbook requirements had not helped to reduce costs

33%

said they received more information requests than seemed necessary in the last 12 months

Growth and innovation



32%

agreed that the FCA's innovation services were effective in supporting growth

38%

agreed that the FCA was able to adapt its regulatory requirements to respond efficiently to innovation

Financial Resilience Reporting (FIN073) was widely seen as an unnecessary burden on businesses



Overall, firms recognised improvements in their relationship with the FCA, in the FCA's effectiveness as a regulator and clarity of its communications but believed more needs to be done to support growth and innovation, and to ease regulatory burden.

Executive summary

Overall, the findings point to a strengthening relationship between firms and the FCA, with improvements in satisfaction, trust, perceptions of regulatory effectiveness and confidence in the FCA's delivery of its statutory objectives. The FCA continued to be viewed most positively in relation to its core regulatory responsibilities, particularly consumer protection, market integrity and financial crime.

Firms remained less positive about the FCA's contribution to growth, innovation and competitiveness, although confidence in the FCA promoting effective competition was up by 5 percentage points since 2025 to 72%. Significant improvement was also noted among fixed firms: their understanding of what the FCA is trying to achieve with the Secondary International Competitiveness and Growth Objective (SICGO) increased by 27 percentage points between 2025¹ and 2026, and their confidence in the FCA's delivery of SICGO increased by 25 percentage points. Concerns around proportionality, regulatory burden and information requests also persisted.

Key Driver Analyses suggest that the greatest opportunities to improve trust, satisfaction and perceptions of effectiveness lie in strengthening perceptions of the FCA as a smarter, more efficient and effective regulator, while more clearly demonstrating its contribution to supporting UK economic growth.

Confidence in the FCA's core regulatory role

The proportion of firms that reported a high level of satisfaction with their relationship with the FCA, based on all their firm's dealings with the FCA over the last 12 months, increased from 74% in 2025 to 79% in 2026. More firms also scored the FCA as highly effective in regulating the industry during this period (up 8 percentage points to 76% in 2026). Trust in the FCA is also strong, with 75% of firms reporting high trust. Most firms (76%) said that their level of trust hadn't changed over the last 12 months, but where trust had changed, firms were more likely to say that it had increased (17%) rather than decreased (6%).

There was a particularly strong increase in the proportion of Sell-side Wholesale firms that reported a high level of satisfaction with their relationship with the FCA, from 75% in 2025 to 86% in 2026. There was a similarly positive increase in the proportion of Sell-side Wholesale firms that rated the FCA as being highly effective in regulating the industry compared with 2025 (up 14 percentage points to 84% in 2026).

¹ Not all fixed firms were asked about SICGO in 2025 as not all of them were classified as non-Consumer Credit firms, the comparison is therefore based on non-CC firms only. See *Section 2.2: New reporting populations: full permission (FP) vs. limited permission (LP) firms* of the [Methodological note](#) for further details on this.

A series of Key Driver Analyses (KDA)² helps explain the factors underlying these positive results. Across satisfaction, trust and perceived effectiveness, a consistent picture emerges: firms' perceptions of the FCA as a smarter, more efficient and effective regulator represent the clearest opportunity for improvement. These measures are among the most influential drivers of overall perceptions but currently perform less strongly than other areas, indicating that improvements here could deliver meaningful gains across all three outcomes. The FCA's contribution to supporting the sustained growth of the UK economy also emerges as an important area of focus, particularly in strengthening satisfaction and perceptions of effectiveness.

At the same time, the analyses highlight a number of established strengths that are helping to sustain positive perceptions of the FCA. Confidence in the FCA's delivery of its core regulatory objectives, including protecting consumers, maintaining market integrity and tackling financial crime, combines high importance with strong performance and should therefore be maintained. Overall, the findings suggest that further improvements in satisfaction, trust and perceived effectiveness are most likely to come from building on these existing strengths while continuing to demonstrate that the FCA operates efficiently, proportionately and effectively, and that its activities support wider economic growth.

Compared with 2025, confidence in the FCA's ability to deliver on all four of its statutory objectives has improved. Confidence was particularly strong in relation to securing an appropriate degree of protection for consumers (87%), ensuring relevant financial markets function well (85%), and protecting and enhancing the integrity of the UK financial system (85%). Confidence was comparatively lower in relation to the FCA's objective of promoting effective competition in the interests of consumers in financial markets, although a substantial majority of firms were nevertheless confident in this (72%).

Compared with the FCA's delivery of its four statutory objectives, firms were less confident in the FCA's delivery of SICGO. Overall, 54% of firms reported being confident that the FCA is delivering on this objective, while fewer than half (46%) said that they understood well the aims of the SICGO objective.

There was an increase, however, in the proportion of firms agreeing that the work of the FCA enhances the reputation of the UK as a financial centre, from 67% in 2025 to 71% in 2026. Among fixed firms, the result was 89%, up 31 percentage points from 2025.

² KDA uses regression analysis to identify the factors most strongly associated with the outcome measure and to assess their relative importance in driving that outcome. For a more detailed overview of the methodology, see [Section 7.2: Key Driver Analysis](#) in the [Methodological note](#), or a summary of the function and meaning behind this analysis in [Section 1.3](#) of this report.

Most firms found the FCA's Strategy 2025-2030 to be clear (75%) and 88% agreed that their firm understands overall what the FCA expects in terms of support for consumers and embedding the Consumer Duty.

Firms were generally positive about the FCA's communications and had become more likely to view them as consistent (80%, up from 78% in 2025). Most saw FCA communications as clear (74%) and relevant (68%). However, firms were slightly less likely to view them as concise (63%).

Growth and innovation

Overall, 38% of firms agreed that the FCA is effective at supporting the development of digital markets and new technologies in financial products and services, and 38% of firms were in agreement that the FCA is able to adapt its regulatory requirements to respond efficiently to innovation and new challenges.

While 54% of firms were aware of the FCA's innovation services, relatively few had engaged with them directly (3% of firms overall, equivalent to 6% of those who were aware of the services). However, awareness of these services was associated with more positive perceptions of the FCA's support for innovation. For example, 47% of those aware of the innovation services agreed that the FCA is effective at supporting the development of digital markets and new technologies in financial products and services, compared with 38% of full permission firms overall.

Regulatory burden and efficiency

Simplification of the requirements on firms in the FCA Handbook were not widely seen to have had a positive impact on cutting firms' costs or improving market and consumer outcomes. Firms identified reporting standards (69%) and firm governance (68%) as the areas where the FCA most needed to simplify its conduct requirements.

Regulatory burden remained the most consistent area of concern for firms, particularly in relation to the volume and timing of information requests. While the proportion of firms describing the volume of requests as 'about right' increased from 33% in 2025 to 38% in 2026, the proportion saying that there are 'more than seem necessary for the FCA to do its business' remained essentially unchanged at 33% (compared with 31% in 2025). The challenge of collating data requested by the FCA remained an issue for many. The same proportion of firms agreed that the information requested by the FCA is often difficult to collate (33%) as disagreed (31%).

There was progress in terms of perceived coordination between the FCA and the PRA, with the proportion of firms that disagreed the two organisations are appropriately co-ordinated in their supervision of their firm falling from 11% in 2025 to 5% in 2026.

Size and sector differences

Please see [Chapter 3: Results by type, size and sector](#) which examines further differences between full permission firms according to their type, size and sector.

1. Introduction

1.1 Purpose of the survey

The FCA & Practitioner Panel survey is one of the FCA's most important mechanisms for gathering feedback from the firms it regulates. Conducted annually, the survey serves a dual purpose. First, it provides evidence on how firms perceive the FCA across a range of areas, including confidence in the FCA's ability to deliver its statutory objectives and strategic priorities, experiences of supervision and authorisations, perceptions of regulatory burden, and views on the FCA's communications. Second, it helps identify areas where further improvement may be required, enabling the FCA, the Practitioner Panel and the Smaller Business Practitioner Panel to better understand the needs, concerns and priorities of regulated firms.

The findings from the survey are considered alongside other sources of evidence and stakeholder feedback and are used to inform ongoing improvements to the FCA's approach to regulation. The survey also supports the Practitioner Panel in its role of providing constructive challenge and independent oversight on behalf of the industry.

The FCA & Practitioner Panel 2026 survey was conducted online between January and April 2026 and, for the second consecutive year, all eligible firms or groups were invited to participate. This census-based approach provides a broad and comprehensive picture of views across the regulated firm population and enables the FCA to understand how perceptions vary between different types of firms.

While the survey includes firms from across the regulated population, the FCA's regulatory remit and supervisory approach are not experienced uniformly by all firms. Consequently, understanding how experiences and perceptions differ by firm type, size and sector remains a key objective of the research. A series of methodological changes were introduced in 2026 with the aim of supporting this objective and to ensure the survey continues to provide insight that is both robust and relevant to the evolving regulatory landscape.

1.2 Improvements introduced in 2026

The 2026 survey represents the most significant methodological refresh of the FCA & Practitioner Panel survey for several years. The changes have been designed to improve the alignment of the survey with the FCA's current regulatory population, strengthen the quality of analysis and reporting, and provide a more meaningful basis for understanding differences between firms of different types.

Although care has been taken to ensure continuity where this is possible, readers should note that some aspects of the survey design, reporting structure and questionnaire have changed since 2025. As a result, not all results can be directly compared with those of previous years. Where comparisons are presented in this

report, they are limited to ones between 2025 and 2026 results; these comparisons have been subject to methodological review to ensure they remain valid and meaningful.

The 2026 survey has moved away from reporting focused on Consumer Credit (CC) vs non-Consumer Credit (non-CC) firms. FP firms now form the primary reporting population, reflecting the FCA's strategic focus and providing a more meaningful basis for understanding firms' regulatory experiences.

In addition, a firm size classification has been introduced, allowing differences between large, medium and small firms to be identified. The sector classification has also been updated, providing a more accurate representation of today's regulated population. Findings according to firm size and sector are reported in [Chapter 3](#).

These improvements aim to strengthen overall confidence in the findings and look to provide a more robust foundation for understanding how firms perceive the FCA today.

Further details of the improvements to the 2026 survey can be found in the accompanying [Methodological note](#).

1.3 Purpose of this report, its structure and key reporting conventions

The FCA & Practitioner Panel 2026 survey content is broad and its data set large. As outlined in [Section 1.4](#), the full survey results and supporting materials are available in accompanying publications.

This report, however, is intended as a concise overview of the key findings from the survey. The primary objective of this report is to highlight the most important themes emerging from the research, particularly those areas where firms' perceptions have changed since 2025, where differences exist between firms by type, size or sector, and where the findings provide other useful insight into firms' experiences of the FCA.

The report is structured as follows:

- The year at a glance: full permission firms infographic provides a visual summary of some of the key findings for full permission firms in 2026.
- [Chapter 2: Key findings](#) presents a comprehensive overview of the key findings from the perspective of all regulated firms with full permissions.
- [Chapter 3: Results by type, size and sector](#) explores the findings in greater detail, examining variations in findings by firm type, size and sector, highlighting where experiences differ across the regulated population of full permission firms. By 'type' we essentially mean Fixed firms.

To help navigation of the report and the charts, some key reporting conventions are:

- In figures throughout the report, green or red arrows to the right of a value signify a statistically significant change in that value between 2025 and 2026 (at the 95% confidence level), as shown here.

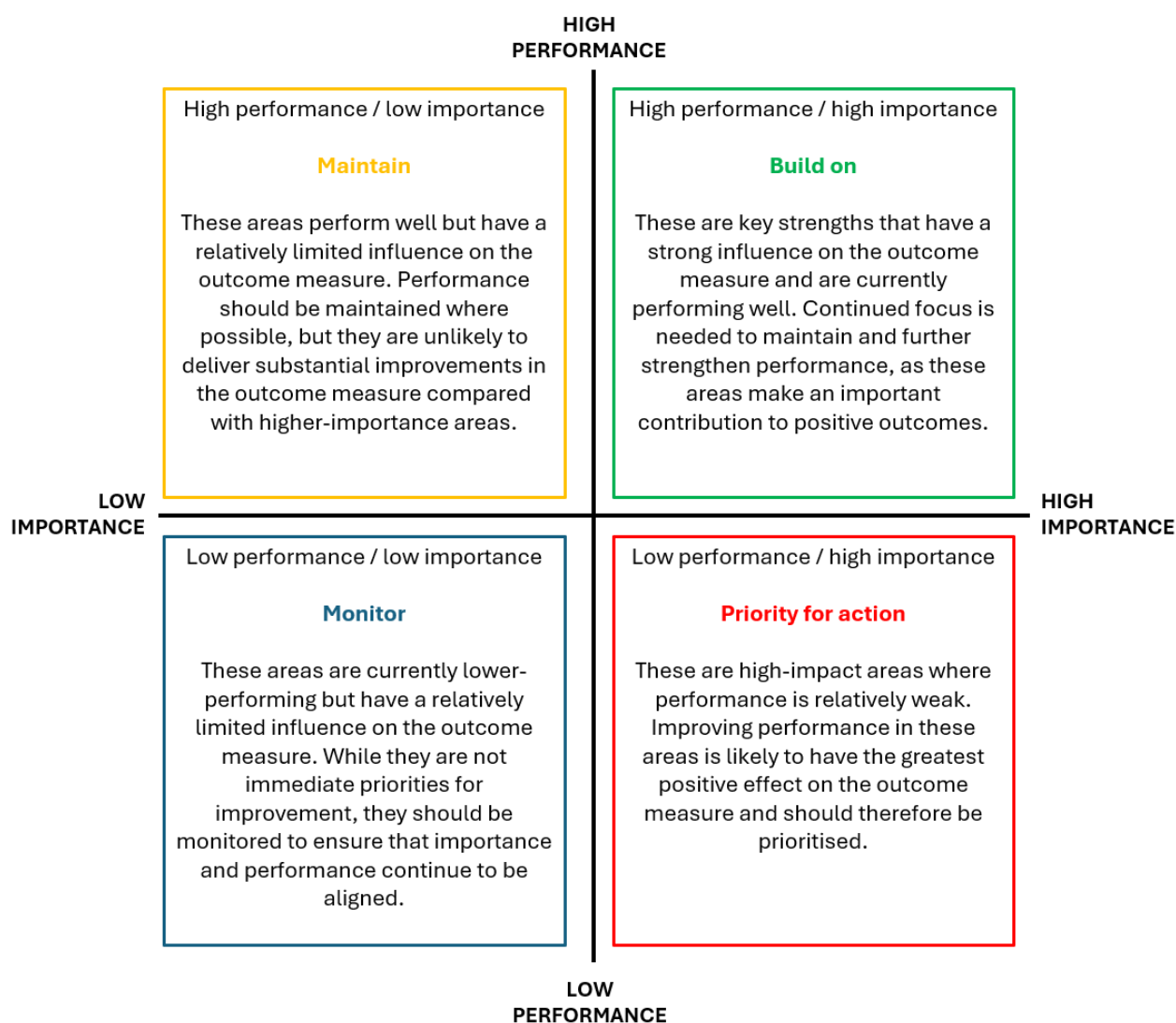
↑ Statistically significant **increase** since 2025

↓ Statistically significant **decline** since 2025

- Any statistically significant differences are clearly signalled through the language used (e.g. 'strengthened', 'improved', 'declined' or 'fallen'). Statistical significance indicates that a difference is unlikely to be due to chance and is therefore likely to reflect a genuine change or difference in firms' views. Where results are described as 'stable', 'broadly unchanged' or 'in line with' the previous year, the difference is not statistically significant. In a small number of cases, the commentary highlights non-statistically significant differences where these provide useful context; this is made explicit and applies only to results based on small populations.
- Base descriptions shown at the bottom of a chart may also contain information about the proportion of 'don't know' responses in cases where these are not shown in the chart itself.
- For questions using 4-point and 5-point scales, where the top two and bottom two categories relate to the same fundamental measure but differ in terms of degree (for example, 'very confident' and 'fairly confident', or 'not very confident' and 'not at all confident'), the report focuses on 'netting' these categories (i.e. 'confident' or 'not confident'), unless otherwise specified.
- For questions using a 10-point scale, responses are typically grouped into three bands for reporting. The precise naming of the bands varies according to the specific question wording, but the underlying approach is that the 'high' category consists of scores of 7-10 out of 10, the 'middle/ moderate' category consists of scores of 4-6 out of 10, and the 'low' category consists of scores of 0-3 out of 10 (or 1-3 out of 10, where there is no zero score).
- All quotations are presented verbatim. Minor spelling and grammatical errors have not been corrected.
- To help prioritise areas for improvement for key outcome measures (satisfaction with the relationship with the FCA, perceptions of FCA's effectiveness as a regulator, and trust in the FCA as a regulator), a Key Driver Analysis (KDA) was conducted. KDA uses regression analysis to identify the factors most strongly associated with the outcome measure and to assess their relative importance in driving that outcome. While performance scores indicate how firms rate various aspects of the regulatory relationship and experience, KDA helps identify which of these aspects are most influential in shaping the overall outcome measure. This

provides additional insight into where improvements are most likely to have the greatest impact, while also highlighting areas of strong performance that should be maintained. The results are presented in an importance-performance matrix, which plots each attribute according to its relative importance and performance score, as shown in [Figure 1.1](#), and is explained in more detail in [Section 7.2](#). Key Driver Analysis in the [Methodological note](#) published alongside this report.

Figure 1.1: Key Driver Analysis: Importance-performance matrix & quadrant meaning



1.4 Accompanying resources

Complete survey results – slide-based report

A full slide-based report containing the [complete survey results](#) is published alongside this report. It has been produced to ensure full transparency of the results and to enable readers to explore areas of particular interest in greater depth.

For this comprehensive report, the FCA & Practitioner Panel 2025 survey results have been re-run, to facilitate comparison of 2025 and 2026 results for full and limited permission firms. The report details results broken down by whether the firm is Fixed or Flexible, as well as by size and sector.

Results for limited permission firms are included in a dedicated section of the full slide-based report, supported by summary slides. These findings are not covered in this short report, which focuses on full permission firms.

