

Minutes

Meeting:	FCA Board	
Date of Meeting:	26 & 27 April 2017	
Venue:	25 The North Colonnade, Canary Wharf, London E14 5HS	
Present:	John Griffith-Jones (Chair)	
	Andrew Bailey	Ruth Kelly
	Catherine Bradley	Jane Platt
	Amelia Fletcher	Nick Stace
	Bradley Fried	Christopher Woolard
	Sarah Hogg	
In attendance:	Set out in Annex A	
Apologies:	Sam Woods	
	Jane Platt (<i>for 26 April only</i>)	

1 Quorum and Conflicts

- 1.1 The meeting noted there was a quorum present and proceeded to business.
- 1.2 As noted below, two members of the Board declared interests in relation to matters raised in item 6. There were no other interests declared by the Board members present in the matters to be considered at the meeting.

Business conducted on 26 April 2017

2 Minutes of the FCA Board meeting

- 2.1 The Board **approved** the minutes of the FCA Board meeting held on 29 and 30 March 2017, subject to minor amendments suggested by directors present.

3 Matters arising

- 3.1 The Board noted the progress with the matters arising at previous meetings.

4 Minutes of the Audit Committee meeting

- 4.1 The Board noted the draft minutes of the Audit Committee meeting held on 8 March 2017.

5 Minutes of the PSR Board meeting

- 5.1 The Board noted the draft minutes of the PSR Board meeting held on 22 March 2017.

Business conducted on 27 April 2017

6 Report from the Chief Executive

- 6.1 The Board received Mr Bailey's report and discussed a number of issues, including:
- the measures being taken by the FCA to observe the period of "purdah" prior to the General Election
 - the re-opening of the FCA's investigation into the events at the Reading office of HBOS and the bank's communication to the FSA at the relevant times. It was noted that this investigation had previously been stayed at the request of Thames Valley Police. Prior to the discussion of this item, Mr Griffith-Jones noted that his former employer, KPMG, had been auditors of HBOS*
 - the current position relating to a regulated firm. Prior to the discussion of this item, Mr Woolard reminded the Board that his neighbour was a member of the board of the regulated firm.*
 - an update on the Rent-to-Own sector noting the FCA's focus on broader issues concerning access to financial services.
 - discussions with the Financial Reporting Council (FRC) about the role of the FCA, FRC and Insolvency Service in addressing corporate failings.

7 Review of the effectiveness of Independent Governance Committees

- 7.1 The Board was reminded that in the 2016/17 business plan it had been stated that the FCA would conduct a review of the effectiveness of Independent Governance Committees (IGCs). It was reported to the Board that it was now proposed not to proceed with this review at the present time.
- 7.2 The Board noted that during 2016 the FCA had conducted, jointly with the Department of Work and Pensions, a review of industry progress against the Independent Project Board's recommendations in remedying poor value workplace pension schemes. The results of this work had been broadly supportive of the role and effectiveness of IGCs. In view of this, it was proposed to defer the review to allow resources to be focused on other priorities.
- 7.3 The Board noted that interested stakeholders would be informed of the decision to defer the review and a summary of the decision would be available on the FCA website. After discussion, the Board **approved** the decision to not proceed at this time with the review.

8 Report from the PRA

- 8.1 As Mr Woods was not present, the Board did not receive a briefing on matters relating to the PRA.

9 Monthly report from the Panels

- 9.1 The Board reviewed and discussed the reports from the Practitioner Panel, the Smaller Business Practitioner Panel, the Markets Practitioner Panel and the Consumer Panel.

* The Board noted these declared conflicts and authorised them in accordance with Article 8 of the Articles of Association of the FCA, in each case allowing the interested directors to participate in the discussion.

10 Annual Stakeholder Research 2017

- 10.1 The Board received a review of the fourth annual external stakeholder survey from Britain Thinks and discussed its approach and methodology.
- 10.2 The Board discussed these findings and their implications, noting that they suggested four key themes for engagement in the forthcoming year:
- Following through on the Mission
 - Improving access and visibility of the wider leadership team
 - Clarity on objectives, particularly those relating to market integrity and competition
 - Ensuring sufficient capacity and agility during the Brexit period
- 10.3 The Board noted the various stakeholders approached through the survey. It suggested that in future government officials should be considered as a specific stakeholder group.

