**23 November 2023 – Capital Markets Industry Taskforce (CMIT) meeting – Key points discussed**

**Introduction / Procedures**

* Members approved the minutes.

**Autumn Statement**

* Members discussed the CMIT letter sent to the Chancellor of the Exchequer ahead of the Autumn Statement focused on unlocking pension fund capital and corporate governance.
* Members welcomed the recommendations which were implemented, including the letter from the Secretary of State for the Department of Business and Trade (DBT) on corporate governance, and continued pension fund reform. However members noted that further work is needed, especially to incentivise further consolidation and encourage pension funds to diversify their investment portfolios. CMIT will continue to engage with stakeholders to support implementation of the recommendations.
* Members welcomed the growing public consensus around the areas raised in the [letter](https://capitalmarketsindustrytaskforce.com/wp-content/uploads/2023/11/CMIT-Letter-to-the-Chancellor-of-the-Exchequer-ahead-of-the-Autumn-Statement-2711.pdf) to the Chancellor highlighting priorities for capital markets reforms, with over 150 signatories at the time of the meeting.
* Further discussion relevant to the Autumn Statement specific to individual workstreams is included in the ensuing sections.

**Investment Research Review**

* Members noted that the recommendations from the Investment Research Review require further engagement, including the review’s recommendations to reverse unbundling requirements, and the funding of a central investment research platform.

**Workstream 1: Unlocking additional sources of capital**

Chairs: Peter Harrison, Andy Briggs

Leads: Jon Symonds, Klaus Hommels, Joe Cassidy

Focus: Making it easier for capital to flow in the direction which generates greatest benefit, supporting UK companies and providing pension and policy holders and savers with strong long-term returns.

* Workstream leads updated the members on the mixed progress of Solvency II reform. Further work is required with Government and regulators to ensure that the technical detail is finalised in a way that maximises the effectiveness of the reforms. Workstream leads will continue engagement with government and regulators.
* Within pensions reform, members noted ‘pots for life’ as a positive example of beneficial policy, as well as the Value for Money consultation and the incorporation of Long-Term Asset Fund investments into ISAs.
* However, not all of the recommendations put forward in the letter to the Chancellor of the Exchequer were taken forwards in the Autumn Statement, such as the recommendation for HM Treasury to establish firm data, trends and international benchmarks to help identify any further steps the Government could take, neither was the British ISA proposal taken forward.

**Workstream 2: Governance workstream**

Chair: Jon Symonds

Leads: Mark Austin, Peter Harrison, Andy Briggs, Joe Cassidy

Focus: Improving the relationship between companies and investors in a way that provides quality governance and clear accountabilities, enabling UK companies to compete and grow effectively to the benefit of all their stakeholders

* Members welcomed the letter from the Secretary of State for DBT to the Financial Reporting Council adapting the FRC’s remit to include competitiveness considerations.
* Workstream leads emphasized that there would be continued engagement with HMT, DBT and the FRC on the Corporate Governance Code and the implementation of the FRC’s adapted remit.
* Members noted that it will be important to ensure that issuers are represented at all levels, continuing discussions with the relevant trade bodies.

**Workstream 3: Creating the best environment for the UK to produce high growth, consequential companies**

Chair: Matthew Scullion

Leads: Mark Austin, Jon Symonds, Joe Cassidy, Klaus Hommels

Focus: Create a series of recommendations to help improve the environment in the UK for creating high growth, consequential companies, including ways to: increase support for entrepreneurs, change the attitude and playbook of domestic investors to risk and consequential business building, change attitudes to risk taking, business building and entrepreneurial success in the public and media.

* Members also discussed the potential for large private UK businesses to convene (under the umbrella of CMIT’s workstream 3) to discuss pertinent issues for scaling private businesses and propose to government potential solutions.
* LSEG updated members on the potential for the LSE [BeInspired](https://www.lsegissuerservices.com/spark?channel=Be%20Inspired%20-%20CEOseries) series to be extended to discuss scaling company success stories in line with the aims of the CMIT workstream’s objectives.