In combination, the two reports provide a comprehensive picture of how regulated firms view the FCA in 2026 and offer an important source of evidence for future regulatory improvement.

Methodological note

A separate [methodological note](#) provides full details of the survey design, sampling approach, fieldwork, data quality assurance, weighting and analysis.

The methodological note also provides:

- The 2026 questionnaire, as well as a summary table of questionnaire changes made between the 2025 and 2026 surveys.
- Copies of all communication materials sent to firms over the course of fieldwork.

Glossary & abbreviations

Table 1.1: Glossary and abbreviations

Appointed Representatives (ARs)	An appointed representative (AR) is a person or business that, under a contractual arrangement with an FCA- authorised firm (the “principal”), is permitted to carry out specified regulated activities, with the principal taking regulatory responsibility for those activities.
CBA Size	Firms are classified by the FCA as Large, Medium or Small based on Cost Benefit Analysis (CBA) sizing developed by the FCA's Economics Department. This approach groups firms based on their overall regulatory footprint and scale, drawing on fee-block information (linked to the firm's regulated activities) alongside other relevant characteristics.
Consumer Credit (CC) firms	Firms authorised by the FCA to provide credit products or services to consumers, i.e. firms that lend money, extend credit to individuals, or support consumer lending activities (e.g. broking or debt-related services).
Fixed firms	This small number of firms receive the highest level of supervisory attention via a named supervisor.
Flexible firms	These firms are subject to thematic supervision per sector or subsector – with contact provided via the FCA's Supervision Hub.

Full Permission (FP) firms	FCA-authorised firms that have full regulatory permissions to carry out a wide range of regulated financial activities, rather than being restricted to a limited set of activities. These firms include nearly all non-Consumer Credit firms and some Consumer Credit firms
Limited Permission (LP) firms	FCA-authorised firms that have restricted permissions to carry out a narrow set of regulated activities, typically within consumer credit, e.g. credit brokers like motor dealers or dentists, or providers of debt-related services. These firms include most Consumer Credit firms and fewer than 40 non-Consumer Credit firms.
Non-Consumer Credit (non-CC)	Firms authorised by the FCA to provide financial services and products to consumers outside of the consumer credit sector.
Portfolio	Firms are categorised by the FCA into specific portfolios (e.g. Wealth Management, Alternative Investments, Consumer Investments) and applies a market-wide strategy to each portfolio to address specific potential consumer harms or market risks.
Principal firms	A principal firm is an authorised firm that appoints an appointed representative to undertake specified regulated activities under a contractual arrangement and is responsible for ensuring those activities comply with FCA rules, including oversight, monitoring, and consumer protection.

2. Key findings

This chapter provides a comprehensive overview of the key findings from the perspective of all regulated firms with full permissions. Comparisons between 2025 and 2026 are made where tracking is possible.³

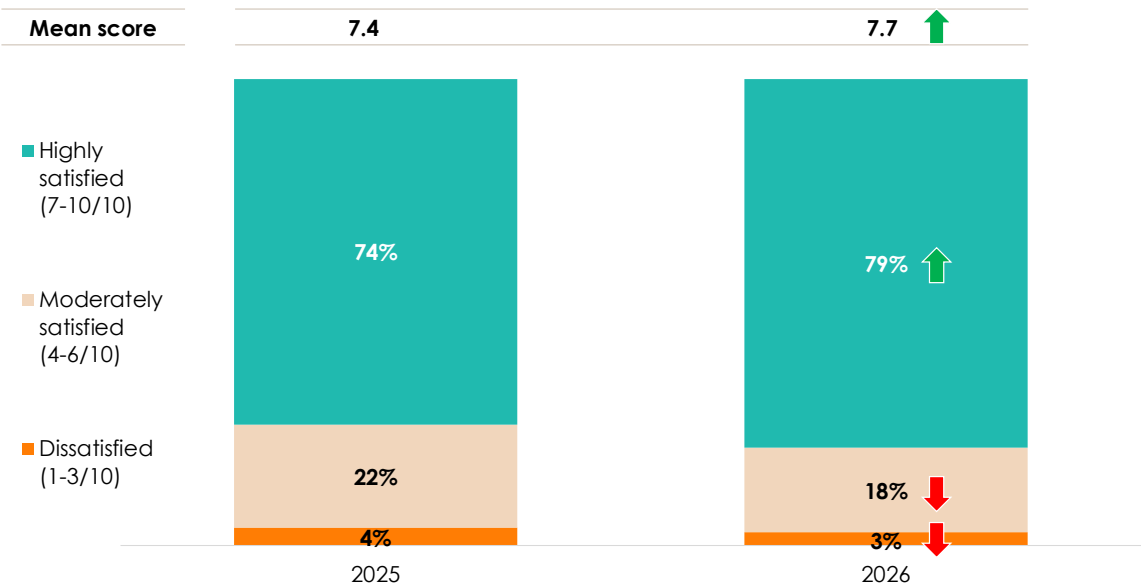
2.1 Overall direction of travel: sentiment towards the FCA has improved

Key measures of firms' perceptions of and relationship with the FCA are predominantly positive and have improved between 2025 and 2026. Firms were notably less positive when assessing the FCA's contribution to growth, innovation and competitiveness, although results are better than 2025.

Satisfaction with the FCA relationship

Firms' satisfaction with their relationship with the FCA in the last 12 months improved between 2025 and 2026, with the proportion of highly satisfied firms increasing from 74% in 2025 to 79% in 2026. [Figure 2.1](#) summarises these results.

Figure 2.1: Firms' satisfaction with their relationship with the FCA in the last 12 months (2025/2026)



Base: All FP firms (2026: 4,064, 2025: 6,010).

Question: Q1 [SATISFACTION]. Taking into account all of your firm's dealings with the FCA in the last 12 months, how satisfied are you with the relationship?

³ See Section 6.3: Sensitivity Analysis in the [Methodological note](#) for further details on tracking.

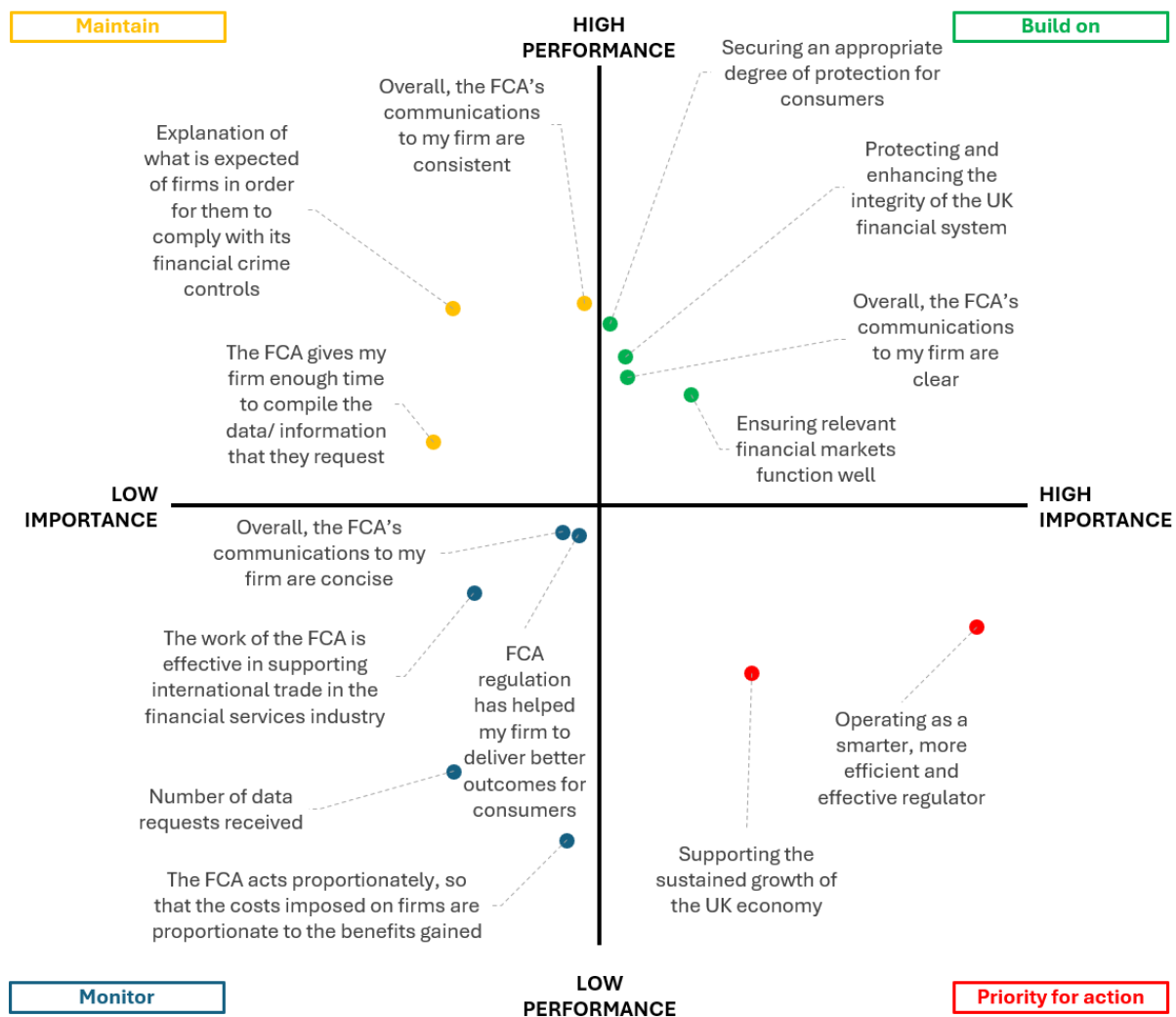
To help prioritise areas for improvement activity, a Key Driver Analysis (KDA)⁴ was undertaken to identify the factors most strongly associated with firms' overall satisfaction with their relationship with the FCA. The results, presented in [Figure 2.2](#), indicate the aspects of the regulatory relationship that are most strongly associated with satisfaction, helping to highlight where improvements are most likely to have the greatest impact, while also identifying areas of strong performance where effort should be maintained.

For example, 'Supporting the sustained growth of the UK economy' appears in the bottom-right 'Priority for action' quadrant of the importance-performance matrix. This indicates that perceptions of this aspect are relatively important in driving the overall outcome measure, but its performance is comparatively weaker than other attributes included in the analysis. As a result, it represents a potential priority area for improvement. Because this factor has a strong influence on the overall outcome, improvements in performance are likely to have a greater impact on overall results than improvements in attributes that are less important drivers.

By contrast, 'Securing an appropriate degree of protection for consumers' appears in the top-right ('Build on strengths') quadrant of the importance-performance matrix. This indicates that the attribute is both an important driver of the overall outcome measure and an area where performance is already relatively strong. As a result, it represents a key strength. Maintaining strong performance in this area is important because it makes a significant contribution to overall outcomes, and any deterioration could have a material negative impact. While it is not a priority for improvement in the same way as attributes in the 'Priority for action' quadrant, continued focus on sustaining and, where possible, enhancing performance is likely to help support positive overall results.

⁴ For an overview of the methodology used to calculate key drivers, see *Section 7.2: Key Driver Analysis* in the [Methodological note](#) or a summary of the function and meaning behind this analysis in [Section 1.3](#) of this report.

Figure 2.2: KDA importance-performance matrix for 'satisfaction with the FCA relationship' (2026)



Overall, the key driver analysis indicates that the greatest opportunity to continue improving overall satisfaction lies in actively strengthening the FCA's performance as a smarter, more efficient and effective regulator, while also demonstrating how its work supports sustained UK economic growth (high importance, low performance bottom right quadrant). Both of these factors combine relatively high importance with below-average performance, meaning that progress in these areas is likely to have the greatest impact on satisfaction.

Areas such as clarity around financial crime controls, consistency of communications, and consumer protection (high importance, high performance upper right quadrant) are existing strengths that should be maintained. These factors are important drivers of overall satisfaction with the FCA relationship and are currently performing well, meaning they already make a strong positive contribution to overall outcomes. Maintaining performance in these areas is therefore important, although they

represent less urgent priorities for improvement than attributes that combine high importance with lower performance.

While perceptions of proportionality of FCA action are less positive than many other measures, they are not among the strongest drivers of satisfaction with the FCA relationship. This suggests that, although there may be scope for improvement, attention should be focused first on the strategic effectiveness measures that have a greater influence on firms' overall views of the FCA.

Trust in the FCA as a regulator

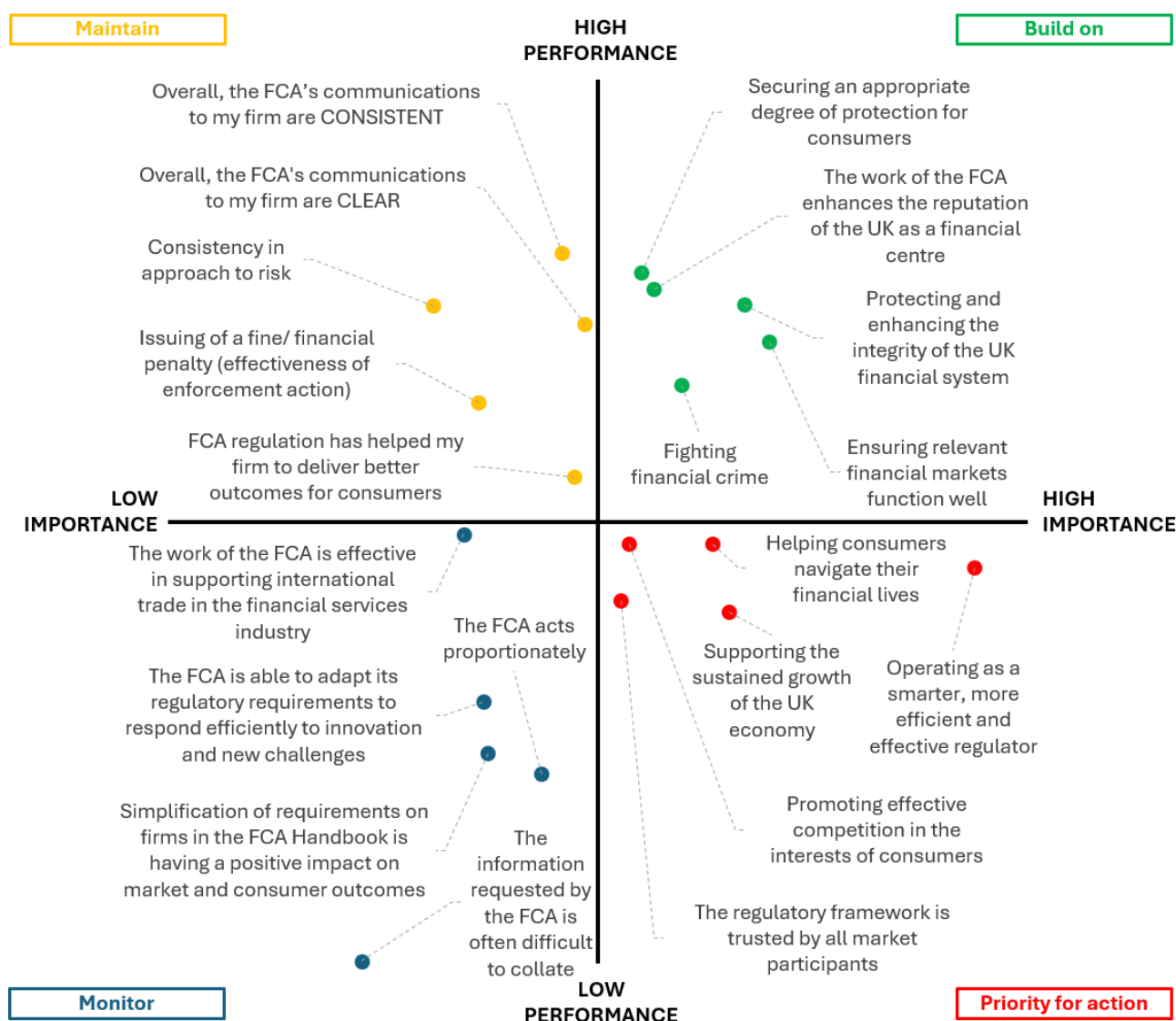
Firm trust in the FCA is closely aligned with the FCA's current 2025-2030 Strategy, which identifies 'deepening trust' as a central objective. The strategy recognises that trust in the regulator is essential for well-functioning financial markets, as firms are more likely to engage constructively with regulation, invest with confidence, and support good customer outcomes when they view the FCA as predictable, proportionate and effective. Building and maintaining trust helps the FCA achieve its wider priorities of supporting growth, helping consumers and reducing harm, while also encouraging openness and cooperation between firms and the regulator. Understanding levels of firm trust in the FCA therefore provides an important measure of whether the FCA is successfully delivering against its strategic ambition to be a smarter, more effective regulator.

Levels of trust in the FCA were high in 2026 and showed signs of strengthening compared with 2025. Overall, 75% of firms reported high levels of trust in the FCA, with a mean score of 7.4 out of 10. Most firms (76%) in 2026 said that their trust in the FCA had stayed the same over the previous 12 months, while more firms reported an increase in trust (17%) than a decrease (6%). In 2026, the net change in trust was therefore +11 percentage points, an improvement from a +1 percentage point net change in 2025.

While levels of trust are already strong, it is important to continue monitoring and strengthening this over time. To help prioritise areas for action, a Key Driver Analysis (KDA)⁵ was undertaken to identify the factors most strongly associated with the level of trust firms have in the FCA as a regulator. The results, presented in [Figure 2.3](#), indicate where improvements are likely to have the greatest influence on trust, while also highlighting areas of strong performance where effort should be maintained.

⁵ For an overview of the methodology used to calculate key drivers, see [Section 7.2: Key Driver Analysis](#) in the [Methodological note](#).