11 FCA Communications Strategy 2017/18

- 11.1 The Board discussed the aims of the communications strategy for 2017/18. It was reminded that the focus for the previous year had been to stabilise understanding of the FCA's role and agenda, while delivering an effective engagement plan for Andrew Bailey and the consultation on the Mission. The aim was to continue this into 2017/18 while clarifying the Mission in practice and addressing the continuing lack of clarity around the market integrity and competition objectives amongst some key stakeholders.
- 11.2 The Board discussed the FCA's role in the preparations for Brexit and how this was addressed in the strategy. The Board also discussed the communications relating to the move of the FCA's offices to Stratford.
- 11.3 After discussion, the Board **approved** the aims, objectives and communication priorities described in the paper presented to the meeting.

12 Delivering Effective Supervision

- 12.1 The Board received an update on the progress of the Delivering Effective Supervision (DES) project.
- 12.2 The Board also discussed the forthcoming publication of the Supervision Approach and requested that a draft of this document be brought to the Board prior to publication.

13 Potential Judicial Review of PS17/3

- 13.1 The Board received an update and had a discussion on contingency planning for a potential judicial review.

14 Report from the External Risk and Strategy Committee

- 14.1 Jane Platt reported on the matters discussed at the External Risk and Strategy Committee meeting held on 25 April 2017.

15 Rules & Guidance to be determined

- 15.1 The Board **passed** the resolutions set out in Annex B.

16 Decisions of the Board

16.1 The Board **approved**:

- a) the appointment of Tim Throsby as a member of the FCA Markets Practitioner Panel for three years, from 1 May 2017 to 30 April 2020.
- b) the re-appointment of Amelia Fletcher as a non-executive director of the PSR, for a further term of two years with effect from 01 April 2017, to be coterminous with her appointment as a member of the FCA Board.
- c) the re-appointment of Chris Woolard as a non-executive director of the PSR, for a further term of three years with effect from 01 April 2017.

17 Minutes of Executive Committee meetings

17.1 The Board noted the minutes of the Executive Committee meetings held on 21 and 24 February, 2 and 13 March 2017.

18 Forward Agenda

The Board noted the forward agenda.

19 Any other business

19.1 There being no further business, the meeting closed.

John Griffith-Jones
Chairman

ANNEX A: Attendees

Attending all, or substantially all, of the meeting:

Megan Butler	Director, Supervision, Investment, Wholesale & Specialists
Vickiesha Chabra	Manager, Chairman's Office
Jonathan Davidson	Director, Supervision, Retail and Authorisations
Nausicaa Delfas	Chief Operating Officer
Sean Martin	General Counsel
Simon Pearce	Company Secretary
Mark Steward	Director, Enforcement & Market Oversight

Attending for the following items:

8	Stephen Humphreys	HoD, Corporate Communications
	Caroline Gardner	HoD, Pensions & Retirement Income
	Bonita Nightingale	Manager, Life Insurance Themes
11	Andrew Whyte	Director, Communications
	Abigail Seal	Manager, Stakeholder Strategy
	Cordelia Hay	Research Director, Britain Thinks
12	Andrew Whyte	Director, Communications
13	Chris McGrath	HoD, SIWS – Central Support
14	Barbara Frohn	Director, Risk & Compliance Oversight
	Jeanette Bateman	Manager, Risk & Compliance Oversight – Review 1
15	Greg Sachrajda	HoD, EMO - S&D - Law, Policy & International

Relevant associates and technical specialists also attended the meeting.

ANNEX B: Resolution

The Board of the Financial Conduct Authority resolves to make the following instruments:

Senior Management Arrangements, Systems and Controls (Remuneration Codes) (No 7) Instrument 2017 (FCA 2017/21)

Accountability and Whistleblowing (No 2) Instrument 2017 (FCA 2017/22)

Individual Conduct Rules (Non-Executive Directors) Instrument 2017 (FCA 2017/23)

Training and Competence Sourcebook (Appropriate Qualification Examination Standards) Instrument 2017 (FCA 2017/24)

Conduct of Business Sourcebook (Adviser Charging for Vertically Integrated Firms) Instrument 2017 (FCA 2017/25)

Insurance Act 2015 (Consequential Amendments) Instrument 2017 (FCA 2017/26)

Individual Accountability (Enforcement) (Duty of Responsibility) Instrument 2017 (FCA2017/27)

Packaged Retail and Insurance-based Investment Products Regulation Instrument 2017 (FCA 2017/28)