



ANNUAL REPORT 2015 – PRACTITIONER PANEL

Over the reporting period the PRA Practitioner Panel (Panel) has continued to develop its strategy of engagement with the PRA. The members actively represent the interests of practitioners by providing appropriate challenge and scrutiny to PRA policies insofar as they affect regulated firms, individuals and markets.

The Panel's approach continues to evolve and will be adapted as necessary to make the best use of the Panel's input. In 2014 the Panel largely moved away from the traditional approach of providing views immediately prior to public consultation and in future will provide input at the earlier stages of policy development to shape the overall outcome. The Panel will continue to challenge the PRA to ensure its views are considered at an appropriate stage for each specific policy, and to require that the PRA provide adequate assurance that their views have been taken into account.

Membership

The current membership of the Panel is as follows:

British Bankers' Association
James Bardrick, UK Country Officer, Citibank Nathan Bostock, Chief Executive, Santander UK Pam Walkden, Group Business Head (Regions), Standard Chartered
Association of British Insurers
Clare Bousfield, Chief Financial Officer, Aegon UK Andy Briggs, Group Chief Executive, Friends Life Group Richard Ward, Chairman, Brit Plc
Building Societies Association
Ashraf Piranie, Group Finance Director, Skipton Building Society Mark Rennison, Group Finance Director, Nationwide Building Society
Investment Management Association
Martin Gilbert, Chief Executive, Aberdeen Asset Management – Chair
Association of Foreign Banks
Gary von Lehmden, Managing Director, Citi
Wealth Management Association
Andy Pomfret, Member, Wealth Management Association
British Credit Unions
Peter Evans, Chief Executive, Police Credit Union
Northern Irish Credit Unions
Brian McCrory, Director, Belfast Teachers Credit Unions – Deputy Chair

In 2014 three members of the Panel stood down:

1. **Maurice Thompson**, former UK Country Officer, Citibank (replaced by James Bardrick, UK Country Officer, Citibank).
2. **Antonio Simoes**, UK Chief Executive, HSBC (replaced by Nathan Bostock, Chief Executive, Santander UK).
3. **Bronek Masojada**, Chief Executive, Hiscox (replaced by Richard Ward, Chairman, Brit Plc).



Panel engagement with the PRA

The Panel met six times during the reporting period, and was attended by PRA specialists, the PRA Chief Executive and other members of the Executive and PRA Board. In order to facilitate Panel feedback to the PRA Board an Independent Director attends every Panel meeting as an observer. Specific notes on the Panel's conclusions will also be submitted to the PRA Board. The Panel Chair and the Chief Executive hold quarterly bi-lateral meetings to discuss the Panel's views, strategic and other relevant issues.

Engagement was determined by the Panel's [Terms of Reference](#) which was agreed by the members and the PRA. The Panel and the PRA have made important progress in adapting the Panel's approach to engagement, most notably by concentrating the Panel's focus on policy issues that are at an early stage in the policy making process allowing for the PRA to take advantage of the Panel's knowledge and expertise at the formative stages of policy making. The Panel will continue to develop and adapt its approach and consider legacy items that are at an advanced stage in the policy process, such as Solvency II.

Items considered by the Panel

The Panel has considered the following items over the reporting period:

May 2014	June 2014	August 2014	October 2014	December 2014	January 2015
PRA Firm Feedback	Panel Strategy	Solvency II update	Ensuring operational continuity in resolution	External auditors	Senior Insurance Managers Regime (SIMR) to small insurance firms
Remuneration - Parliamentary Commission on Banking Standards report	Engagement with the PRA and	Housing policy	Remuneration - buyouts	FPC Direction powers over loan to value / debt to income housing tools	Pillar 2 consultation
COREP deadlines (EBA delays)	Panel priorities and forward agenda	Pillar 2 disclosure		Members feedback on coordination	Revisions to the Standardised Approach for Credit Risk - Basel Consultative Document
FPC Leverage Ratio Review					

Panel conclusions were circulated to the relevant teams in the PRA and where appropriate were considered by the Executive (at the Supervision, Risk and Policy Committee) and PRA Board, providing a practitioner perspective on issues before decisions were taken. In particular, the Panel provided significant input and advice to the Executive and PRA Board on the following:

1. Remuneration policy: Deferral and buyouts.
2. Pillar 2: Disclosure.
3. External Auditors: Audit quality and external audit of regulatory returns.



Panel Forward Agenda

Panel members agreed a schedule of meetings for 2015, meeting approximately every six weeks. The Forward agenda will focus on items that are at an early stage of policy development, but will also include any emerging issues as determined from time to time by the Panel or at the request of the PRA.