Figure 2.3: KDA importance-performance matrix for 'trust in the FCA as a regulator' (2026)



The findings suggest that trust is driven both by maintaining confidence in the FCA's delivery of its core regulatory objectives (high performance and high importance 'Build on' quadrant) and by improving perceptions of its overall effectiveness and efficiency as a regulator (low performance and high importance 'Priority for action' quadrant). In other words, while the FCA performs strongly in areas such as market integrity, consumer protection and tackling financial crime, the greatest potential for increasing trust lies in demonstrating a smarter, more proportionate and effective regulatory approach, alongside supporting wider economic and consumer outcomes.

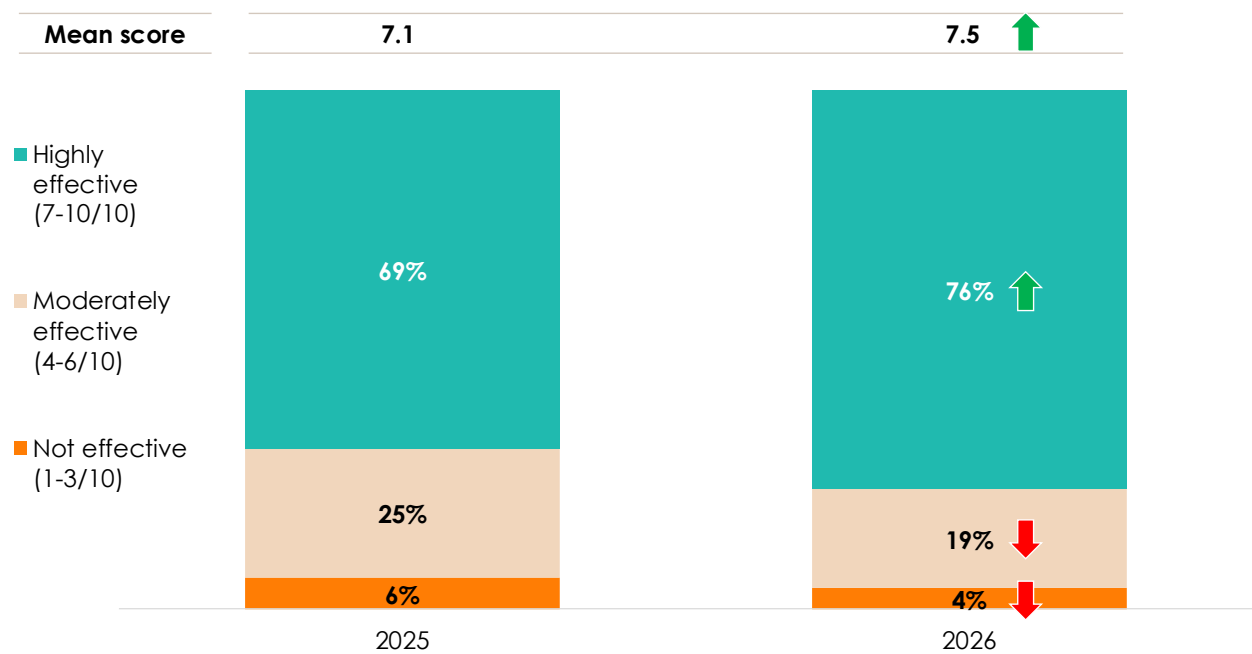
2.2 Confidence in the FCA's core regulatory role

Between 2025 and 2026, there were widespread positive changes in firms' perceptions of the FCA's effectiveness and its delivery against the statutory objectives.

Effectiveness as a regulator of the financial services industry

Perceptions of the FCA's effectiveness as a regulator improved between 2025 and 2026, with the proportion of firms giving a high effectiveness rating (scoring 7-10 out of 10) increasing from 69% in 2025 to 76% in 2026. The mean effectiveness rating increased from 7.1 to 7.5 out of 10 over the same period. Figure 2.4 summarises these results.

Figure 2.4: Perceptions of FCA effectiveness as a regulator of the financial services industry over the last 12 months (2025/2026)



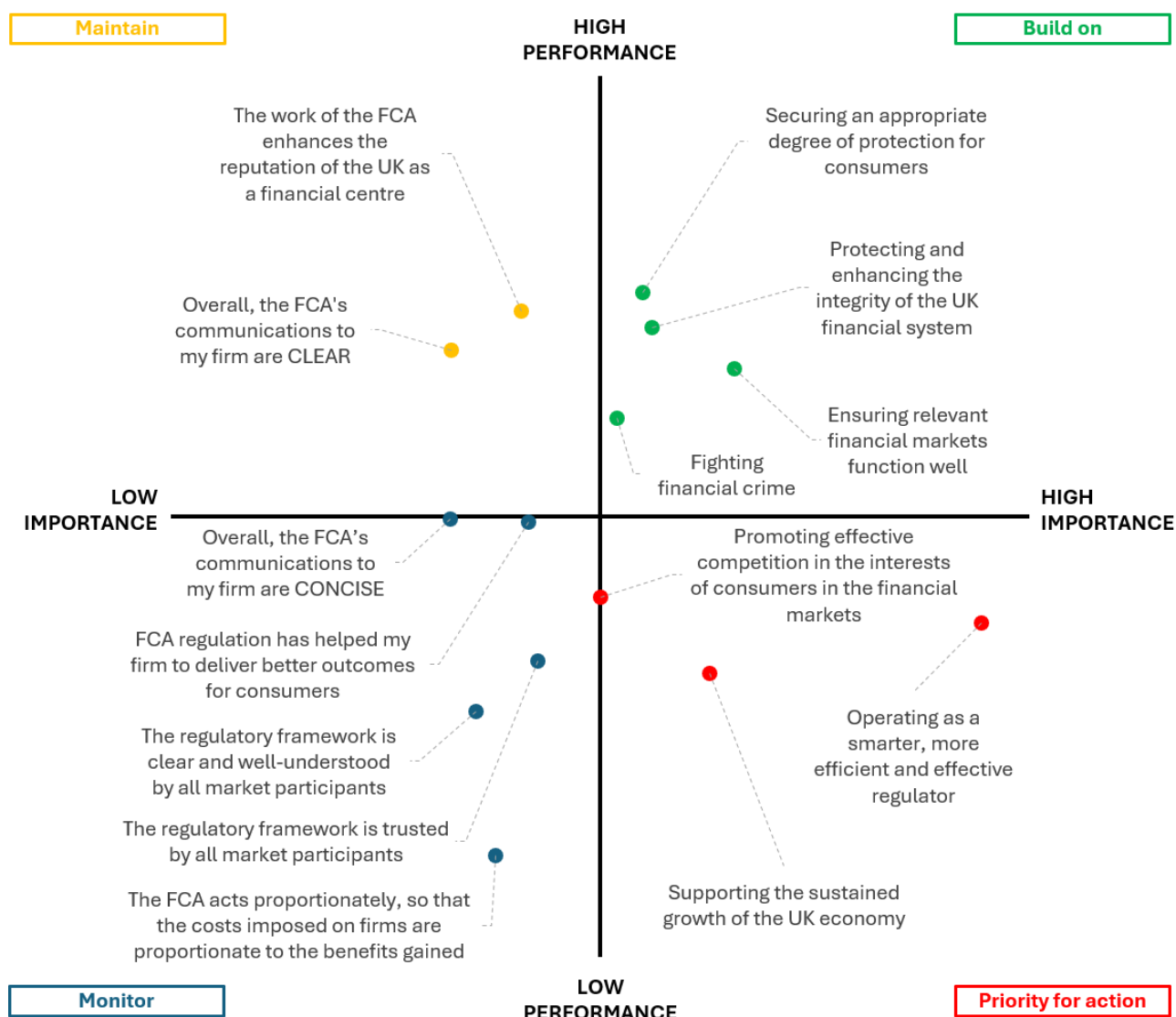
Base: All FP firms (2026: 4,064, 2025: 6,010).

Question: Q2 [EFFECTIVENESS]. Overall, from your firm's perspective, how effective has the FCA been in regulating the financial services industry in the last 12 months?

To help prioritise areas for action, a Key Driver Analysis (KDA)⁶ was undertaken to identify the factors most strongly associated with perceptions of the FCA's effectiveness as a financial services industry regulator. The results, presented in Figure 2.5, indicate where improvements are likely to have the greatest influence on perceptions of effectiveness, while also highlighting areas of strong performance where effort should be maintained.

⁶ For an overview of the methodology used to calculate key drivers, see Section 7.2: Key Driver Analysis in the [Methodological note](#).

Figure 2.5 KDA importance-performance matrix for 'effectiveness of the FCA as a regulator' (2026)



The analysis suggests that the FCA's greatest opportunity to continue strengthening perceptions of its effectiveness lies in improving its performance as a smarter, more efficient and effective regulator (high importance, low performance quadrant). This is the strongest driver of effectiveness but performance leaves room for improvement, indicating that improvements in this area are likely to have the greatest impact on overall perceptions of effectiveness.

The FCA's role in supporting sustained UK economic growth also emerges as an important improvement priority (high importance, low performance quadrant). While it is a relatively important driver of effectiveness, performance is below average, suggesting that progress in this area could contribute meaningfully to more positive perceptions of the FCA's effectiveness as a regulator.

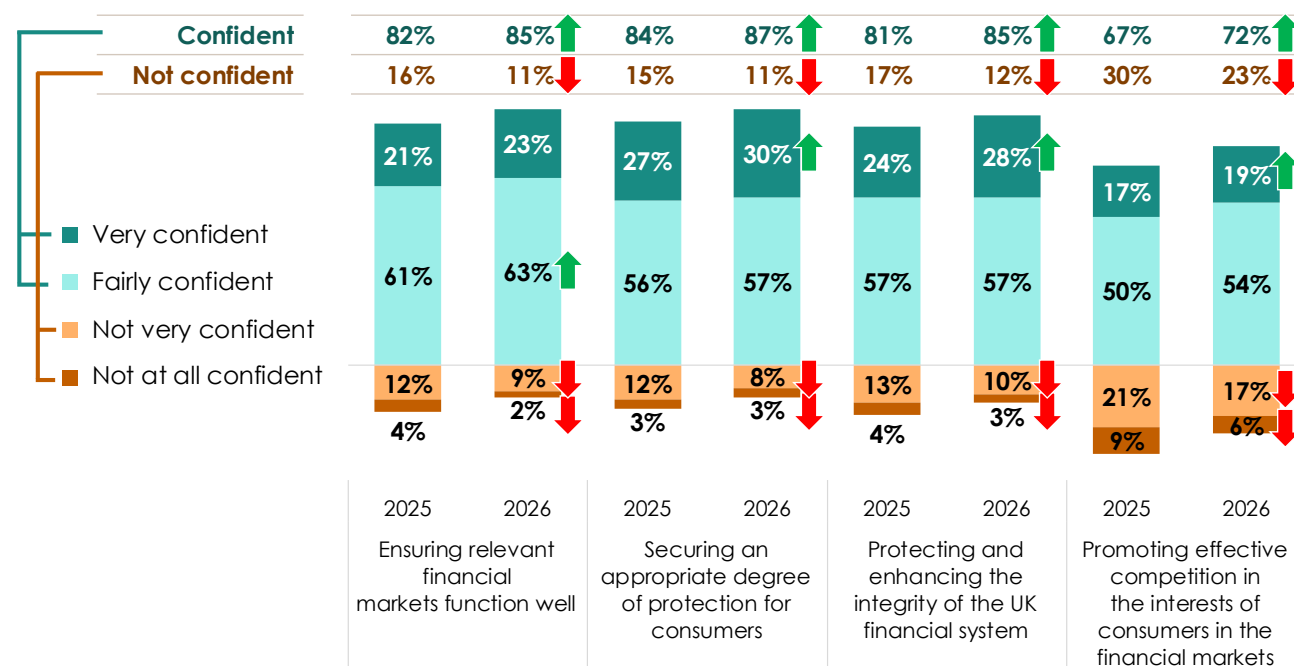
By contrast, confidence in the FCA's delivery of its statutory objectives (high importance, high performance quadrant) represents a clear strength. These areas perform comparatively well and should be maintained given their importance.

Perceptions of the proportionality of FCA action, together with views on the clarity and trustworthiness of the regulatory framework (low importance, low performance quadrant), perform less strongly than average but are also relatively weaker drivers of effectiveness. As a result, these areas are lower priorities for action in the context of improving perceptions of effectiveness, although they should continue to be monitored to ensure that performance does not deteriorate.

Delivery of the FCA's statutory objectives

Confidence in the FCA's delivery of its statutory objectives strengthened across all four objectives between 2025 and 2026, indicating a general improvement in firms' perceptions of regulatory performance. Figure 2.6 shows performance on each objective in 2025 and 2026.

Figure 2.6: Confidence in the FCA's delivery of its statutory objectives (2025/2026)



Base: All FP firms (2026: 4,064, 2025: 6,010). 'Don't know' answers not shown (left to right: 2%, 3%, 1%, 2%, 2%, 2%, 3%, 5%).

Question: Q3 [CONFOBJ]. How confident are you that the FCA is delivering on each of its statutory objectives?

Confidence was highest in relation to consumer protection (87%), ensuring relevant financial markets function well (85%), and protecting and enhancing the integrity of the UK financial system (85%). Improvements were recorded across each of these objectives compared with 2025, suggesting that firms increasingly recognised the FCA's effectiveness in delivering against its core statutory responsibilities.

While confidence in the FCA's delivery of its competition objective also improved, rising from 67% to 72%, it remained the lowest rated of the four objectives. This suggests that, although firms acknowledge progress, the FCA's role in promoting effective competition continues to be less strong, less visible or less well understood than its work on consumer protection, market integrity and market functioning.

Anti-money laundering systems and controls

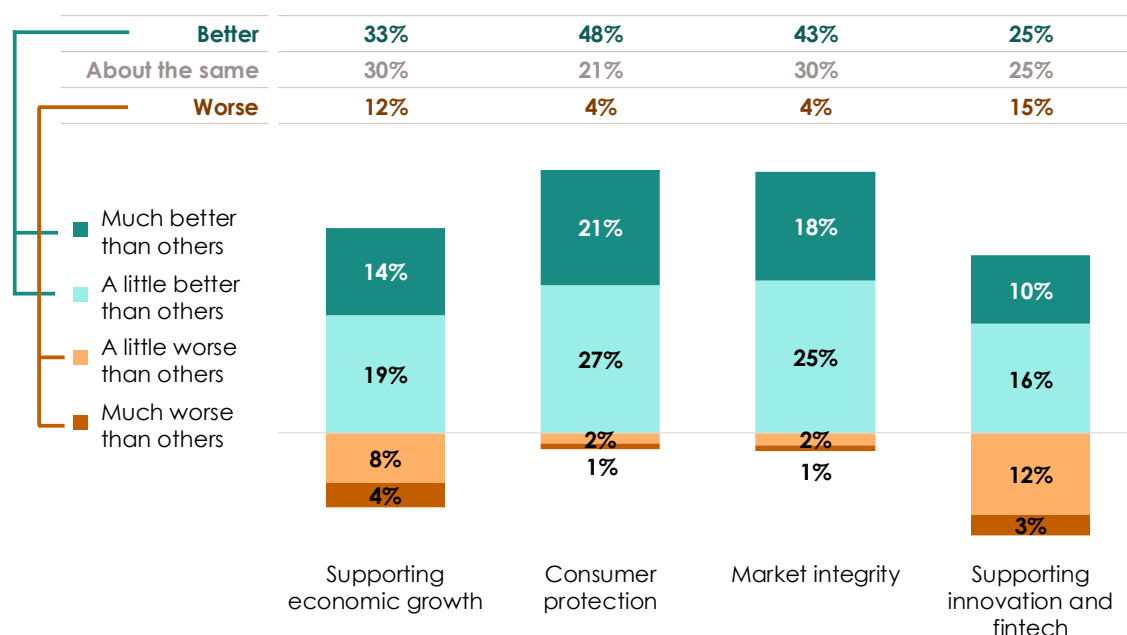
Attitudes towards the FCA's anti-money laundering (AML) systems and controls were generally positive and remained stable compared with 2025.

Overall, 75% of firms agreed that the FCA's AML systems and controls response was proportionate, while 4% disagreed. This is consistent with 2025 when 76% of firms agreed. The proportion of firms that agreed that the FCA's AML systems and controls response is effective at tackling levels of money laundering risk also remained stable (65% in 2026, compared with 66% in 2025). Only 6% of firms disagreed in 2026, in line with the 5% of firms that disagreed in 2025.

Comparisons with other global financial regulators

Among firms that operate and are regulated outside the UK (18% of all full permission firms), the FCA compared most favourably with financial regulators in other global financial centres (such as New York, Singapore and Hong Kong) in areas closely aligned to its primary objectives. Consumer protection and market integrity stand out as particular strengths, with substantially more firms rating the FCA better rather than worse compared with its global counterparts. Perceptions were less positive in relation to economic growth, innovation and fintech. While the balance of opinion remained favourable overall, firms were more likely to say that the FCA was worse than other global financial regulators in these areas than in relation to consumer protection or market integrity. This pattern reinforces a broader emerging theme: firms appear more confident in the FCA's delivery of its traditional regulatory responsibilities than in its newer role supporting growth, competitiveness and innovation. [Figure 2.7](#) summarises these results.

Figure 2.7: Views on the FCA compared with other global financial regulators (2026)



Base: All full permission firms that operate and are regulated outside the UK (789). 'Don't know' answers not shown (left to right: 25%, 28%, 24%, 35%).

Question: Q22 [INTREG2]. How does the FCA compare to financial regulators in other leading global financial centres (e.g. New York, Singapore and Hong Kong) on each of the following. Would you say the FCA is....

The relationship between firms' comparisons of the FCA with global regulators and their overall satisfaction is particularly notable. Firms that viewed the FCA less favourably than global regulators reported materially lower levels of satisfaction with their relationship with the FCA. For example, while 79% of all firms that operate and are regulated outside the UK were highly satisfied with their relationship with the FCA, this fell to 61% among those who thought the FCA was worse than other regulators at supporting growth. This suggests that perceptions of the UK's international competitiveness may play a role in shaping wider attitudes towards the regulator.

