Financial Services Regulation: Measuring Success

Response from the Investment Association

About the Investment Association

The Investment Association (IA) champions UK investment management, a world-leading industry which helps millions of households save for the future while supporting businesses and economic growth in the UK and abroad. Our 270 members range from smaller, specialist UK firms to European and global investment managers with a UK base. Collectively, they manage £10 trillion for savers and institutions, such as pension schemes and insurance companies, in the UK and beyond. 46% of this is for overseas clients. The UK asset management industry is the largest in Europe and the second largest globally.

Executive summary

The IA welcomes the opportunity to provide input into this crucial and well-timed call for proposals on additional metrics for regulators to report against to ensure they are meeting their new secondary objective for growth and competitiveness. This response is split into a number of sections:

Section One presents our **blueprint for change**, a holistic view for the regulatory framework which we outlined previously in our response to FCA DP 23/2.[1]

Section Two sets out our approach to **defining competitiveness**, capturing both the importance of international attractiveness and enabling domestic entrepreneurship as part of a thriving investment management ecosystem. This inevitably leads to a range of metrics, looking both at specific data points (e.g. speed and transparency of authorisation) and more general sentiment (e.g. perceptions of barriers to entry).

Section three emphasises the **importance of accountability** and how that can be sufficiently embedded with the regulators.

We then answer question one on the government's **approach to Clause 37**. We are supportive of the clauses' introduction into the Financial Services & Markets (FSM) Act. It provides HM Treasury with the power to direct regulators to publish information that is required in the effective scrutiny of the regulators' work in embedding and advancing their secondary objectives. We strongly support the importance of publishing information to inform the scrutiny of regulators and believe the regulators should be strongly encouraged to voluntarily publish the data required.

Finally, in answering question two we have provided some **tools of measurement** such as the enhanced use of surveys as well as specific metrics that are proportionate; ensure international benchmarking and provide the opportunity to scrutinise the regulators progress in furthering their secondary objectives of growth and competitiveness.

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[1] Investment Association: DP23/2: Updating and improving the UK regime for asset management (May 2023)

Our recommendations

Our recommendations aim to capture both perceptions and the measured reality of doing business in the UK as a way to monitor competitiveness. They seek to ensure a focus both on international attractiveness and a vibrant domestic business environment which enables the emergence and continued growth of UK firms as international players as well as successful participants in the home market. In this, the framework needs to have regard to a range of types and size of firm, from boutique to large cross-border players. Underlying all of this is the need for competitiveness to support good consumer outcomes.

Recommendation One: Measuring Perception and Attractiveness

A number of international surveys already exist which seek to breakdown the relative attractiveness of the UK at sector (financial services) and sub-sector (banking, insurance, investment management) level. These could potentially be supplemented by a more bespoke Regulatory Perception Survey.

The FCA could be invited to comment annually on results, and use its own convening power to discuss with industry the implications of changes in perception as they relate to areas that lie within its control. This process could draw on some of the wider analysis and data set out in Recommendations 2-4.

Recommendation Two: Cost Benefit Analysis and Incremental Regulation

The investment management industry has been in a period of near continuous regulatory change in the UK for the past decade, with the Consumer Duty and Sustainable Disclosure Regime (SDR) the latest in a series of major changes. **Cost Benefit Analysis Panels** should consider both the **individual and cumulative impact** of policy interventions.

Recommendation Three: Integrating Wider Factors in Competitiveness Assessments

- **Consider the international context** by ensuring that all consultation papers set out the approach taken in a relevant competitive jurisdiction to allow for comparative analysis.

- **Grow the UK's domestic investor base** by enhancing the prominence of the FCA's current Consumer Investment Strategy metric.

Recommendation Four: Data Dashboard

While we are conscious of ensuring a proportionate approach, there are a number of metrics which will help assess the domestic regulatory environment, which could be presented in a competitiveness dashboard alongside other relevant data gathered by the FCA in an accessible and clear format.

Metrics could focus on a number of key areas including:
- Firm Authorisation metrics.
- Fund Authorisation metrics
- Senior Managers and Certification Regime metrics

A regulatory framework for the future

This consultation is a welcome recognition from Government that regulation and regulatory culture in financial services require additional scrutiny and accountability as EU rules are repealed and the UK moves towards a new framework. Regulatory policy development in the UK in recent years has been characterised by an unprecedented volume of change. New regulation and the cost of compliance and implementation are collectively creating a challenging environment for firms looking to conduct business here in the UK.

