

Minutes

Meeting: FCA Board

Date of Meeting: 12 November 2020 at 13:00 pm

Venue: Meeting held via Microsoft Teams

Present: Charles Randell (Chair) Alice Maynard
Sam Woods Nikhil Rathi
Liam Coleman Tommaso Valletti
Bernadette Conroy
Richard Lloyd
Jeannette Lichner

In attendance: Set out in Annex A

1 Quorum and declarations of interest

- 1.1 The meeting **noted** there was a quorum present.
- 1.2 No declarations of interest were declared in relation to any items of business on the agenda.

2 Update on the independent reviews

- 2.1 The Board was briefed on the progress of the independent review into the relevant events relating to the FCA's regulation of London Capital & Finance plc (LCF).
 - 2.2 The Board was briefed on the arrangements to prepare a response to the LCF Review report to be published on behalf of the FCA as well as on the likely timeline to publication of the report. The Board discussed the key issues that would be addressed in the response.
 - 2.3 The Board was informed that the report of the independent review into the FSA's – and subsequently the FCA's – handling of the Connaught Income Fund Series 1 (Connaught) was expected to be received in the coming weeks. The Board discussed the key issues to be addressed in the response. The Board also discussed the timing of publication of the two responses, which would be dependent on when the respective final reports are received.
 - 2.4 The Board was cognisant of the concerns raised by some respondents regarding the timing of the amendments to the Complaints Scheme described in Consultation Paper CP20/11. In light of this, it was proposed that the policy statement on the consultation should not be published until towards the end of Q2 2021. The Board would shortly be asked to give effect to this by written resolution.
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3 Supervisory, enforcement and policy action plan

- 3.1 The Board received a briefing on actions that have been developed to accelerate the delivery of certain short-term priorities identified as part of supervisory and policy work. The ensuing discussion included the following issues:
- i. The themes emerging from the actions in the plan, the speed at which they can be delivered, and the relationship to longer-term work that is to be delivered as a part of the Consumer Investments Business Priority and beyond.
 - ii. Supervisory and enforcement action that has been taken against firms.
 - iii. Progress on the FCA's transformation business priority, and its role in aiding the use of information and intelligence to identify harm.
 - iv. The impact of recent FCA policy interventions on financial promotions.
 - v. Internal training, and the accumulation of skills, in the areas of business model analysis and prudential risk.
- 3.2 The Board supported the actions in the action plan, and requested a regular update as the actions are being progressed.

4 Support for mortgage and consumer credit borrowers impacted by Covid-19

- 4.1 The Board received a briefing on the FCA's support measures for mortgage and consumer credit borrowers impacted by Covid-19, including the proposed disapplication of certain rules in the Consumer Credit sourcebook. The ensuing discussion covered the following issues:
- i. The impact on the prioritisation of work due to demands on resource from projects such as the mortgages and consumer credit measures. The FCA is due to release a statement setting out projects that need to be paused.
 - ii. The responses received when the FCA published the draft guidance on mortgages and consumer credit for comment in November.
 - iii. Several aspects of the mortgages and consumer credit measures, including: the risks associated with the accumulation of interest by borrowers, the ability of firms to operationalise the measures, the application deadlines for the measures, and the impact on individuals' credit records.
- 4.2 The Board supported the measures, and requested a future update on the implementation of the policy.
- 4.3 The Board **resolved** to make the following instrument:
- i. COVID-19 consumer credit instrument 2020.

Charles Randell
Chair

ANNEX A: Attendees***Attending for all of the meeting:**

Megan Butler	Executive Director, Supervision – Inv., Wholesale and Specialist (excluding item 2)
David Cross	Private Secretary to the CEO
Jonathan Davidson	Executive Director, Supervision – Retail & Authorisations (excluding item 2)
Nausicaa Delfas	Executive Director, International (excluding item 2)
Sheree Howard	Executive Director, Risk and Compliance Oversight
Sean Martin	General Counsel
Sheldon Mills	Interim Executive Director, Strategy & Competition (excluding item 2)
Simon Pearce	Company Secretary
Georgina Philippou	Chief Operating Officer (excluding item 2)
Ian Runacres	Private Secretary to the Chair
Mark Steward	Executive Director, Enforcement and Market Oversight (excluding item 2)
Andrew Whyte	Director, Communications

Attending for the following items:

2	William Hague Jeanette Bateman Pritheeva Rasaratnam Martin Boffey	Director of Transformation and Human Resources Manager, Risk & Compliance Oversight Division Head of Department, Risk & Compliance Oversight Division Head of Department, General Counsel's Division
3	Richard Fox Debbie Gupta Katherine Browne	Interim Director, Consumer & Retail Policy Director, Life Insurance & Financial Advice Head of Department, Intermediaries & Scams
4	Nisha Arora Gareth Thomas Charlotte Matthews Paul Mountjoy	Director, Consumer & Retail Policy Manager, Strategy & Analysis Manager, Consumer Credit Policy Technical Specialist, Wholesale & Investments

*Relevant associates and professional support staff were also in attendance