Market abuse – views of wholesale firms

Market abuse can occur in a number of ways. Firms or individuals may make delayed or misleading disclosures, for example when listed issuers do not disclose inside information in a timely manner or issue misleading statements. There may also be insider dealing, whereby people with access to inside information disclose it unlawfully and/or use it to trade in their own financial interests. Finally, market manipulation may be an issue when trades are made in a way designed to manipulate the price of a financial instrument.

Views on market abuse and the FCA's response remained stable among wholesale market firms between 2025 and 2026. Firms remained divided on the scale of the market abuse challenge itself, but confidence in the FCA's handling of market abuse

remained strong and the FCA was seen to outperform other global regulators in this respect.

Firms involved in wholesale markets held mixed views on the scale of market abuse in the UK. Overall, 46% of firms regarded it as a big issue, while 40% considered it either not a very big issue or not an issue at all. These perceptions were largely unchanged from 2025.

Views of the FCA's effectiveness in tackling different forms of market abuse were generally positive and remained consistent with 2025. Over the last 12 months, 70% of wholesale firms considered the FCA to have been effective in protecting against insider dealing, and a similar proportion (68%) considered the FCA to have been effective in protecting against market manipulation. 62% of wholesale firms considered the FCA to have been effective in protecting UK markets from delayed or misleading disclosures from listed issuers.

Wholesale market firms operating internationally were more likely to say that the FCA was better at combatting market abuse in the UK than regulators in other global markets (42%) than to say the FCA was worse (3%). However, a significant proportion said that they did not know (22%) or said the FCA was about the same as other regulators in this respect (33%). These findings were also broadly unchanged from 2025.

Wholesale market regulation

Perceptions of the FCA's role in wholesale markets remained broadly positive and stable between 2025 and 2026.

The most positive views related to the FCA's role in maintaining market integrity and regulating wholesale markets effectively. Overall, 60% of firms involved in wholesale markets agreed that the FCA was effective in regulating wholesale markets, and 62% agreed that FCA's regulation ensures the integrity of wholesale markets. A slightly lower proportion (49%) agreed that FCA regulation supports market participants determining fair value in wholesale markets. Wholesale firms were least likely to agree that the benefits of FCA's regulation in wholesale markets outweigh the costs (45%). Disagreement levels were low across all these measures, ranging between 2% and 7% in 2026.

Views on the UK's position in wholesale markets over the last 12 months were mixed. 46% of wholesale firms believed the UK's position had remained unchanged over the previous 12 months, while 10% thought the UK's position had strengthened. The proportion reporting that the UK's position had weakened fell from 21% in 2025 to 14% in 2026. 30% were unable to express a view.

Assessments of the FCA's contribution to the UK's position in wholesale markets over the previous 12 months were broadly positive. Overall, 33% of wholesale firms reported

that the FCA had a very positive impact, 36% reported a moderate impact, and only 2% said the FCA had had a negative impact. 29% said that they did not know what effect the FCA had had in this respect. These findings were largely unchanged from 2025.

2.3 The FCA's Strategy 2025-2030 and its regulatory reforms

Most firms found the FCA's strategy and communications to be clear. They also had a clear understanding of what the FCA expects in terms of support for consumers and embedding the Consumer Duty. However, they were less positive about the impact of simplifications to the FCA Handbook, and many felt that reporting standards and firm governance needed to be simplified.

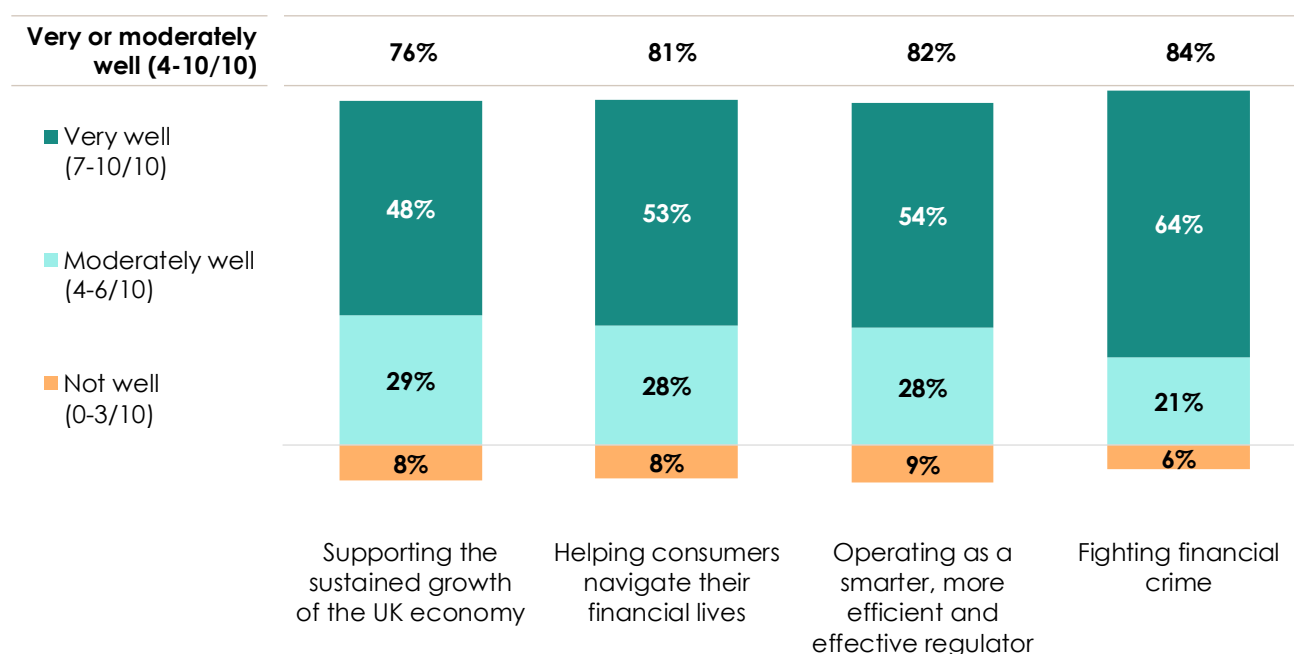
Strategy 2025-2030

In 2025, the FCA launched its Strategy 2025-2030, setting out its priorities for the next five years. The four priorities of the strategy are to support the sustained growth of the UK economy, help consumers navigate their financial lives, be a smarter, more efficient and effective regulator, and fight financial crime.

A large majority of firms (75%) said that the strategy was clear to them. Only 11% thought the strategy was not clear, and a further 11% had not seen it.

Firms were also asked how well they felt the FCA was currently fulfilling each of its Strategy 2025-2030 priorities. As [Figure 2.8](#) shows, firms were most positive about the FCA's performance in fighting financial crime, with 64% indicating the FCA was doing this very well and a further 21% saying it was doing so moderately well. 54% indicated the FCA was doing very well in terms of operating as a smarter, more efficient and effective regulator, and a similar proportion (53%) indicated the FCA was doing very well at helping consumers navigate their financial lives, with a further 28% rating performance in each area as moderately good. Firms were least likely to indicate the FCA was doing very well at supporting the sustained growth of the UK economy (48%), although a further 29% felt it was doing this moderately well.

Figure 2.8: Views on how well the FCA is fulfilling its Strategy 2025-2030 priorities (2026)



Base: All full permission firms (4,064). 'Don't know' answers not shown (left to right: 16%, 11%, 9%, 10%).

Question: Q7 [S25WELL]. On a scale of 0 to 10, where 0 is 'not at all well' and 10 is 'very well', how well do you feel the FCA is currently fulfilling each of these Strategy 2025-2030 priorities?

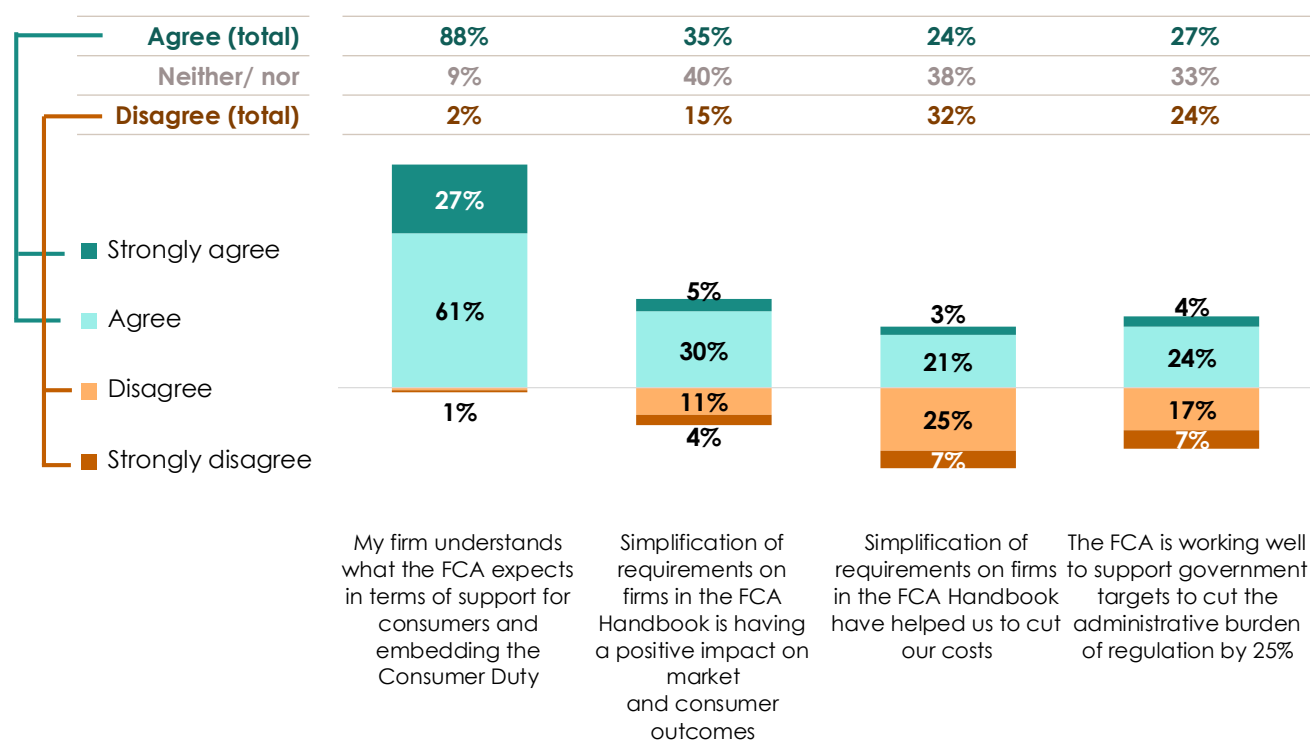
Regulatory reform

A large majority of firms (88%) understood the FCA's expectations around support for consumers and embedding the Consumer Duty, but many disagreed that simplifications to the FCA Handbook had helped to cut costs. Figure 2.9 summarises these results.

Views on the FCA's efforts to streamline regulation were more varied. There was a roughly even split between those who agreed that the FCA is working well to support government targets to cut the administrative burden of regulation by 25% (27%) and those who disagreed (24%).

Views on changes to the FCA Handbook were also mixed. Although 35% of firms agreed that simplification of requirements on firms in the FCA Handbook was having a positive impact on market and consumer outcomes, 15% disagreed. And firms were more likely to disagree (32%) than to agree (24%) that the simplification of requirements on firms in the Handbook had helped them to cut their costs. Around four in ten firms were non-committal about the impact of changes to the Handbook.

Figure 2.9: Views on regulatory reform (2026)



Base: All full permission firms (4,064). 'Don't know' answers not shown (left to right: 1%, 9%, 6%, 16%).

Question: Q16 [CDREQ1]. To what extent do you agree or disagree with the following statements about regulatory reform?

Those who held negative views on regulatory reform also tended to be less happy than other firms with their wider relationship with the FCA. While 79% of firms overall were highly satisfied with their relationship with the FCA, this fell to 64% among those who disagreed that simplification of the FCA Handbook had helped them to cut their costs, to 57% among those who disagreed that the FCA is working well to support government targets to cut the administrative burden of regulation by 25%, and to 47% among firms who disagreed that simplification of the Handbook was having a positive impact on market and consumer outcomes.

Firms' responses to open survey questions about what the FCA should do more or less of suggest that concerns were often less about the existence of regulation itself but more about the pace and cumulative impact of regulatory change.⁷ A recurring theme was the desire for recently introduced reforms to be embedded and evaluated before further significant requirements are introduced. Firms frequently highlighted the importance of regulatory stability and implementation certainty, particularly where they are continuing to adapt to major initiatives already underway. Some firms, however, recognised recent FCA efforts to simplify regulation and

⁷ Around 1,200 firms provided responses to at least one open question, representing a broad range of sectors and firm sizes.

streamline regulatory requirements, even where they continued to identify regulatory burden as an area for improvement.

"The FCA has created a significant backlog of transformative changes in 2025 – however most of that is on paper. 2026 should be the year that the regulator looks at executing on those changes with industry ... Not pick up on anything new this year in terms of broad policy change ... All focus on executing whatever is already in the pipeline before putting in more through the hopper."

(Large, Insurance firm)

Firms were most likely to identify reporting standards (69%) and firm governance (68%) as areas of the conduct requirements on firms that needed simplification. There was a less widespread feeling that simplification was needed around fair value (59%), product governance (57%) and sales standards, disclosure and financial promotion (54%). Firms were least likely to say that there should be simplification around client assets (34%), although many firms were unable to give a specific opinion for this aspect of regulation (35% said they didn't know).

Taken collectively, it appears that there was a mixed response to the FCA's efforts to reduce regulatory burden, with positivity among some firms often being offset by negativity among others. It is, however, striking that firms who were less positive about burden were also less positive in their overall views of the FCA.

2.4 Growth, SICGO and innovation: progress in awareness, but not yet in confidence

SICGO

Alongside its primary strategic objective and operational objectives, the FCA has a Secondary International Competitiveness and Growth Objective (SICGO), which was introduced in August 2023. Tracking results indicate that fixed firms' understanding of SICGO, and their confidence in the FCA's delivery against this objective, both increased significantly between 2025 and 2026.⁸ Notably, fixed firms' understanding of what SICGO is trying to achieve rose to 76%, up by c. 27pp between 2025 and 2026, and their confidence in the FCA's delivery of SICGO rose by c. 25pp to 50% in 2026.

Despite this positive movement, overall confidence in SICGO, and firms' understanding of its aims, remain below that seen for the primary strategic objectives.

While more than seven in ten firms were confident in the FCA's delivery of each of its four statutory objectives, only 54% were confident that the FCA was delivering on its

⁸ Comparison is based on non-CC firms only. See [Section 3.1: Fixed firms](#) for further details on this.

SICGO objective; 23% said that they were not confident, and 22% were uncertain about this.

The relatively high proportion of firms who were uncertain about the delivery of SICGO suggests a need for further explanation of the FCA's activities in the growth space.

Understanding of what the FCA was trying to achieve through SICGO was more limited. While 46% said that they understood the aims of SICGO well, 38% did not and 16% expressed uncertainty about this (answering 'don't know').

Responses to the open questions suggest that firms often viewed support for growth and innovation through a practical lens. Responses frequently linked growth to simplification of the Handbook, faster authorisation processes, greater proportionality of requirements for smaller firms, and clearer regulatory pathways for innovative products and business models. A recurring view was that continued delivery of simplification initiatives and reforms already underway may be more valuable than introducing further significant regulatory change.

"Simplify and consolidate Handbook requirements, reducing duplication and making obligations easier to interpret. Provide clearer, more practical guidance... Support innovation and competition, including faster approvals and clearer pathways for new products and business models. Improve transparency around regulatory priorities, so firms can plan and invest with more certainty."

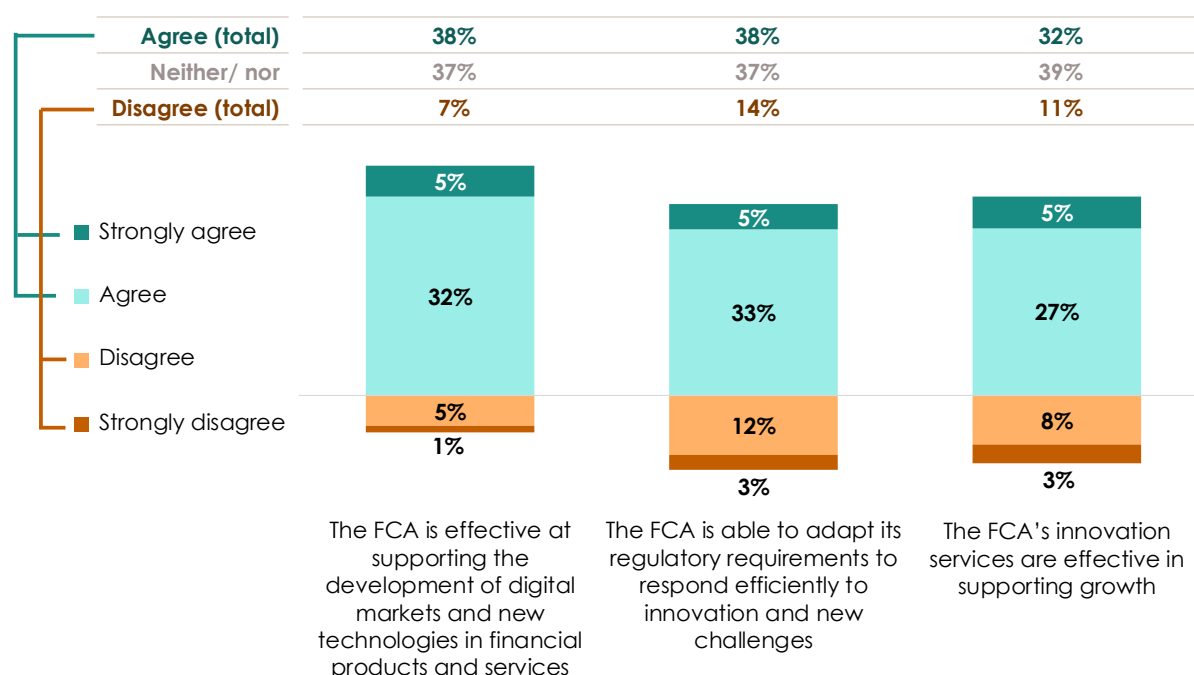
(Small, Mortgage firm)

Overall, it appears that there is a need for further communication on the aims and delivery of the FCA's SICGO objective, given that many firms are unclear on this. To help firms to understand the SICGO, referencing practical examples of actions taken may be more meaningful to firms than more theoretical explanations of the vision.