However, the passage of the Financial Services and Markets Act through Parliament and the review of financial services regulation currently underway presents regulators, policymakers and industry with an opportunity to take a more dynamic approach to regulatory creation and execution, and a key part of this new approach will be successfully embedding the secondary objective for growth and competitiveness for the UK's financial services regulators.

1. IA blueprint for change

The UK regime for investment management requires reform and we welcomed the opportunity to input into the FCA's recent Discussion Paper 23/2. As part of that process, we set out a blueprint for a regime that has the potential to fundamentally shift the dial to create world class, tech-driven investment management sector, that combines domestic dynamism with a global footprint. Although developed in the context of a review of the asset management sector, these objectives are applicable across the breadth of the financial services industry to ensure the UK remains internationally competitive and is able to drive forward economic growth. These objectives are summarised as follows:

1. **Stimulate innovation**. The regulatory regime must promote innovation in process and products, reflecting the transformational potential of recent technological advances.
2. **Facilitate cross-border business**. The regime must support firms in their cross-border activity, whether through delegation or the import and export of products and services.
3. **Focus on the cost of doing business**. The cumulative cost of doing business must be proportionate and cannot discourage firms from locating business in the UK.
4. **Modernise the regulatory process.** Processes to form and execute on regulation need to enable better collaboration with practitioners and other stakeholders.
5. **Calibrate risk appropriately**. Both the culture and regulatory framework must recognise the benefits of risk and accept that not all risk can or should be eliminated.
6. **Target regulation effectively**. Applying over broad regulation, with insufficient targeting, increases costs and fails to deliver benefits to end-consumers.

Overall, it is important that during a time of significant regulatory change and a challenging economic and geopolitical environment, the focus must be on tangible outcomes which are good for consumers, reduces complexity and cost and fosters innovation. Activities undertaken by regulators must be prioritised, proportionate and scrutinised in the context of the total regulatory burden to identify and eliminate unnecessary layering of regulation.

2. Competitiveness

The FCA holds concurrent competition powers and has an existing objective to promote effective competition in the interests of the consumer. As a result, FCA activity in recent years has been defined by a focus on domestic competition. Although this is linked to international supply side factors (e.g. the extent to which international firms operate in the UK and help deliver choice and effective competition to consumers), it is distinct from the concept of international competitiveness which must be focused on comparative advantage (and attractiveness) of the UK versus other markets and jurisdictions.

Ultimately, an internationally competitive regime in the UK both attracts new business activity into the UK and enables those firms operating in the UK – whether a small or large or domestic or international – to thrive. By its nature, a competitive regime necessitates comparison with other markets as investors, firms and employees have a choice of where to locate. What this means in practice is looking in detail at issues such as the cost and complexity of regulation, which will free up capital for innovation and bring savings to investors. It will also create a regulatory framework which allows firms to innovate. In that regard, we welcome the recent acknowledgment by the FCA that "*regulation can hinder financial services if the costs are disproportionate to the benefits and if it stifles innovation*"[2].

The UK will benefit in multiple ways from a focus on international attractiveness which delivers a robust and dynamic investment management industry. The industry makes an economic contribution through employment and taxes which contribute to domestic growth and delivers consumer choice. For example, the investment management industry contributes to nearly 4% of the total net exports in the UK. In the case of financial services, there are also positive multiplier and network effects generated by the co-location of different sub-sectors, such as investment management and investment banking. Increasingly, the co-location of investment management and fintech specialists is adding a further dimension to the competitiveness discussion.

Crucially, it is possible – and necessary – to combine high standards of domestic regulation, including customer protection, with a strong focus on international competitiveness. A greater FCA focus on competitiveness should therefore be a win-win scenario for both UK customers and the wider economy. As we set out in our proposed metrics, there are multiple ways to measure a jurisdiction's competitiveness, some of which are within the control of the regulator, and others more within the control of policymakers. The range of metrics used must capture several features of the market, ranging from international attractiveness for global players to the ability of smaller firms to launch and scale up within the domestic market.

However, a focus on metrics alone will miss a fundamental feature of what will enable competitiveness - the need for a supportive culture. For competitiveness to be truly embedded within any organisation, including the regulators, cultural alignment is a pre-requisite. This requires a recognition that attracting international firms to the UK and creating a regulatory environment that also allows domestic firms to grow successfully is a core feature of a successful market. High barriers to entry, and complex, costly and duplicative regulation without a clear justification, will work against the UK's ability to maintain its position as one of the leading investment management centres in the world.

