



Treasury Committee

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Andrew Bailey
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Dear Andrew

Thank you for your letter of 10 July, in which you committed to an analysis of how the Brexit withdrawal agreement will affect the FCA's ability to deliver its objectives.

I promised to write to further clarify the Committee's expectations about the timing and content of this work.

Of course, the timetable remains uncertain; but the Committee expects the analysis to be published after the negotiations between the Government and Commission have concluded, but in good time before any Parliamentary votes.¹ The Committee may also wish you to provide oral evidence on the analysis, once it is published.

Taking into account the potential for a 'no deal' scenario, either in the event either of a breakdown in the negotiations, or a Parliamentary vote against the withdrawal agreement, the analysis should consider the consequences of leaving the EU on 30 March without a Withdrawal Agreement, separately and at an equivalent level of detail. The FCA may also wish to consider a third scenario, in which the UK leaves the EU with no trade agreement at the end of a transition period. The baseline for all scenarios should be the present situation.

I will be placing this letter in the public domain.

Morgan Shreddy

Nicky

The Rt Hon. Nicky Morgan MP
Chair of the Treasury Committee

¹ Including any vote on a motion under Section 13(1)(b) or Section 13(1)(c) of the European Union (Withdrawal) Act 2018