Regulation for innovation and growth

There is scope for improvement across the metrics relating to the FCA's approach to innovation and growth, albeit firms tended to give neutral or uncertain responses rather than being actively negative in their views, as shown in [Figure 2.10](#).

Figure 2.10: Views on the FCA in terms of innovation (2026)



Base: All full permission firms (4,064). 'Don't know' answers not shown (left to right: 19%, 11%, 18%).

Question: Q19 [FCAREG3]. To what extent do you agree or disagree with the following statements about innovation?

Overall, 38% of firms agreed that the FCA is effective at supporting the development of digital markets and new technologies in financial products and services and 7% disagreed, while 37% neither agreed nor disagreed, and 19% didn't know.

Similarly, 38% of firms agreed that the FCA is able to adapt its regulatory requirements to respond efficiently to innovation and new challenges, 14% disagreed, 37% neither agreed nor disagreed, and 11% didn't know.

Agreement was lowest in terms of the FCA's innovation services being effective in supporting growth. 32% of firms agreed, 11% disagreed, 39% neither agreed nor disagreed, and 18% didn't know.

The FCA's innovation services

The FCA offers a range of innovation services for firms, including the [Regulatory Sandbox](#), the [Innovation Pathways](#), the [Digital Sandbox](#), and the [Supercharged Sandbox](#).

Overall, 54% of firms were aware of the innovation services. While use of the FCA's innovation services is low (3% of all firms or 6% of firms aware of these services), this may partly reflect the fact that these services are designed for firms undertaking specific innovative activities and are therefore not relevant to all firms.

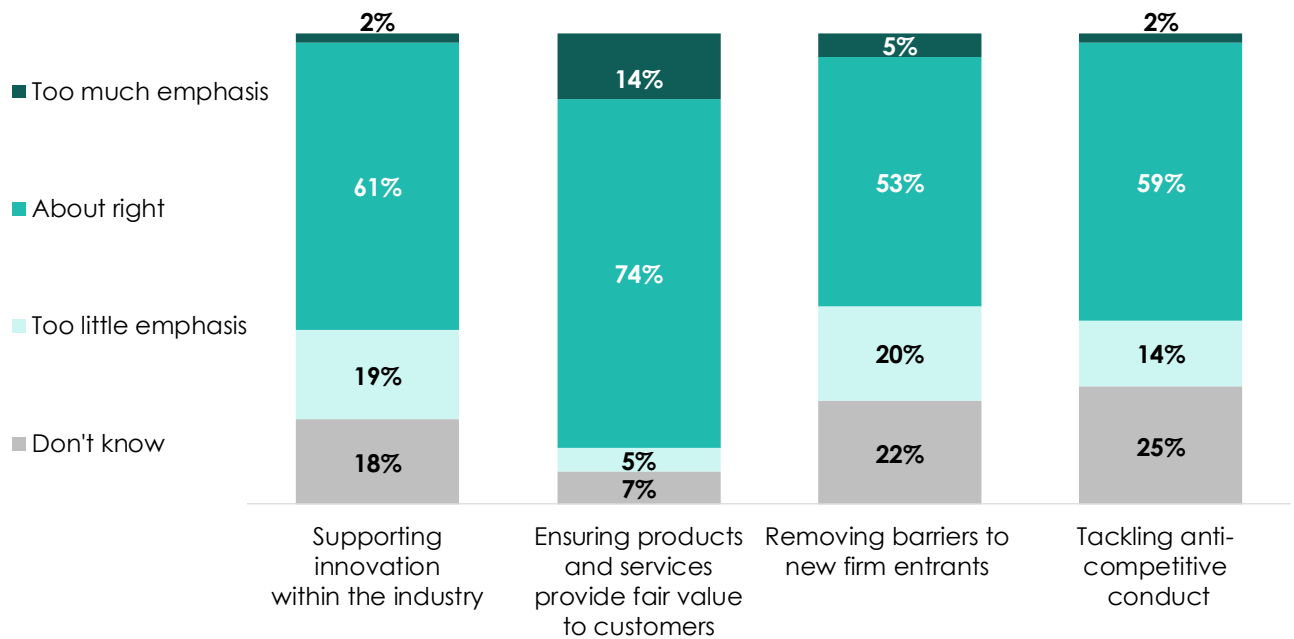
Those aware of the innovation services were more positive than firms overall when responding to other questions about the FCA's performance in terms of innovation. For example, focusing on those firms who operate and are regulated outside the UK, 31% of those aware of the innovation services said that the FCA is better than other global regulators in terms of supporting innovation and fintech (compared with 25% among firms who operate and are regulated outside the UK overall).

Among the wider population of full permission firms, 67% of those aware of the innovation services thought that the FCA's emphasis on supporting innovation within the industry was about right, compared with 61% of firms overall. And 47% of those aware of the innovation services agreed that the FCA is effective at supporting the development of digital markets and new technologies in financial products and services, compared with 38% of full permission firms overall.

FCA's focus on competition

Firms were asked whether they thought the FCA's work to promote effective competition within the industry placed the right amount of emphasis on four related areas, as shown in Figure 2.11.

Figure 2.11: Views on the emphasis the FCA places on its work to promote effective competition (2026)



Base: All full permission firms (4,064).

Question: Q30 [FCAFOCUS]. Thinking now about the FCA's work to promote effective competition within the industry. Do you think the emphasis the FCA places on the following areas is too much, about right or too little?

In common with earlier findings showing widespread appreciation of the FCA's role in protecting consumers (for example, see Figure 2.6), firms were most positive about the

FCA's emphasis on ensuring fair value to customers, with 74% saying the right amount of emphasis was placed on this area.

Firms were less positive about the FCA's focus on innovation and competition, although a majority still felt the balance was broadly right: 61% of firms said the FCA placed about the right amount of emphasis on supporting innovation within the industry, while 59% felt the amount of emphasis on tackling anti-competitive conduct was about right. Firms were least likely to say that the FCA placed the right amount of emphasis on removing barriers to new entrants (53%). This all aligns with other findings suggesting that perceptions of the FCA's performance are generally stronger in relation to consumer protection than in supporting growth and innovation.

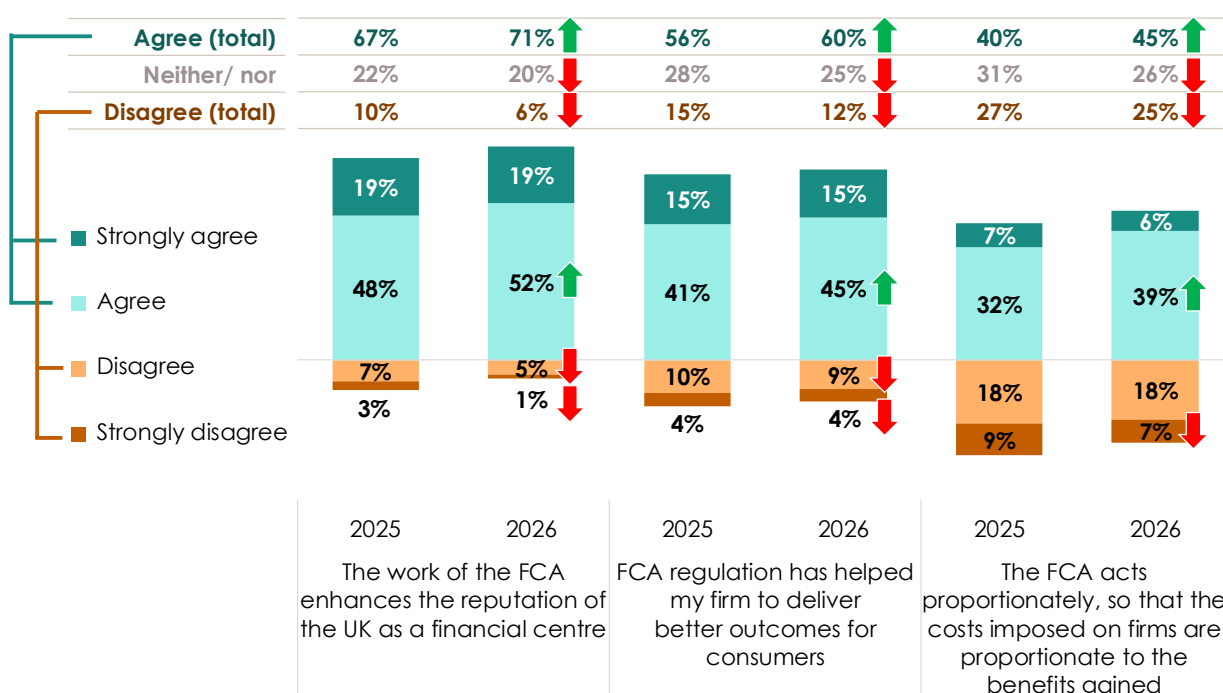
2.5 Impact of regulation: more positive, but proportionality remains a concern

Since 2025, firms have become more positive about the FCA's role in enhancing the reputation of the UK as a financial centre, but views on the proportionality of the FCA's actions from a cost-benefit perspective were somewhat mixed.

Views on FCA regulation

As shown in [Figure 2.12](#), there was an increase in the proportion of firms agreeing that the work of the FCA enhances the reputation of the UK as a financial centre, from 67% in 2025 to 71% in 2026. Only 6% of firms in 2026 disagreed with this.

Figure 2.12: Views on the regulatory framework, 1 (2025/2026)



Base: All full permission firms (2026: 4,064, 2025: 6,010). 'Don't know' answers not shown (left to right: 1%, 4%, 1%, 2%, 2%, 4%).

Question: Q14 [FCAREG1]. To what extent do you agree or disagree with the following statements about the impact of FCA regulation? Q15 [FCAREG2]. To what extent do you agree or disagree with the following statements about the regulatory framework?

Firms were also now more likely to agree that FCA regulation had helped their firm to deliver better outcomes for consumers (60%, compared with 56% in 2025). 12% of firms in 2026 disagreed with this.

Compared with the other aspects of the framework, a relatively high proportion of firms disagreed that the FCA acts proportionately, so that the costs imposed on firms are proportionate to the benefits gained. Nevertheless, firms were more likely to agree that the FCA acts proportionately (45%) than to disagree (25%).

Responses to the open questions suggest that firms often framed proportionality in terms of differentiation. Many responding firms commented that regulatory requirements, reporting expectations and supervisory approaches should vary more clearly according to a firm's size, complexity, customer base and risk profile.

“As a small firm with limited internal compliance resources, the complexity and volume of regulatory expectations can be challenging. Large firm frameworks often apply in a manner that is not proportionate to a small firm operating with a tightly defined professional client base such as our firm. We would welcome a more tailored supervisory approach, recognising the lower risk profile and simpler business model.”

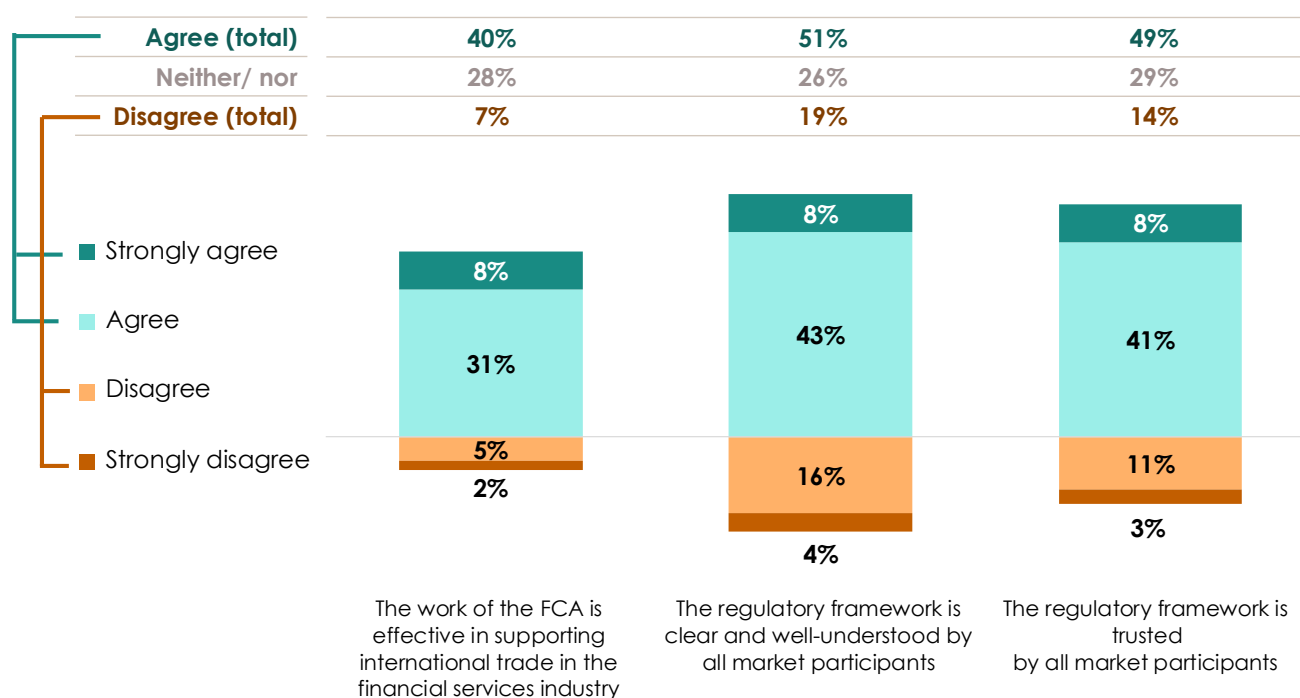
(Medium, Wholesale Sell-side firm)

Views on the regulatory framework and impact of regulation

Views on the regulatory framework were positive on balance, but there was a lack of knowledge about the work of the FCA in supporting international trade in financial services, particularly its role in maintaining a regulatory environment that supports the global competitiveness of UK financial services.

Overall, as shown in Figure 2.13, 51% of firms agreed that the regulatory framework is clear and well-understood by all market participants, while 19% of firms disagreed with this. Responses were similar in relation to the regulatory framework being trusted by all market participants (49% of firms agreed, while 14% disagreed).

Figure 2.13: Views on FCA regulation and the regulatory framework, 2 (2026)



Base: All full permission firms (4,064). 'Don't know' answers not shown (left to right: 26%, 4%, 7%).

Question: Q14 [FCAREG1]. To what extent do you agree or disagree with the following statements about the impact of FCA regulation? Q15 [FCAREG2]. To what extent do you agree or disagree with the following statements about the regulatory framework?

Compared with the other aspects of regulation, there was less agreement that the work of the FCA is effective in supporting international trade in the financial services industry. 40% of firms agreed with this, while 28% neither agreed nor disagreed, 7% disagreed, and 26% didn't know.

More firms that operated and were regulated outside the UK agreed that the work of the FCA is effective in supporting international trade in the financial services industry: 50% agreed.

Views on anti-money laundering systems and controls

Attitudes towards the FCA's anti-money laundering (AML) systems and controls remained stable, compared with 2025, and were generally positive.

75% of firms agreed that the FCA's AML systems and controls response was proportionate and 65% agreed that it was effective at tackling levels of money laundering risk. This is discussed in more detail in [Section 2.2: Confidence in the FCA's regulatory role](#).

2.6 Regulatory burden and information requests: a friction point

Regulatory burden remained the most consistent area of concern for firms, particularly in relation to the volume and timing of information requests.

Views on FCA information requests

While the proportion of firms that said the volume of data and information requests from the FCA over the last 12 months was about right increased from 33% in 2025 to 38% in 2026, there was no reduction in the proportion who felt there were more than seem necessary for the FCA to do its business (33% in 2026, in line with 31% in 2025).

For the first time in 2026, firms that said there were more information requests than seemed necessary were asked which requests they were thinking about. By some distance, the most commonly cited information request (mentioned by half of those answering) was the Financial Resilience Report (FIN073), some referring to it as a Covid measure that should not have been kept on and others objecting to the frequency (quarterly) of requested completion.