[2] Speech by Sheldon Mills, Executive Director, Consumers and Competition, delivered at the CityUK Annual Conference 2023 https://www.fca.org.uk/news/speeches/how-innovation-and-regulation-in-financial-services-can-drive-uk-economic-growth

The range of metrics used therefore has to capture a number of features of the market, ranging from international attractiveness for global and mobile scale players to the ability of smaller firms to launch and scale up within the domestic market.

3. Importance of scrutiny and accountability

If the proposed metrics are to succeed in holding the regulators to account on their secondary objectives there must be an effective mechanism to scrutinise the data and provide accountability. True scrutiny comes from the accountability mechanism and not from the data itself. Data is merely the tool used to enable scrutiny.

Democratic oversight and the accountability of regulators has been a widely discussed topic in recent months as a result of the changes in the regulatory framework set out in the Financial Services and Markets Act. We are supportive of the creation of the House of Commons Treasury Sub-Committee on Financial Services Regulation. However, as the role of the Committee grows, we believe it should evolve to enable enhanced oversight and accountability.

- **Expertise from across Parliament**: Members of the Treasury Select Committee have demonstrated that their insight, expertise and strong links to the wider public are crucial in providing scrutiny. The House of Lords also has the potential to play an important role, with Peers often bringing perspectives founded in outside work on consumer rights, business, or financial services. We suggest capitalising on this diversity of expertise to enhance the Sub-Committee's work by forming a new larger joint committee.

- **Appropriate resources:** The scale and complexity of financial services regulation is phenomenal. We suggest additional resources should be made available to ensure Committee members are supported by the research and insight that is needed for thorough scrutiny of all appropriate regulatory action. Specifically, we propose that the existing triage system is refined to allow the most important regulatory issues to be considered (which should include input from those most impacted by regulation), and there are appropriate mechanisms for the Sub-Committee to make concrete recommendations leading to further action where needed.

- **Insight from all stakeholders:** The current system of inviting evidence to inform the Sub-Committee's work is vital but may not always be sufficient especially when resources are stretched. We therefore recommend that the Sub-Committee is supported by a panel of experts who have experience in financial services – both from the perspective of impacted firms and from consumer advocacy. Such a panel could be appointed by Government based on specific subject-matter expertise to provide support to Parliamentarians on technical aspects.

We are supportive of the newly passed Financial Services and Markets Act, which calls on regulators to make two reports to HM Treasury on how they have advanced their duty to the competitiveness and growth objectives. The Act stipulates that the first report should be compiled within the first 12 months of the Act passing, with the second report to be published before the end of 24 months.

Developing and maintaining a truly competitive UK market is a long-term objective and requires constant vigilance. We therefore think that reporting should stretch beyond the 24 months currently suggested. This would better embed the objective into the culture of regulators for the long term and become part of their normal operations. A short-term obligation risks the objective being seen as a one-time effort as opposed to the significant long term cultural change that is required.

We have also previously raised an additional potential source of oversight which would be to task the National Audit Office (NAO) with conducting regular public assessments of the regulators' effectiveness. The NAO is well placed to execute the task with the scale, expertise and existing structures to operate effectively and with minimal set up costs. We welcome the recent announcement by the NAO[3] that they will conduct a review of the FCA over the Winter 2023/2024. Although we appreciate that these reviews are time consuming for the FCA and care must be given in order to not overly disrupt the FCA's important work, previous reviews have been an effective tool and we would recommend they are used on a consistent basis and include an international benchmarking exercise, potentially modelled on the World Bank's 'Ease of Doing Business' ratings, to ensure that the UK remains international competitive.

[3] https://www.nao.org.uk/work-in-progress/financial-services-regulation-adapting-to-change/

Response to call for proposal questions

Q1: Do you agree with the government's approach to the exercise of the power of direction in Clause 37 of the FSM Bill?

