

THE FINANCIAL SERVICES PRACTITIONER PANEL

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Financial Services Practitioner Panel issues Annual Report for 2004/5

The Financial Services Practitioner Panel (the Panel) has today released its Annual Report for 2004/5.

Commenting on the Report, Jonathan Bloomer, Chairman of the Panel, said:

"This has been an eventful period for the Financial Services Authority (FSA), regulation in general and the financial services marketplace as a whole. In turn, this has meant another busy and challenging year for the Panel. Although we consider that the FSA is moving in the right direction following the structure and operational changes in 2004, our survey - published in December 2004 - demonstrates that the industry still believes there remains room for further improvement in a number of areas."

"The key issues arising from the Panel's survey were – the excessive costs of compliance; the usability of the FSA's Handbook and the provision of guidance; the implementation of international legislation; and the treatment of smaller firms. The next round of the Panel's survey will be undertaken in summer 2006.

"The Annual Report highlights a number of the major issues that arose during 2004/5 and those that are likely to dominate the Panel's work in 2005/6. These include the FSA's Treating Customers Fairly initiative; the ongoing review of the enforcement framework; the application of Cost Benefit and Market Failure Analyses; the Arrow risk-based supervision framework; and the FSA's approach to the prevention of money laundering and financial crime.

"The Panel will continue to push the FSA to deliver against its clear commitment to make itself an easier organisation to do business with and create a better regulatory regime under which firms can not only operate confidently, but thrive. In the first instance, the FSA's Business Plan for 2005/6 is a positive response to the concerns of regulated firms. The Panel is particularly pleased to be working in partnership with the FSA to carry out an in-depth study into the costs of regulation and their associated benefits."

NOTES FOR EDITORS

1. The Practitioner Panel was established in November 1998, comprising senior figures from a cross-section of the financial services industry, to provide a high-level body available for consultation on policy by the FSA and able to communicate to the FSA views and concerns of the regulated industries. It has a statutory basis under Section 9 of the Financial Services and Markets Act 2000. Further information on the role and work of the Panel – including a full copy of the Annual Report for 2004/5, is available on its website: www.fs-pp.org.uk

2. The current members of the Panel are: Jonathan Bloomer, Group Chief Executive, Prudential plc; Roy Leighton, UK Chairman, CALYON (Deputy Chairman); Alan Ainsworth, Deputy Chairman, Threadneedle Asset Management Ltd.; Luqman Arnold, former Chief Executive of Abbey; Matthew Bullock, Group Chief Executive, Norwich and Peterborough Building Society; Clara Furse, Chief Executive, London Stock Exchange; Douglas Gardner, Chief Executive, AWD; Ruthven Gemmell, Partner, Murray Beith Murray (Chairman of the Small Business Practitioner Panel); David Hardy, Chief Executive, LCH Clearnet Group; Nick Prettejohn, Chief Executive, Lloyd's of London; David Verey, Chairman, Blackstone Group, UK; Alan Yarrow, Vice Chairman, Dresdner Kleinwort Wasserstein; Andrew Ross, Chief Executive, Cazenove Capital Management; Russell Collins, Head of Deloitte UK National Financial Services Practice.

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