Attitudes to FCA information requests

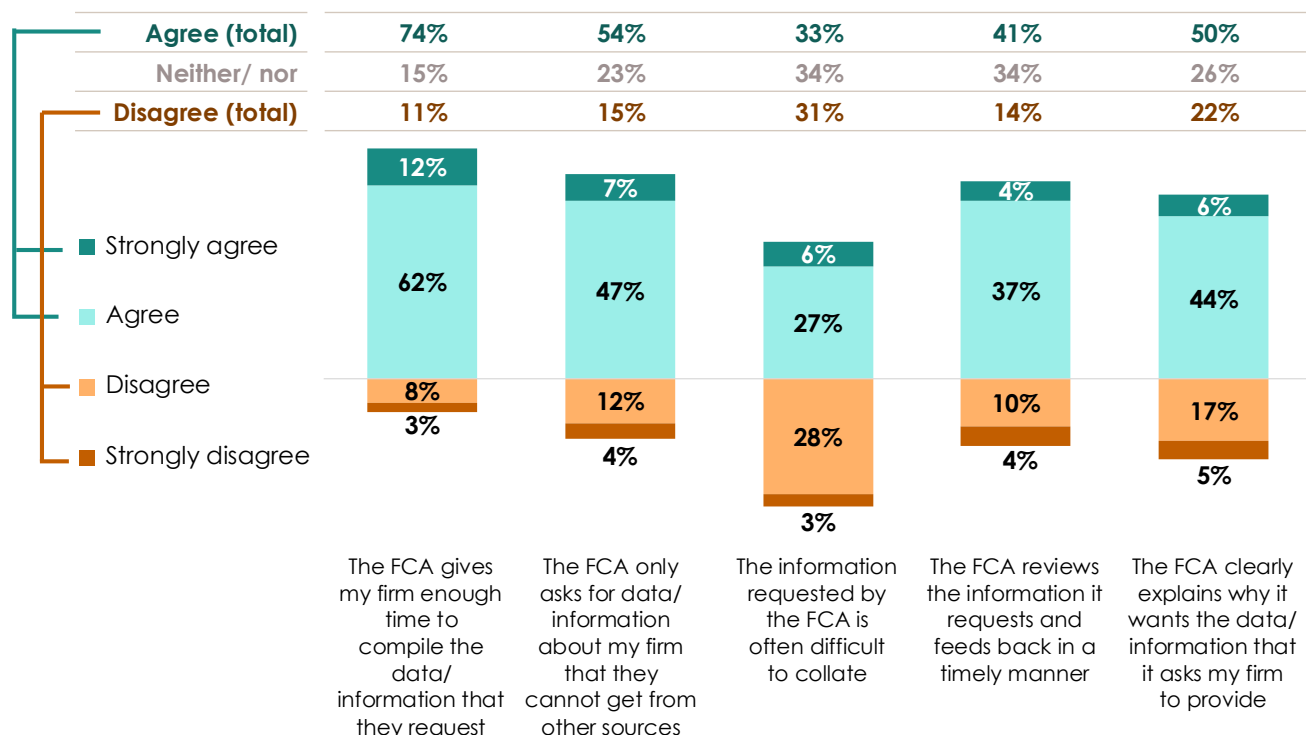
Open comments suggest that some, particularly smaller, firms perceive current reporting requirements as excessive and disproportionate to their size and risk profile. Responding firms cited the burden associated with repeated data requests, concerns about duplication across returns, and a lack of clarity regarding how the information collected is used by the FCA.

“Reg Data requests every six months and financial resilience requests every quarter take a huge amount of accounts and administration time to compile, for which we have to pay our staff. What do the FCA do with this information?”

(Small, Consumer Investments)

These opinions were reflected in firms' views on specific aspects of information requests received from the FCA. As shown in Figure 2.14, responses presented a mixed picture.

Figure 2.14: Views on data/ information requests received from the FCA (2026)



Base: All full permission firms (4,064). ‘Don’t know’ answers not shown (left to right: 1%, 7%, 1%, 11%, 2%).

Question: Q34 [INFOATTITUDES]. To what extent do you agree or disagree with the following statements about data/ information requests your firm receives from the FCA?

Time constraints were not generally seen as an issue, with 74% of firms agreeing that the FCA gives their firm enough time to compile the data/ information that they request. A lower proportion (54%) agreed that the FCA only asks for data/ information about their firm that they cannot get from other sources.

Agreement with other statements relating to information requests was lower still, though this was generally due to firms feeling neutral or uncertain about them. For example, while only 41% of firms agreed that the FCA reviews the information it requests and feeds back in a timely manner, a similar proportion (45%) either said they neither agreed nor disagreed or didn’t know about this. Only 14% disagreed.

An area of more active concern was that the information requested by the FCA was difficult to collate, with 33% agreeing and 31% disagreeing that this was the case.

There may also be more work needed to explain to firms the reason for specific information requests. While 50% of firms agreed that the FCA clearly explains why it wants the data/ information that it asks their firm to provide, 22% disagreed and a further 28% either said they neither agreed nor disagreed or didn't know about this.

Effective co-ordination with other regulators can play a role in minimising any duplication of information requests. Generally, firms that were dual regulated by both the FCA and the PRA were positive about the way in which the two regulators worked together. 71% of these firms agreed that the FCA and the PRA were appropriately co-ordinated in their supervision of firms, taking into account their respective regulatory objectives. It is also positive that the proportion of firms disagreeing fell from 11% in 2025 to 5% in 2026.

Overall, the findings suggest that firms are generally satisfied with the time provided to respond to information requests and positively view the co-ordination of the FCA and PRA in their supervision of firms. However, there remains scope to improve firms' experience of regulatory reporting by reducing perceived duplication, making data requests easier to fulfil, and providing clearer explanations of how requested information is used and why it is needed. Addressing these areas may help alleviate concerns, particularly among smaller firms, about the proportionality and value of reporting requirements.

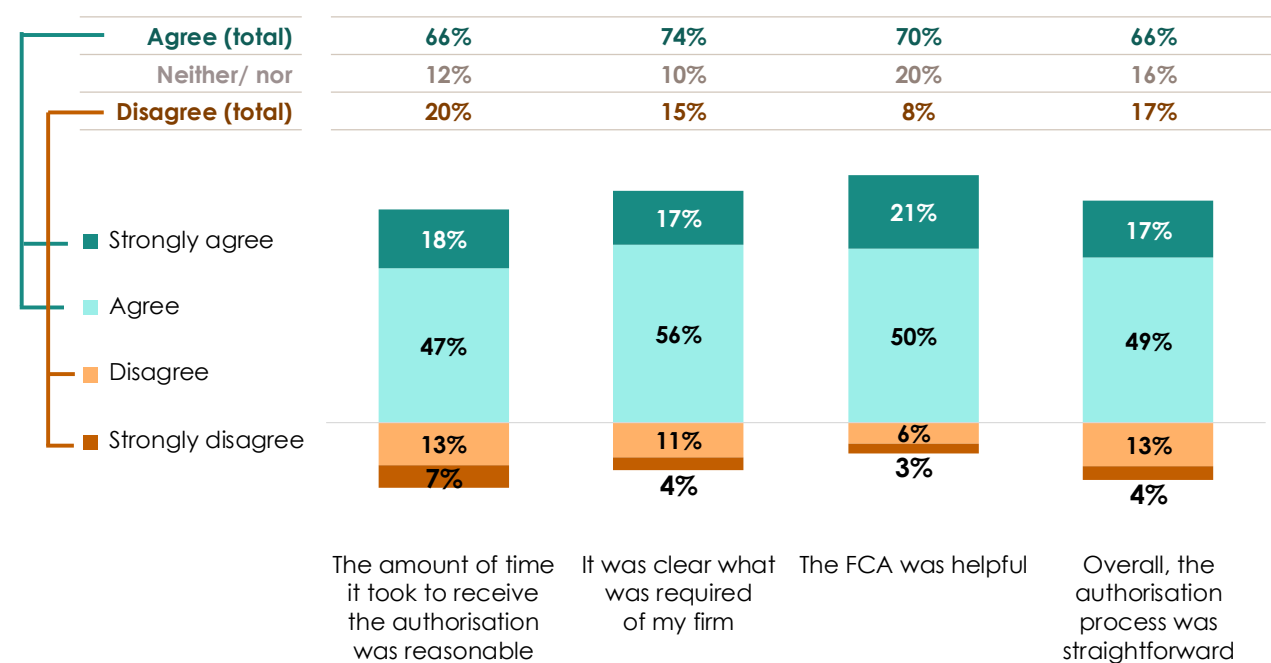
2.7 Authorisations, enforcement, and risk: effective action, but operational pressure points

Experience of authorisations

33% of firms had had experience of the FCA's authorisation process⁹ in the last 12 months. As shown in [Figure 2.15](#), a majority of these firms reported a positive experience.

⁹ Firms were specifically asked whether they had had experience of the authorisation process in the last 12 months 'including Variations of Permission, SMCR applications, Changes in Control and Cancellations, Waivers and Pre-Application Support Service.'

Figure 2.15: Experiences of the FCA's authorisation process (2026)



Base: All full permission firms who have had experience of the FCA authorisation process in the last 12 months (1,451). 'Don't know' answers not shown (left to right: 2%, 1%, 1%, 1%).

Question: Q32 [AUTHS2_1]. To what extent do you agree or disagree with the following statements about your experience of the FCA's Authorisation process?

Three-quarters (74%) of firms that had been through the authorisation process in the last 12 months agreed that it was clear what was required of them, that the FCA was helpful (70%) and that, overall, the process was straightforward (66%). While a similar proportion (66%) agreed that the amount of time it took to receive authorisation was reasonable, this aspect received the highest level of negative feedback, with 20% disagreeing with this statement.

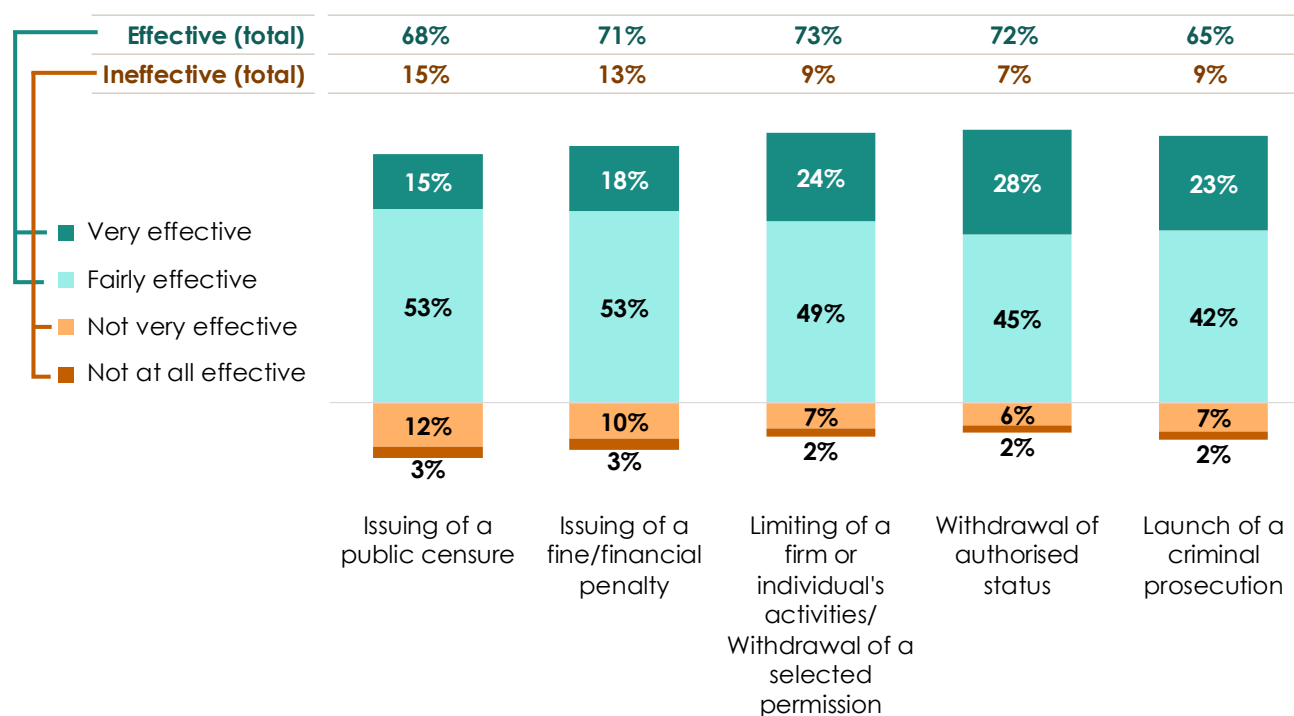
5% of firms with recent experience of the FCA's authorisation process reported dissatisfaction on all four aspects of the process.

Views on FCA enforcement action

As shown in Figure 2.16, all the FCA's enforcement actions that were explored were generally seen as being effective. Limiting of a firm or individual's activities¹⁰ was most widely seen as being effective (73%), closely followed by withdrawal of authorised status (72%), issuing a fine or financial penalty (71%), issuing a public censure (68%) and launching a criminal prosecution (65%). Half of firms (51%) considered all five of the enforcement actions to be effective.

¹⁰ This could include withdrawal of a selected permission.

Figure 2.16: Views on the effectiveness of the FCA's enforcement actions (2026)



Base: All full permission firms (4,064). 'Don't know' answers not shown (left to right: 18%, 16%, 18%, 20%, 26%).

Question: Q29 [ENFORCEFFECT]. How effective do you think the FCA's enforcement actions have been in reducing further harm in the industry?

These findings were reflected in the open comments provided by firms. While firms generally supported robust enforcement activity, comments often centred on the speed and focus of intervention rather than the overall level of enforcement. Firms frequently highlighted financial crime, scams, unauthorised activity and misleading financial promotions, including those promoted through social media, as areas where earlier action could help reduce consumer harm and improve confidence in financial services markets.

"Actually do something about unregulated companies, lead generators, and solicitors who take unregulated work. At the moment, the FCA only regulates the companies that have bothered to get regulated."

(Medium, Consumer Finance firm)

Views on the FCA's approach to risk

Firms were asked to assess the FCA's overall approach to risk using a 10-point scale, where 1 represented an extremely risk-averse approach and 10 represented an extremely risk-tolerant approach. Perceptions were mixed across the industry, with 43% of firms seeing the FCA as moderately risk tolerant (scoring 4-6/10), 32% viewing it as very risk tolerant (scoring 7-10/10) and 24% as risk averse (scoring 1-3/10).

There was much greater consensus regarding the consistency of the FCA's approach to risk over the last 12 months, with 80% of firms considering it to be consistent. Just 6% of firms said the FCA's approach to risk was not consistent and 14% were uncertain about this.

In 2026, as in 2025, 9% of firms said that they were aware of significant or emerging risks in their market that the FCA was not, in their view, currently aware of. The most commonly cited risks were lack of monitoring/ regulation, poor service or advice being given to consumers, and the influence of AI and chatbots.

2.8 Communication and sources of information

Views on supervisors by fixed firms and on staff (in particular at the Supervision Hub) by flexible firms

Fixed and flexible firms were asked slightly different questions in relation to FCA personnel, with fixed firms asked specifically about their FCA supervisors and flexible firms asked about FCA staff more generally, but with the FCA's Supervision Hub named as an example of FCA staff.

Fixed firms were generally positive about FCA supervisors, with 87% agreeing that FCA supervisors were knowledgeable about FCA rules and requirements, and 75% agreeing that they exercised good judgement (an increase from 64% in 2025).

Furthermore, 73% agreed that FCA supervisors are appropriately qualified with the necessary skills to undertake the role, 71% agreed that their approach is consistent with the FCA's strategy, and 62% agreed that they had sufficient experience.

Fixed firms were least likely to agree that their FCA supervisors had sufficient knowledge to understand their firm, with 54% agreeing, 15% disagreeing and 31% non-committal. Compared to 2025, firms were now less likely to agree with this statement (down from 66% in 2025).

Although most flexible firms were positive about FCA staff, they generally had a less actively positive attitude compared with fixed firms and were more likely to give 'don't know' responses. This is perhaps to be expected, as they do not have the same frequency of contact with the FCA as fixed firms and have no single point of contact.

63% of flexible firms agreed that FCA staff are knowledgeable about FCA rules and requirements, while 58% agreed that FCA staff provide guidance which is consistent with the FCA's strategy. Lower proportions agreed that FCA staff have a good understanding of the sector(s) their firm operates in (51%), FCA staff have sufficient experience (50%), and are appropriately qualified and have the necessary skills to undertake the role (48%).

Disagreement was highest in relation to FCA staff having a good understanding of the sector(s) their firm operates in (13%).

These responses from flexible firms were all consistent with those in 2025.

Comments from firms frequently highlighted the value of FCA staff understanding the commercial, operational and customer realities of the firms they supervise. Comments often suggested that stronger sector-specific knowledge could support more effective supervision, improve engagement with firms and help ensure that regulatory expectations are implemented in a proportionate and practical manner.

“Spend more time ensuring that FCA staff who engage with regulated firms have a clear understanding of the industry in which the regulated firm operates. This includes, for example, funding models, customer behaviours, profit models, and the principal risks faced by firms.”

(Small, Mortgage firm)

FCA communications

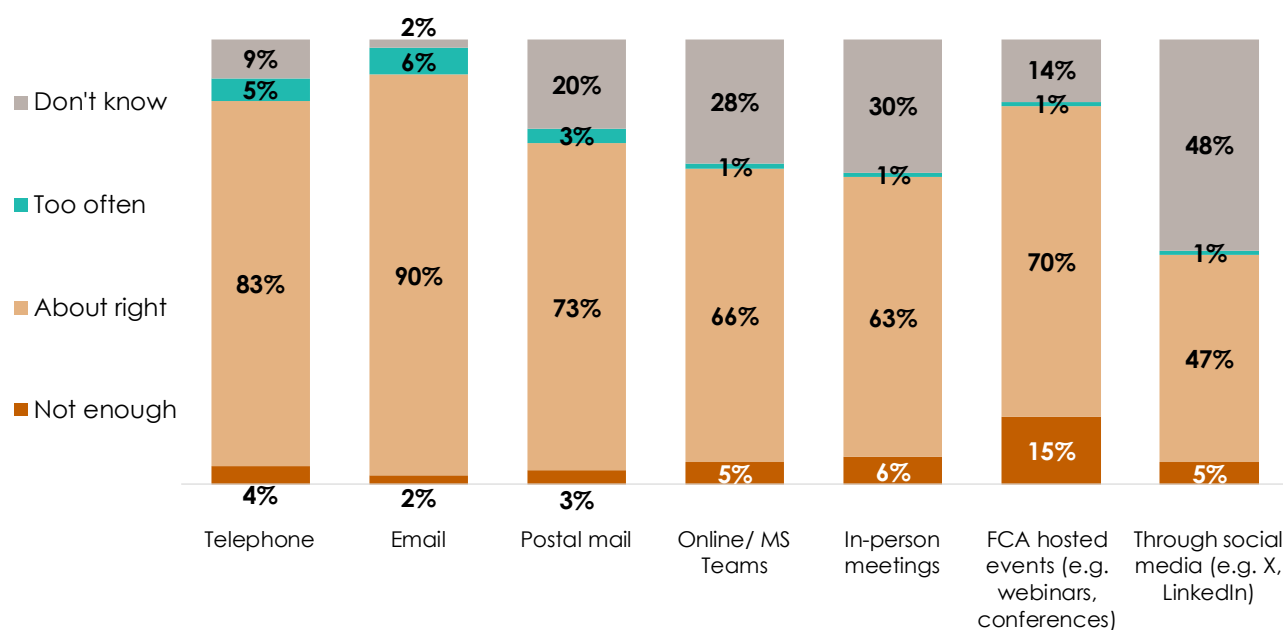
Firms were generally positive about the FCA's communications and had become more likely to view them as consistent (80%, up from 78% in 2025). Most saw FCA communications as clear (74%) and relevant (68%). However, compared with the other aspects of FCA communication, firms were slightly less likely to view them as concise (63%).

