

Minutes

Meeting: FCA Board
Date of Meeting: 1 April 2020
Venue: Meeting held via Skype

Present:	Charles Randell (Chair)	Sarah Hogg
	Catherine Bradley	Richard Lloyd
	Liam Coleman	Sam Woods
	Jeannette Lichner	Christopher Woolard
	Alice Maynard	Tommaso Valletti

In attendance: Set out in Annex A

1 Quorum and declarations of interest

- 1.1 The meeting noted there was a quorum present and proceeded to business.
- 1.2 No interests in relation to the items to be discussed were declared.

2 Temporary support to consumers holding a range of consumer credit product

- 2.1 The Board was informed that the package of proposed measures sought to provide support to consumers holding a range of consumer credit products in light of the exceptional circumstances caused by the coronavirus (Covid-19) pandemic. Many consumers had suffered unforeseen income shocks or other unexpected changes to their financial circumstances and were likely to experience difficulties in meeting credit and other commitments. There was also likely to be a delay before those who are eligible for support through Government schemes received funds, creating a further temporary income shortfall for many.
 - 2.2 The measures were aimed at those experiencing financial difficulty as a result of Covid-19 and who may benefit from a period of deferred payments or reduced charges on key credit products to help them manage their finances during this uncertain period. Consumers who were already in financial difficulty for other reasons, or who become subject to financial difficulty during any period of deferred payment, should continue to receive appropriate forbearance under existing rules.
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- 2.3 The package included guidance, which builds on Principle 6 (“treating customers fairly”), and technical rule changes to facilitate payment deferral periods in the credit card sector. It would also postpone the implementation of certain credit card persistent debt rules for those customers who take up a payment deferral.
- 2.4 The Board noted that similar measures had already been voluntarily adopted by some firms and that comparable moratorium arrangements were or had been implemented in other jurisdictions across the EU and internationally.
- 2.5 The Board supported the use of guidance but noted the importance of reminding firms about the need to communicate appropriately with vulnerable consumers, who may be less able to apply proactively for the support. The application and implementation of the measures would be monitored and more interventionist tools would be considered if necessary.
- 2.6 The Board **approved** the approach to guidance relating to the following areas for consultation:
- i. Credit cards and retail revolving credit (catalogue credit and store cards)
 - ii. Arranged overdrafts
 - iii. Personal loans excluding motor finance, high-cost short-term credit and buy-now-pay-later agreements
- 2.7 The Board **approved** the following near final rules for consultation:
- i. temporarily disapply the credit card and retail revolving credit persistent debt rules for customers subject to these measures
 - ii. make technical changes to CONC to facilitate payment deferrals in the credit card sector
- 2.8 The final guidance and rules would be submitted to the Board for approval following conclusion of the consultation period and consideration of the associated responses.

3 Any other Business

- 3.1 There being no further business, the meeting closed.

Charles Randell
Chairman

ANNEX A: Attendees*

Attending for all, or substantially all of the meeting:

Nisha Arora	Director, Consumer Strategy & Policy
Jean Cooper	Manager, Redress & Retail Lending Department
David Cross	Private Secretary, Chief Executive Office
Jonathan Davidson	Director, Supervision – Retail & Authorisations
Sean Martin	General Counsel
Sheldon Mills	Director, of Strategy & Competition
Simon Pearce	Company Secretary
Graeme Reynolds	Deputy Chief Economist and Head of Department, Economy and Financial Analysis
Andrew Whyte	Director, Communications

* Relevant associates were also in attendance