



Nikhil Rathi
Chief Executive
Financial Conduct Authority
12 Endeavour Square
London E20 1JN

16 September 2026

Dear Nikhil Rathi,

Administrative burdens of regulation on businesses

In March 2025, as part of its regulation action plan, the Government committed to cut administrative costs for business by 25% by the end of the Parliament and I understand that this applies to the FCA and PRA.

The Committee would like to examine progress on this and would like information on:

- Your evaluation of the baseline of administrative costs related to regulation incurred by the firms which you regulate;
- The extent to which your actions have already reduced those costs;
- What plans you have to reach the target of 25% by the end of this Parliament;
- What your priorities are over the next 12 months;
- Whether you have identified actions to take to achieve the 25% target or whether further work is required;
- Whether the 25% reduction will be experienced by all of the firms that you regulate and, if not, which categories of firm will benefit from higher or lower reductions;
- Whether there are any areas of your activity which will be stopped completely as a result;
- What risks may be affected by the actions you propose;
- How the changes you make will affect your operating costs, and whether this will have an impact on the fees charged to firms which you regulate.

I should be grateful if you would reply to this letter by 31 October 2026.

This letter is copied to the Economic Secretary for information.

Yours sincerely,

The Baroness Noakes DBE
Chairman, Financial Services Regulation Committee

A list of all Members' interests is available in the Lords' Register of Interests, [here](#).