

17 October 2022 – Capital Markets Industry Taskforce (CMIT) meeting – Key points discussed

Minutes

Members approved the minutes of the first two meetings. External minutes will be uploaded on a CMIT website expected to go live before year-end.

Discussion on workstreams

Before setting up a dedicated equity research workstream, members will engage with smaller cap brokers to examine potential solutions to issues faced by smaller listed or quoted companies experiencing less research coverage.

Workstream chairs agreed to share their preliminary priorities and suggested ways of working within CMIT and with external bodies at the next meeting.

The new workstreams and proposed leads were agreed as below (subject to confirmation during the 23rd of November meeting).

Unlocking additional sources of capital for UK companies, including from pension funds and insurance

Chairs: Peter Harrison, Andy Briggs

Leads: Jon Symonds, Klaus Hommels, Kay Swinburne

This workstream will focus on increasing the supply of capital for UK companies, whereas the workstream below will focus on the supply of companies. The purpose is to make proposals which would allow more capital to be deployed into both public and private UK companies.

Creating the best environment for the UK to produce high growth, consequential companies

Chair: Matthew Scullion

Leads: Mark Austin, Jon Symonds, Kay Swinburne, Klaus Hommels

The scope of this workstream will be expanded beyond tax incentive proposals. It will look at what can be done to expand the supply of companies that could eventually thrive on UK capital markets. This will cover themes including how to support entrepreneurs, making the UK a more attractive place to create a fintech, and public/press perceptions of financial markets.

Create a crossover market for the trading of private company shares

Chair: Julia Hoggett

Leads: Klaus Hommels, Matthew Scullion

Workstream to explore a new crossover venue which would facilitate secondary trading in private company shares as a step towards joining up the UK funding continuum.

Engagement with Corporate Governance Code reform and proxy voting agencies

Chair: Jon Symonds

Leads: Mark Austin, Kay Swinburne

Workstream to focus on recommendations for revising the UK corporate governance environment to ensure it is fit for the future. Areas to explore include shareholder/proxy agency interaction with company boards, 'comply or explain' regimes increasingly being perceived as 'comply' only, and a one size fits all model of corporate governance being applied to companies, regardless of their lifecycle stage.