We welcome the introduction of Clause 37 into the Financial Services and Markets Act, to introduce a power for HM Treasury to direct the regulators to publish information. The addition of the clause demonstrates the Government's acknowledgement that such a power may be necessary "*for the purpose of reviewing and scrutinising the discharge of the regulator's functions*."[4]

Our members are in agreement that publishing the data is vitally important in order to achieve the effective scrutiny of the regulators, with some believing a proactive use of Clause 37 would best ensure transparency and accountability. However, there is also a strong argument that regulators should voluntarily publish the necessary information without the need to use the power in Clause 37. Publishing information voluntarily will ensure a swifter process and better working relationships between industry and the regulators. Voluntarily embracing transparency around achieving their new secondary objective would be reflective of the regulators embracing the cultural changes necessary for the competitiveness objective to be delivered.

Ultimately, however, for the metrics to work effectively the regulators will need to publish the necessary information, either voluntarily or via mandate, for which Clause 37 provides the power to do so. It is important that there is no doubt that the publication of data will be compelled if not published voluntarily as it is an essential feature of accountability and scrutiny.

We welcome HM Treasury's intention to engage with the industry, consumers, Parliament and other stakeholders when considering use of Clause 37. However, we feel this engagement should be on a more proactive and structured basis. We recommend that consideration be given to enabling the existing statutory panel to recommend HM Treasury trigger Clause 37. The panel should accept input from stakeholders in considering whether there is a need to trigger Clause 37. Furthermore, HM Treasury should consider holding regular and structured reviews with industry to determine whether there is a need to trigger Clause 37. Bodies such as the Asset Management Taskforce should be an important source of feedback in this regard.

[4] HM Treasury: HMT Financial Services Regulation: Measuring Success. Call for Proposals (2023)

Q2: What are the key metrics that the FCA and the PRA should publish in relation to their new secondary growth and competitiveness objectives?

When answering this question, we aim to capture both perceptions and the measured reality of doing business in the UK. Perception, as well as specific data points can have a significant impact on a decision to do business within the UK – whether that be growing existing business or launching something new. Our recommendations aim to ensure the future success of both global business coming to the UK and the dynamic domestic market – both elements are essential to build a robust investment management sector in the UK to deliver economic growth.

Recommendation 1 – Measuring Perception and Attractiveness

Surveys

There are multiple international surveys that aim to measure the attractiveness of the UK and the FCA has recently launched a joint survey with the Practitioner Panel to gather feedback on their performance. However, we believe there is value in conducting a bespoke Regulatory Perception Survey. Such a survey would provide regular feedback on the lived experience of firms and how that is impacting their business. The survey should be targeted at those within the business that have strategic oversight and the questions need to focus on how regulation impacts the growth and competitiveness of doing business in the UK. They should gather useful qualitative data, at a sufficient scale to be representative of the diverse range of business models and sizes. Although we recognise that it is not realistic to expect that firms will "approve" of their regulator in all circumstances, the feedback collected could form a baseline to show trends over a period of time and act as a warning sign if there is no perceived improvement or change in regulatory behavior to meet the new objective.

It is important to stress that the surveys must be properly anonymised and independent of the regulator to allow for constructive and honest feedback from firms without fear it will reflect badly on their relationship with the regulator.

Using the output of the survey and other data, we would recommend that the FCA publish the survey annually along with a summary of steps taken to improve competitiveness and growth. The results should form the basis for conversations between HM Treasury, the Treasury Select Sub-Committee on Financial Services Regulation and the regulators on how the new objectives are being implemented. They should also inform discussions between regulators and firms on regulatory barriers to improving competitiveness and growth.

Recommendation 2 - Cost Benefit Analysis and Cumulative Regulation

Regulatory compliance costs and the barriers they create to both new entrants and existing businesses is a key factor in determining whether a firm selects the UK to grow their business and whether existing business activities remain viable. A specific and targeted focus on costs is essential for the objective to deliver its intended consequence.

We support the provisions in the Financial Services and Markets Act to require a new independent panel of experts to provide the regulators with advice on cost benefit analysis (CBA). Their consideration of the impact of a policy intervention is welcome. However, whilst each new policy intervention must include a CBA, much more needs to be done to consider the aggregate impact of multiple layers of regulation and whether either new or existing rules continue to bring sufficient benefit to justify their costs.

The CBA Panel should consider the cumulative impact of policy interventions on a regular basis, which would capture the risk of new initiatives creating disproportionate impacts. Such a mechanism would prevent multiple rules that target the same underlying risk being enacted, thereby reducing unnecessary regulatory burdens on firms.