Another positive communications result is that most firms (88%) were positive about how well the FCA explains what is expected of firms in order for them to comply with its financial crime controls. Only 7% of firms said the FCA did not explain this well.

Channels of communication with the FCA

For each of the FCA's channels of communication, firms were most likely to say that the frequency of contact over the last 12 months was about right. In general, as shown in [Figure 2.17](#), very few firms said that there wasn't enough contact via each of the communication channels. The one exception related to FCA hosted events, with 15% of firms saying that there were not enough events of this type.

Figure 2.17: Perceptions of the frequency of use of different communication channels by the FCA (2026)



Base: All full permission firms (4,064).

Question: Q12 [COMMSLEVEL]. Thinking about the different channels of communication that the FCA uses: over the last 12 months, would you say that the FCA contacted your firm too often, not enough, or would you say the level of contact was about right?

A sizeable minority of firms was uncertain in their view of the amount of contact they had from the FCA through several channels of communication. This was particularly noticeable for social media contact, with 48% of firms answering 'don't know'.

Open comments from some firms also highlighted a demand for greater direct engagement with the FCA. Firms frequently referred to industry events, workshops, webinars and roundtables as valuable opportunities to discuss sector-specific issues and to improve understanding of regulatory expectations. Comments indicated that direct engagement could serve as an important complement to written communications and guidance.

"Have met staff from the FCA at [two regional events] in 2025. Both times I found it useful and informative to chat to the people from the FCA."

(Small, Consumer Investments & Pensions firm)

A question about the impact of the FCA's senior executive team at events and in the media received a mixed response, with slim majorities not able to take a view. 40% of firms agreed that the team had a strongly positive presence at industry events and 32% agreed that it had a strongly positive media and political presence. Few firms were negative, disagreeing with the statements: 8% and 13%, respectively. A relatively high proportion, however, were neutral (they neither agreed nor disagreed or didn't know) – 52% and 55%, respectively.

Sources of information about regulation and the FCA

When asked what sources of information firms use to keep up to date with financial services regulation and the FCA, the most commonly cited source was the FCA website, used by 77% of firms, followed closely by the FCAs' Regulation Round-up newsletter, cited by 75%.

Compared with 2025, there were declines in the proportions of firms citing letters from the FCA (from 66% to 62%), external advisers such as lawyers or consultants (from 60% to 52%) and the media (from 41% to 39%) as sources of information about FCA and financial services regulation. Conversely, there were increases in the proportion of firms using LinkedIn (from 13% to 17%) and FCA supervisors (from 9% to 10%).

Only 1% of firms said that they did not use any of the FCA's information sources.

3. Results by type, size, and sector

This chapter examines differences across full permission firms according to their type, size and sector. Specifically, it examines fixed firms which, based on factors such as size, market presence and customer footprint, receive the highest level of supervisory attention from the FCA. It also compares results for large, medium and small firms. Finally, it considers variation in results across six key financial services sectors and sector groupings: Payments & Retail Banking, Wholesale (including Buy-side and Sell-side), Mortgages, Insurance, Consumer Finance, and Consumer Investments & Pensions. The analysis highlights how the experiences and perceptions of these different groups compare with those of the overall full permission population.

Given that it is not possible to succinctly cover all survey metrics for all the groups of interest, the findings for each group typically focus on those metrics for which there have been relatively large changes since 2025, or for which there were relatively large differences compared to other comparator groups.

In cases where it is not possible to measure trends for the overall population of firms, year-on-year comparisons for non-CC firms are reported instead. This is explained in more detail in *Section 2.2: New reporting populations: full permission (FP) vs. limited permission (LP) firms* of the [Methodological note](#).

3.1 Fixed firms

The FCA has a strong interest in understanding the views of fixed firms because they are its largest, most significant and highest-impact group of regulated firms. They often play a critical role in the UK financial system, meaning that any problems, concerns or emerging risks within these firms can have far-reaching consequences for consumers, markets and confidence in financial services.

Feedback from fixed firms helps the FCA assess whether its supervisory approach is effective, proportionate and delivering the desired outcomes. Because these firms have a dedicated supervisory relationship with the FCA and receive a high level of regulatory engagement, their experiences can provide valuable insight into how regulation is working in practice and where improvements may be needed.

45 out of 65 fixed firms took part in the 2026 survey. It is therefore important to be mindful of the small sample sizes when reviewing results. 18,773 full permission firms were contacted in 2026, of which only 65 were fixed firms. Fixed firms thus represent less than 1% of all full permission firms, resulting in relatively small sample sizes for responses by this group. Ultimately 45 fixed full permission firms took part in the survey, a sample size that would usually be considered too small to draw any meaningful conclusions. In this case, since the achieved sample size constitutes a majority of the population (69%), it is appropriate to report the results. This does mean, however, that results for this group are more volatile than results for larger samples because only a

handful of responses can shift the results substantially. It also means that relatively large differences in results are needed for them to be considered statistically significant. Any difference that is statistically significant is clearly indicated through the language used (e.g. 'strengthened', 'improved').

Overall, the results suggest that fixed firms recognised progress in trust and communications and were knowledgeable about the FCA's strategic intent but wanted to see more tangible improvements in reducing burden, lowering cost, and supporting growth and innovation.

Confidence in the FCA's core regulatory role

Fixed firms' views of the FCA remained positive or improved across several important relationship and perception measures.

Fixed firms' overall satisfaction with their relationship with the FCA has remained stable since 2025, and perceptions of the FCA's effectiveness as a regulator remained broadly unchanged and in line with the overall average.

76% of fixed firms were highly satisfied with their relationship with the FCA in 2026 (vs. 75% in 2025), and 69% felt that the FCA was highly effective as a regulator (essentially unchanged from 68% in 2025).

Trust in the FCA had strengthened. While most fixed firms in 2026 said their trust had stayed the same over the last 12 months (59%), 38% said their trust in the FCA had increased and 2% said it had decreased, resulting in a positive net change in trust (+36 percentage points, the large change in part reflecting the small population of fixed firms). This was a considerable improvement compared with 2025, when the net change in trust was -1 percentage point. Views on the wider regulatory framework also improved, especially the perception that the FCA's work enhances the reputation of the UK as a financial centre, which rose to 89%, up 31 percentage points since 2025.

Fixed firms' confidence in the FCA's ability to deliver against its primary statutory objectives was stable or improving, with confidence in the FCA protecting and enhancing the integrity of the UK financial system rising to 96%, up 9 percentage points between 2025 and 2026.

Perceptions of the FCA's communications have improved, with 82% of fixed firms agreeing that the FCA's communications to their firm were clear, an increase from 70% in 2025. There was also an increase in fixed firms' agreement that the FCA's communications were consistent (76%, up from 64% in 2025).

In a similar vein, fixed firms were well informed in terms of the FCA's Strategy 2025-2030 and the Consumer Duty. All fixed firms (100%) reported that the FCA's Strategy 2025-

2030 was clear and 81% agreed that their firm understood what the FCA expects in terms of support for consumers and embedding the Consumer Duty.

Growth and innovation

Fixed firms' awareness of the FCA's innovation services was high, but many felt that more emphasis needed to be placed on innovation and growth.

Almost all fixed firms were aware of the FCA's innovation services (96%, compared with 54% of all firms) and 28% of fixed firms had used them. However, 38% of fixed firms nevertheless thought that the FCA placed too little emphasis on supporting innovation within the industry (compared with 19% of all firms).

Fixed firms' views on SICGO have improved: understanding of what the FCA is trying to achieve with SICGO increased to 76%, up 27 percentage points between 2025¹¹ and 2026. Confidence in the FCA's delivery of SICGO also rose to 50%, up 25 percentage points between 2025 and 2026; that said, 46% of fixed firms in 2026 said that they were not confident that the FCA was delivering on the SICGO objective. When asked about how well the FCA performs against its 2025–2030 strategic priority of supporting the sustained growth of the UK economy, only 38% of fixed firms gave a high score of 7–10 out of 10 (compared with 48% of all firms).

43% of fixed firms who operate and are regulated outside the UK said that the FCA was worse than financial regulators in other leading global financial centres in terms of supporting economic growth (compared with 12% of all firms). These internationally regulated fixed firms also tended to be more critical of the FCA's adaptation to new developments, with 32% saying that the FCA was worse than other financial regulators in terms of their support for innovation and fintech (compared with 15% of all firms).

Regulatory burden and efficiency

Although fixed firms have become more positive about FCA regulation in terms of its impact on the reputation of the UK as a financial centre, many were critical of the FCA's approach to proportionality in regulation.

The proportion of fixed firms that agreed that the work of the FCA enhances the reputation of the UK as a financial centre increased from 58% in 2025 to 89% in 2026. There was also an increase in agreement that the regulatory framework is trusted by all market participants, from 58% in 2025 to 69% in 2026.¹²

¹¹ Not all fixed firms were asked about SICGO in 2025 as not all of them were classified as non-Consumer Credit, the comparison is therefore based on non-CC firms only. See *Section 2.2: New reporting populations: full permission (FP) vs. limited permission (LP) firms* of the [Methodological note](#) for further details on this.

¹² Comparison is based on non-CC firms only.

However, fixed firms were split about the proportionality of regulation. 36% disagreed that the FCA acts proportionately, so that the costs imposed on firms are proportionate to the benefits gained, while 33% agreed and 32% neither agreed nor disagreed.

Fixed firms remained more critical than firms overall on regulatory burden, efficiency, and the practical experience of dealing with FCA requests.

Fixed firms were notably more likely to disagree that the FCA is working well to support targets to cut regulatory burden by 25%, with 41% disagreeing compared with 24% of all firms. Only 42% rated the FCA highly for operating as a smarter, more efficient and effective regulator, compared with 54% of all firms. There was also extensive disagreement that simplification of requirements on firms in the FCA Handbook have helped them to cut their costs (55%, compared with 32% of all firms).

Fixed firms continued to express concerns around data and information requests. While the proportion of fixed firms who said that the number of data and information requests their firm had received from the FCA in the last 12 months was about right increased from 22% in 2025 to 35% in 2026, 39% of fixed firms in 2026 felt that they received more requests than seemed necessary for the FCA to do its business.

However, perceptions of the time allowed to respond have improved considerably. Around half (49%) of fixed firms agreed that the FCA gives their firm enough time to compile the data and information requested, up from 30% in 2025.¹³ Despite this improvement in agreement, 31% of fixed firms still disagreed that they are given enough time to respond to requests, compared with just 11% of all firms.

Fixed firms were also more likely to disagree that the FCA only asks for data and information about their firm that they cannot get from other sources (38%, compared with 15% of all firms) and to disagree that the FCA reviews the information it requests and feeds back in a timely manner (64%, compared with 14% of all firms).

Views on interactions with FCA supervisors

87% of fixed firms agreed that their FCA supervisors are knowledgeable about FCA rules and requirements. However, they were less positive in terms of their FCA supervisors having sufficient knowledge to understand their firm (54% agreed).

3.2 Large firms

While large firms represent just 2% of the full permission population, they include some of the most significant firms within the FCA's regulatory remit due to their scale, complexity and overall regulatory footprint. Their experiences, therefore, offer important insight into how effectively the FCA is supporting well-functioning markets,

¹³ Comparison is based on non-CC firms only.

competitiveness and growth. With a significant overlap between large and fixed firms, the patterns of response for large firms were often aligned with those for fixed firms. As with fixed firms, the number of responses from large firms is relatively small. As a result, comparatively large differences in results are required before they can be considered statistically significant.

The overall results for large firms, consistent with fixed firms, indicated improved levels of trust in the FCA. Large firms were generally positive about the FCA's communications and understood the FCA's strategic intent. However, many large firms would like to see improvements around reducing regulatory burden and lowering compliance cost, and greater support for growth and innovation.

Confidence in the FCA's core regulatory role

Large firms' overall satisfaction with their relationship with the FCA remained broadly stable, while trust levels improved between 2025 and 2026.

Overall, 69% of large firms were highly satisfied with their relationship with the FCA in 2026 (vs. 65% in 2025). Trust in the FCA had strengthened among large firms. While most (67%) said in 2026 that their trust in the FCA remained unchanged since 2025, 28% said their trust in the FCA had increased over the past 12 months and 5% said it had decreased, resulting in a positive net change in trust of +23 percentage points.

Large firms' confidence in the FCA's ability to deliver on its statutory duties remained broadly stable. Where there were changes, they tended to be in a positive direction, albeit they were not statistically significant.

Large firms were well informed in terms of the FCA's Strategy 2025-2030 and the Consumer Duty. 97% of large firms reported that the FCA's Strategy 2025-2030 was clear and 86% agreed that their firm understood what the FCA expects in terms of support for consumers and embedding the Consumer Duty.

Clarity was also a perceived strength for the FCA's communications, with a high proportion of large firms agreeing that the FCA's communications to their firm were clear (83%), relevant (81%), consistent (70%) and concise (65%).

Growth and innovation

Large firms were generally less positive about the FCA's contribution to growth and innovation than firms overall.

While the proportion of large firms who agreed that the work of the FCA enhances the reputation of the UK as a financial centre increased from 61% in 2025 to 78% in 2026, confidence in the FCA's delivery against SICGO remained more limited. As many as 49% of large firms were not confident that the FCA was delivering on this objective, compared with 43% saying they were confident.

When asked about how well the FCA performs against its Strategy 2025–2030 objective of supporting the sustained growth of the UK economy, only 34% of large firms rated the FCA highly, compared with 48% across the wider population of firms. Among firms who operate and are regulated outside the UK, perceptions of the FCA relative to other global financial regulators were often unfavourable. 39% of these large firms said that the FCA was worse at supporting economic growth than regulators in other leading global financial centres, while only 16% said the FCA was better in this respect. Similarly, 25% said that they thought the FCA performed worse in supporting innovation and fintech, compared with 22% who considered it better than other global regulators.

Taken together, these findings suggest that while large firms increasingly recognised the FCA's role in maintaining the reputation of the UK financial sector, they remained less convinced of its effectiveness in supporting growth, competitiveness and innovation. This is reflected not only in lower confidence in the FCA's delivery of SICGO, but also in less favourable comparisons with regulators in other leading global financial centres.

Regulatory burden and efficiency

Some of the strongest concerns among large firms related to regulatory burden and the efficiency of the regulatory framework. A substantial proportion (43%) of large firms disagreed that the FCA is working well to support government targets to cut the administrative burden of regulation by 25%, compared with 24% of firms overall. There was also widespread disagreement that simplification of requirements on firms in the FCA Handbook had helped them to cut their costs (58%), compared with firms overall (32%).

Views were particularly negative regarding the FCA's handling of data and information requests and how this relates to efficiency. While 38% rated the FCA highly for operating as a smarter, more efficient regulator, this was considerably lower than the average of 54% among the wider population of firms. Large firms were also more likely to disagree that the FCA only asks for information that cannot be obtained from other sources (34%, compared with 15% of all firms). Furthermore, a little over half (54%) of large firms disagreed that the FCA reviews information and provides feedback in a timely manner, compared with just 14% of firms overall.

Concerns about the proportionality of regulation were also evident. While agreement that the FCA acts proportionately increased among firms overall to 45% in 2026, the equivalent figure for large firms fell by 3 percentage points to 27%. Although this change was not statistically significant, it points to continuing concerns among large firms about whether the costs imposed by regulation are proportionate to the benefits achieved.

3.3 Medium firms

Medium firms account for 9% of all firms. They are often large enough to have regular engagement with the FCA and to be affected by major regulatory initiatives but may not have the same resources as the largest firms to absorb additional regulatory requirements. As a result, their experiences can provide valuable insight into whether regulation is proportionate, practical and delivering intended outcomes without creating unnecessary burden.

The 2026 findings suggest that medium firms were generally positive about the FCA, but continued to express concerns around growth, innovation and the practical benefits of regulatory simplification, highlighting areas where further progress may be needed.

Confidence in the FCA's core regulatory role

Trust in the FCA was particularly strong among medium firms. 81% reported high trust in the FCA, compared with 75% of firms overall. Trust had also improved considerably over the past 12 months, with a net increase of 16 percentage points, compared with a net increase of 11 percentage points across the population of firms as a whole, albeit most medium firms said their trust in the FCA had remained the same (70%).

Medium firms' confidence in the FCA's ability to deliver on most of its statutory duties remained broadly stable and closely aligned with firms overall. Where there was change, it was positive, with the proportion of medium firms saying they were confident that the FCA was delivering its objective of promoting effective competition in the interests of consumers in the financial markets increasing from 61% in 2025 to 72% in 2026. Medium firms were also more positive than average about the FCA's delivery of its financial crime objectives. Around three-quarters (76%) rated the FCA highly in terms of how well it was delivering on fighting financial crime, compared with 64% of firms overall. The proportion of medium firms with highly positive perceptions of the FCA's contribution to the reputation of the UK as a financial centre also strengthened, increasing by 10 percentage points to 77% in 2026, compared with 71% of firms overall.

Compared with all firms, medium firms were better informed about the FCA's Strategy 2025-2030, with 90% of medium firms reporting that the FCA's new strategy was clear (compared with 75% of all firms).

Medium firms also continued to express positive views towards the FCA's communications. Compared with firms overall, they were more likely to agree that communications from the FCA were clear (81%, compared with 74% of all firms), relevant (78%, compared with 68%) and concise (70%, compared with 63%).

Growth and innovation

Despite generally positive views of the FCA, medium firms expressed mixed opinions about growth and innovation.

Medium firms' confidence in the FCA's delivery of SICGO was less strong than their confidence around the FCA's primary statutory objectives. The proportion of medium firms not confident in the FCA's ability to deliver on SICGO was higher than for firms overall (37% vs. 23%, respectively). However, they were more likely to understand what the FCA is trying to achieve through its SICGO objective (57%, compared with 46% of firms overall).

Medium firms were more positive than average about the FCA's contribution to economic growth. Overall, 54% of medium firms rated the FCA highly in terms of supporting the sustained growth of the UK economy (compared with 48% of all firms). Among medium firms who operate and are regulated outside the UK, perceptions of the FCA relative to other global regulators were also, on balance, favourable in relation to growth, with 33% saying the FCA was better than regulators in other leading financial centres and 18% saying it was worse.

Medium firms' views on the FCA's support for innovation varied in terms of their relative levels of positivity. They were more likely than firms overall (47% vs. 38%) to agree the FCA is effective at supporting the development of digital markets and new technologies. However, 24% of medium firms who operate and are regulated outside the UK considered the FCA to be worse than other leading global regulators at supporting innovation and fintech (compared with 15% of firms overall).

Taken together with the findings related to confidence and trust, it is apparent that medium firms were relatively supportive of the FCA's growth and innovation agenda and recognised the FCA's contribution to the UK's reputation as a financial centre. However, concerns about the delivery of SICGO and mixed comparisons with global regulators indicate that many medium firms had yet to be fully convinced that these ambitions were translating into tangible improvements in growth and innovation outcomes.

Regulatory burden and efficiency

Medium firms were generally more positive than firms overall about the burden imposed by FCA regulation. Only 16% felt that they had received too many data and information requests from the FCA in the last 12 months, compared with 33% across the wider population (which is primarily composed of small firms). Furthermore, the proportion of medium firms who said the number of requests was about right increased from 48% in 2025 to 56% in 2026. Consistent with these findings, perceptions of regulatory proportionality had also improved among medium firms. 48% of them agreed that the FCA acts proportionately, so that the costs imposed on firms are proportionate to the benefits gained, an increase of 10 percentage points compared

with 2025. Despite this improvement, 25% of medium firms still disagreed that the FCA acts proportionately in this respect.

Medium firms were less likely than firms overall to agree that the information requested by the FCA was often difficult to collate (26%, compared with 33% of all firms) and were more likely to agree that the FCA clearly explains why it wants the data and information that it asks their firm to provide (57%, compared with 50% of all firms).

However, medium firms were more negative about the extent to which recent simplification initiatives were reducing costs. 39% of medium firms disagreed that simplification of requirements on firms in the FCA Handbook had helped them to cut their costs, compared with 32% of firms overall, while 20% of medium firms agreed. Responses to other Handbook improvements were more balanced, suggesting that while firms may support simplification in principle, many have yet to see meaningful benefits reflected in their day-to-day regulatory experience.

Overall, the findings suggest that medium firms viewed the FCA as a proportionate regulator and were relatively comfortable with its information requests but remained unconvinced that simplification initiatives were delivering tangible reductions in regulatory burden and compliance costs.

3.4 Small firms

Small firms account for 91% of all firms, meaning that the results for this group largely mirror the overall findings reported for firms overall¹⁴, with differences between the results for each group rarely exceeding 1 percentage point. As a result, there are relatively few areas where small firms differ materially from the wider population of firms. The key themes emerging from this group are therefore largely the same as those seen across firms overall: improving trust, satisfaction and confidence in the FCA, alongside continuing concerns around regulatory burden, information requests and whether simplification initiatives are reducing costs in practice.

The knowledge levels of small firms were often lower than those of medium and large firms, for example, in terms of awareness of the FCA's innovation services. Across many of the survey metrics, there also tended to be an elevated 'don't know' response among the small firms. For example, 12% of small firms said they didn't know whether the FCA should simplify conduct requirements relating to firm governance, compared with 4% of medium firms and 3% of large firms. Similarly, 20% of small firms said they didn't know if there were significant or emerging risks the FCA isn't aware of, compared with 14% of medium firms and 10% of large firms.

A relatively high proportion of small firms (34%) said that in the last 12 months they received more data and information requests than seemed necessary for the FCA to

¹⁴ See [Chapter 2: Key findings](#) for results among all FP firms.

do its business, compared with only 16% of medium firms. Small firms were therefore aligned with large firms, 34% of which also felt they received too many data and information requests. In their open responses it was also apparent that many small firms felt that the FCA's regulatory requirements were not always proportionate to the scale of their operations and did not adequately take into account the specific characteristics of smaller firms' business models.

Amplifying this issue, there was a sense among some small firms that the structuring and wording of the FCA Handbook made it hard to identify and understand those regulations that did apply. Given that small firms will naturally tend to have less specialist resource to deal with the complexities of regulatory requirements, such issues will, in many cases, be challenging for them to address.

"Make the handbook more refined for small private companies of 1-5 staff members who don't have the huge scope to deal with masses of regulatory data ... compliance could be more easily defined for the same reason, it can be overwhelming for small firms to have to deal with a lot of information that doesn't actually apply to their type of business."

(Small, Consumer Investments & Pensions firm)

3.5 Sector summaries

This section outlines results across the sectors overseen by the FCA, highlighting where views differ from the average for full permission firms overall. The analysis focuses on a selection of key metrics from the 2026 survey to provide an overview of sector-level variation in firms' experiences and perceptions of the FCA.

To maximise robustness, only metrics based on the full sample of firms are included. Results for Wholesale firms are presented both as an overall total and as separate findings for Wholesale Buy-side and Wholesale Sell-side firms. The text focuses on the most notable sector-level findings.

Please refer to [Table 3.1: Key metrics by sector \(2026\)](#) for detailed results by sector.

Payments & Retail Banking firms

Across the full range of metrics shown in [Table 3.1: Key metrics by sector \(2026\)](#), Payments & Retail Banking firms consistently gave more positive responses than firms overall - this was clearly the most positive sector. Furthermore, in many cases the differences compared with the wider population of firms were relatively large. In particular, Payments & Retail Banking firms tended to have much more positive views around topics relating to innovation and international trade. For example, 67% of Payments & Retail Banking firms agreed that the FCA was effective at supporting the development of digital markets and new technologies in financial products and services (compared with 38% of firms overall). Similarly, 60% agreed that the FCA's

innovation services were effective in supporting growth (compared with 32% overall), and 64% agreed that the work of the FCA was effective in supporting international trade in the financial services industry (compared with 40% overall).

Wholesale firms

Wholesale firms also tended to give more positive responses than firms overall. In particular, they were more likely to agree that the work of the FCA is effective in supporting international trade in the financial services industry (56%, compared with 40% overall) and to agree that the FCA acts proportionately, so that the costs imposed on firms are proportionate to the benefits gained (59%, compared with 45% overall). However, Wholesale firms were notably less likely to agree that FCA regulation had helped their firm to deliver better outcomes for consumers (50%, compared with 60% of firms overall). Buy-side Wholesale firms were particularly likely to disagree that FCA Handbook simplification had helped them to cut costs (38%, compared with 32% of firms overall).

Mortgage firms

Firms in the Mortgages sector were also relatively positive compared with firms overall, although the positive differences were generally less pronounced than those for Wholesale firms and Payments & Retail Banking firms. They were particularly positive in terms of their agreement that FCA regulation had helped firms to deliver better outcomes for consumers (71% agreed, compared with 60% overall) and agreement that the FCA's anti-money laundering (AML) systems and controls response was effective at tackling levels of money laundering risk (75%, compared with 65% overall). Mortgage firms were, however, less likely to be aware of the FCA's innovation services (49%) than firms overall (54%).

Insurance firms

Responses from firms in the Insurance sector were more varied. They were often slightly less positive than firms overall, but the differences were not generally large.

Insurance firms were less likely to agree that the work of the FCA is effective in supporting international trade in the financial services industry (34%, compared with 40% of firms overall). They were also less likely to be aware of the FCA's innovation services (48%, compared with 54% overall) and less likely to be aware of any of the FCA's senior executive team (60%, compared with 66% overall).

Consumer Finance firms

Consumer Finance firms were typically less positive than firms as a whole, albeit this was sometimes driven by a relative lack of knowledge rather than by active negativity, with relatively high 'don't know' responses at times.

They were less likely to say that they thought the FCA's Strategy 2025-2030 was clear (65%, compared with 75% of firms overall). Consumer Finance firms also had comparatively low awareness of the FCA's innovation services (46%, compared with 54% overall) and were less likely to be aware of any of the FCA's senior executive team (55%, compared with 66% overall). Nevertheless, they were one of the most positive sectors in terms of their agreement that the FCA only asks for data and information that cannot be obtained from other sources (62%, compared with 54% of all firms).

Consumer Investments & Pensions firms

Consumer Investments and Pensions firms were, for nearly all metrics, more negative than firms overall. They were notably less likely to be content with the number of data and information requests they received from the FCA. Overall, 51% thought the number of requests in the last 12 months was 'about right' or 'a lot, but I understand why this is needed', compared with 65% of firms overall.

Consumer Investments and Pensions firms were less likely to agree that the work of the FCA is effective in supporting international trade in the financial services industry (30%, compared with 40% overall). They also held less positive views about the FCA's regulatory framework. Overall, 42% of Consumer Investments and Pensions firms agreed that the framework is clear and well understood by all market participants (compared with 51% of all firms) and 40% agreed that the regulatory framework is trusted by all market participants (compared with 49% overall).

Key metrics by sector

Table 3.1: Key metrics by sector (2026) provides a summary of key results by sector.

Conditional formatting has been applied to Table 3.1. This formatting compares the values in each row against one another. In each row, values which are comparatively high (demonstrating a relatively positive attitude towards the FCA) are highlighted in green hues. Values that are comparatively low (demonstrating a relatively negative attitude towards the FCA) are highlighted in red hues. Values that are closer to the average for each metric are coloured yellow or orange.

Table 3.1: Key metrics by sector (2026)

	All FP firms	Consumer Finance	Mortgages	Consumer Investments & Pensions	Insurance	Payments & Retail Banking	Wholesale Buy-side	Wholesale Sell-side	All Wholesale
Base	4,064	542	444	1,362	668	271	406	371	777
Overall satisfaction with their relationship with FCA (Proportion giving a rating of 7+ out of 10)	79%	73%	81%	76%	78%	85%	86%	86%	86%
How effective the FCA has been in regulating the financial services industry in the last year (Proportion giving a rating of 7+ out of 10)	76%	70%	81%	73%	75%	87%	83%	84%	83%
Confidence that the FCA delivers on its statutory objective of... ensuring relevant financial markets function well (Proportion Very/Fairly Confident)	85%	79%	89%	84%	86%	90%	90%	91%	90%
Confidence that the FCA delivers on its statutory objective of... securing an appropriate degree of protection for consumers (Proportion Very/Fairly Confident)	87%	85%	90%	85%	87%	91%	89%	87%	88%
Confidence that the FCA delivers on its statutory objective of... protecting and enhancing the integrity of the UK financial system (Proportion Very/Fairly Confident)	85%	78%	89%	82%	86%	90%	91%	92%	92%
Confidence that the FCA delivers on its statutory objective of... promoting effective competition in the interests of consumers in the financial markets (Proportion Very/Fairly Confident)	72%	67%	77%	70%	71%	82%	73%	76%	74%
Confidence that FCA's oversight of the industry delivers on SICGO objective (Proportion Very/Fairly Confident)	54%	53%	60%	48%	51%	68%	62%	59%	61%
Understanding of what FCA is trying to achieve through SICGO (Proportion understand Very/Fairly Well)	46%	42%	47%	39%	43%	69%	57%	57%	57%
Perceived clarity of the FCA's Strategy 2025-2030 (Proportion Very Clear or Fairly Clear)	75%	65%	78%	76%	77%	81%	79%	78%	79%
How well FCA is supporting the sustained growth of the UK economy (Proportion giving a rating of 7+ out of 10)	48%	44%	54%	42%	48%	61%	50%	49%	50%

	All FP firms	Consumer Finance	Mortgages	Consumer Investments & Pensions	Insurance	Payments & Retail Banking	Wholesale Buy-side	Wholesale Sell-side	All Wholesale
Base	4,064	542	444	1,362	668	271	406	371	777
How well FCA is helping consumers navigate their financial lives (Proportion giving a rating of 7+ out of 10)	53%	48%	60%	46%	56%	71%	55%	56%	55%
How well FCA is operating as a smarter, more efficient and effective regulator (Proportion giving a rating of 7+ out of 10)	54%	53%	59%	48%	54%	68%	59%	55%	57%
How well FCA is fighting financial crime (Proportion giving a rating of 7+ out of 10)	64%	57%	68%	56%	62%	81%	74%	72%	74%
Overall trust in FCA as a regulator (Proportion giving a rating of 7+ out of 10)	75%	68%	78%	71%	75%	88%	86%	83%	85%
Agreement that overall, the FCA's communications to my firm are CLEAR (Proportion Agree Strongly/Agree)	74%	70%	72%	70%	73%	89%	82%	81%	82%
Agreement that overall, the FCA's communications to my firm are CONSISTENT (Proportion Agree Strongly/Agree)	80%	74%	83%	77%	82%	86%	84%	82%	83%
Agreement that overall, the FCA's communications to my firm are RELEVANT (Proportion Agree Strongly/Agree)	68%	65%	71%	62%	66%	86%	74%	72%	74%
Agreement that overall, the FCA's communications to my firm are CONCISE (Proportion Agree Strongly/Agree)	63%	60%	60%	55%	63%	82%	74%	72%	74%
Agreement that the work of the FCA enhances the reputation of the UK as a financial centre (Proportion Agree Strongly/Agree)	71%	63%	74%	66%	67%	86%	83%	82%	83%
Agreement that FCA regulation has helped firm to deliver better outcomes for consumers (Proportion Agree Strongly/Agree)	60%	59%	71%	59%	59%	82%	51%	50%	50%
Agreement that the work of the FCA is effective in supporting international trade in the financial services industry (Proportion Agree Strongly/Agree)	40%	36%	41%	30%	34%	64%	57%	52%	56%

	All FP firms	Consumer Finance	Mortgages	Consumer Investments & Pensions	Insurance	Payments & Retail Banking	Wholesale Buy-side	Wholesale Sell-side	All Wholesale
Base	4,064	542	444	1,362	668	271	406	371	777
Agreement that the regulatory framework is clear and well-understood by all market participants (Proportion Agree Strongly/Agree)	51%	44%	57%	42%	50%	73%	61%	59%	60%
Agreement that the regulatory framework is trusted by all market participants (Proportion Agree Strongly/Agree)	49%	43%	53%	40%	46%	71%	64%	62%	63%
Agreement that the FCA acts proportionately, so that the costs imposed on firms are proportionate to the benefits gained (Proportion Agree Strongly/Agree)	45%	39%	48%	38%	41%	60%	61%	56%	59%
Agreement that the FCA is working well to support government targets to cut the administrative burden of regulation by 25% (Proportion Agree Strongly/Agree)	27%	27%	32%	21%	28%	40%	30%	27%	29%
Agreement that simplification of requirements on firms in the FCA Handbook have helped us to cut our costs (Proportion Agree Strongly/Agree)	24%	25%	30%	19%	24%	45%	21%	23%	21%
Agreement that simplification of requirements on firms in the FCA Handbook is having a positive impact on market and consumer outcomes (Proportion Agree Strongly/Agree)	35%	34%	42%	29%	36%	54%	33%	33%	33%
Agreement that my firm understands what the FCA expects in terms of support for consumers and embedding the Consumer Duty (Proportion Agree Strongly/Agree)	88%	87%	91%	92%	90%	90%	78%	73%	76%
Agreement that the FCA is effective at supporting the development of digital markets and new technologies in financial products and services (Proportion Agree Strongly/Agree)	38%	39%	43%	30%	33%	67%	37%	42%	39%

	All FP firms	Consumer Finance	Mortgages	Consumer Investments & Pensions	Insurance	Payments & Retail Banking	Wholesale Buy-side	Wholesale Sell-side	All Wholesale
Base	4,064	542	444	1,362	668	271	406	371	777
Agreement that the FCA is able to adapt its regulatory requirements to respond efficiently to innovation and new challenges (Proportion Agree Strongly/Agree)	38%	38%	44%	29%	36%	61%	41%	43%	42%
Agreement that the FCA's innovation services are effective in supporting growth (Proportion Agree Strongly/Agree)	32%	34%	38%	24%	29%	60%	31%	35%	32%
Aware of FCA's innovation services	54%	46%	49%	57%	48%	74%	58%	62%	59%
Perceived consistency of FCA's approach to risk (Proportion Very consistent/Fairly consistent)	80%	72%	80%	80%	80%	89%	86%	83%	85%
How firms feel about the number of data/information requests your firm receives from the FCA (Proportion saying the number is 'About right' or 'A lot, but understand why this is needed')	65%	67%	65%	51%	63%	86%	80%	79%	80%
Agreement that the FCA's anti-money laundering (AML) systems and controls response is proportionate? (Proportion Strongly agree/Agree)	75%	67%	84%	76%	71%	86%	74%	74%	74%
Agreement that the FCA's anti-money laundering (AML) systems and controls response is effective at tackling levels of money laundering risk? (Proportion Strongly agree/Agree)	65%	60%	75%	61%	61%	81%	67%	69%	67%
How well FCA explains what is expected to comply with its financial crime controls (Proportion Very well/Quite well)	88%	83%	92%	89%	87%	91%	88%	90%	88%
Awareness of FCA's senior executive team (Aware of at least one member of senior exec team)	66%	55%	64%	70%	60%	81%	72%	77%	73%

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