Outcome	**Metric**	**Cadence**
The regulators have regard to the cumulative regulatory burden on firms	Cumulative cost to firms of regulations which have come into force in the previous 12 months by financial services sector / activity type.	Annually

Recommendation 3 – Integrating Wider Factors in Competitiveness Assessments

International Context

As a global industry, the UK's success in investment management is not inevitable. Many investment management firms operate internationally, and the nature of our sector requires cross-border activity, whether through delegation or the import and export of products and services. It is therefore important that regulators are conscious of where new rules align internationally (or where they do not). This is essential to both minimise cost and friction of doing business across borders and to ensure that the UK isn't perceived as an unattractive place to do business due to the level of regulation.

An awareness of the international regulatory environment is therefore vital for the UK to remain an internationally competitive destination for investment management. Regulators should routinely conduct comparative analysis of other competitor jurisdictions to ensure any new UK regulation does not negatively impact the growth and competitiveness objective. Consultation papers should set out the approach taken in relevant competitor jurisdictions to address the same or similar issues to allow for comparative analysis.

The regulators should also identify how measures align with other leading jurisdictions and enable UK companies to operate cross border – a key feature which will enable further economic growth and competitiveness. Although UK regulators may choose to take a different approach to other jurisdiction, this transparency would highlight areas of difference and focus efforts on ensuring firms are not dissuade from operating in the UK due to conflicting or overly burdensome regulations.

Although transparency in this regard is not in itself sufficient to deliver cultural change, the ability to readily identify international divergence will contribute to the ability to scrutinise and ensure the regulators are required to consider activities within the wider global context.

Growth of Domestic Investor Base

The international competitiveness of the UK's financial services sector could be enhanced by engaging better with consumers to grow investment, which will also have the added benefit of generating domestic growth. For example, household retail investments are equal to just 43% as a percentage of UK GDP, compared to 169% in the US. The proportion of households investing could also be a valuable measure in addition to the value of domestic investment as a proportion of GDP.

Measuring retail investment could be a powerful tool to shine a light on the FCA's the growth objective. The FCA itself set a target of reducing by 20% the number of consumers with a high-risk tolerance holding over £10,000 in cash by 2025 and more focus on this area could be warranted. The table below sets the UK in context with other key jurisdictions in relation to retail investment as a proportion of GDP.

as % of GDP	Cash deposits	Insurance assets	Pensions assets	Household retail investments	Total
UK	83%	101%	130%	43%	358%
US	53%	48%	154%	169%	424%
France	68%	118%	12%	42%	240%
Germany	77%	62%	7%	39%	185%
Netherlands	55%	59%	193%	26%	333%
EU27	69%	62%	29%	40%	200%

Source: New Financial, ECB, ICI, US Treasury

We believe that work to increase retail investment in the UK will deepen domestic capital markets and play a fundamental role in the future economic prosperity of the UK. Furthermore, these are areas where the regulators, and in particular the FCA, can have an impact through, for example, its rules on the advice guidance boundary and disclosures.

As institutional investment is also a key feature of the UK investment management landscape, similar metrics should be considered to track the UK's success at attracting institutional landscapes.

Recommendation Four – Data Dashboard

A dynamic data dashboard

While prior recommendations are focused on qualitative discussion and analysis, the importance of data being available in a **transparent and easily understandable** format, such as in a public dashboard, cannot be understated.

A significant amount of data is already available within the regulators. However, pulling data together in an accessible format would improve oversight and scrutiny without significant additional resources. This should be an approach which the regulators voluntarily support, although it may be considered as part of the Clause 37 mechanism if necessary.

The format of the Dashboard should be dynamic so that over time the data on display can be adapted to remain relevant and spotlight areas where there are concerns.

Authorisations

The speed and efficiency of authorisations remain a key factor in the international competitiveness of the UK. As the gateway to the UK regulatory regime, they are important to the perception of how easy it is to grow business here. We welcome the FCA's effort to clear authorisation backlogs and the recent announcement from the FCA that they are trialing the use of automated forms for some authorisations is a step in the right direction. The IA is keen to continue working with the FCA to build a far more consistent, efficient and streamlined process.

Given its importance, the publication of additional specific metrics to measure the authorisation process will help ensure the regulators are meeting their objective on international competitiveness and economic growth. Granular detail is needed which encompasses three specific areas: firm, fund and senior managers authorisations.

(a) Firm Authorisations:

The bottleneck for FCA firm authorisations acts as a major drag on the UK competitiveness. There are issues which need to be addressed urgently to make the process more efficient for the FCA and firms, and to maintain the reputation of the UK as an attractive place to do business. Firms report that the approach taken to applications is often inconsistent and the type and detail of information required by the FCA for firm authorisations differs between staff members which makes forward planning very difficult. Furthermore, firms may be told their application is incomplete and that more information is required at several points throughout the process, thereby "resetting" the timeline and meaning existing metrics may not give a complete picture. Potential relevant metrics are outlined in the table below:

Outcome	**Proposed Metric**	**Cadence**
Firm applications are processed within statutory timeframes.	Average time taken for each step of the firm application processes (e.g. Draft, Submitted, Initial review, In progress, Closed).	Quarterly
Firms have greater certainty about likely processing timelines	Modal average processing time for cases completed within the quarter (working days or weeks)	Quarterly
	Median average processing time for cases completed within the quarter (working days or weeks)	Quarterly

	Maximum processing time for cases completed within the quarter (working days or weeks)	Quarterly

(b) **Fund Authorisations:**

The FCA generally meets its statutory and internal Service Level Agreements (SLAs) on fund authorisations. However, there are a few areas of the fund authorisation process that could be improved:

- A modern application process, such as the use of an online portal, would streamline the submission process, avoid the current use of paper forms and slow payment via BACS or CHAPS, and allow multiple parties to view the application.
- Greater consistency between case officers would increase the efficiency of the process. The outcome of a fund application can often differ greatly based on the case officer, which impedes the swift processing of an application and can act as a drag on the UK's competitiveness.
- Any resubmitted applications should be reviewed by the same case officer as the original application and be treated as a priority.

Potential metrics to monitor improvements in fund authorisations could include:

Outcome	**Metric**	**Cadence**
Applications are managed in a transparent way	Time taken to authorise applications by type.	Quarterly
	Time taken for first round of questions to be raised by the regulator.	Quarterly
	Average (mean) number of working days to appoint a named case officer	Quarterly
Applications which are managed in a consistent way	Number of case officers that work on applications submitted by one firm	Annually

(c) Senior Managers and Certification Regime (SM&CR):

Delays in obtaining regulatory approval for senior managers acts as a barrier to competitiveness. Whilst we note the recent improvements in service level agreements (SLAs) for new senior management functions (SMF) applications, improvements are still needed in operations and timing of other applications that fall under the remit of SM&CR.

In addition to changes in approach, such as introducing a system of deference for individuals moving to a similarly regulated jurisdiction, improving the range of metrics and measurements is also important. In addition to "Form A" applications which carry a 90-day statutory deadline, there are many other forms that affect the day to day running of business.

For instance, although the FCA aims to close Form Cs & Form Ds in 2 days and APER approvals in 5 days, we have seen these take far longer. Furthermore, Statement of Responsibilities (SoR) updates have no SLAs at all, and we know have taken anywhere from one to 11 months. For consistency, we suggest metrics are introduced for all of the forms relevant to SMFs as we believe a holistic consistent approach would deliver a more positive outcome.

Potential metric relevant to SM&CR approvals include:

Outcome	**Metric**	**Cadence**
Firms are being attracted to the UK or the UK is an attractive place to found a business	Rates of approvals, rejections and withdrawals of Senior Management Function (SMF) holders and Approved Persons applications	Annually
Applications are processed within statutory timeframes and reasonable times (by financial services sector and application type)	Average time taken for each step of application processes on Form As (e.g. Draft, Submitted, Initial review, In progress, Closed)	Quarterly
	Average time taken to approve Form Ds	Quarterly
	Average time taken to approve Form Es	Quarterly
	Average time taken to approve Form Bs	Quarterly
	Average time taken to approve Form Cs	Quarterly
	Average time taken to approve Form Is	Quarterly
	Average time taken to approve Form J's	Quarterly
	Average time taken for APER approvals	Quarterly
	Average time taken approve SORs	Quarterly
Transparency of Conduct Rules	Number of Conduct Rule Breaches reported (including and differentiating between those that are Non-Financial Misconduct)	Quarterly
	Number of and type of Conduct Rule Breaches reported that have led to supervisory action i.e. 'soft tools' used	Quarterly
	Number of and type of Conduct Rule Breaches reported that have led to enforcement action	Quarterly

The regulators have regard and are clear on the size of sectors portfolio/what may come down the pipeline	Number of Solo firms across different industries and/portfolios	Annually
	Number of SMFs and approved individuals in each sector	Annually