

Consumer Credit Unit  
HM Treasury  
1 Horse Guards Road  
London SW1A 2HQ

By email

21 July 2025

Dear Sir/Madam,

**Consultation on Consumer Credit Act (CCA) 1974 Reform**

The Panel welcomes the government's commitment to work at pace to deliver reform of the consumer credit regime, and supports the vision to streamline and consolidate the regulation into the FCA's Handbook in CONC. The current prescriptive information requirements act as a barrier to innovation and can cause customer confusion. Bringing in more flexible rules focussed on customer outcomes is the right approach and should enable firms to make use of advancements in digital technologies. The proposed repeal of sanctions is also sensible, as the FCA's regime is well positioned to provide robust protection to customers through existing rules in CONC and principles in the Consumer Duty.

It will be critical to move at pace to deliver the proposed changes without unnecessary delay, avoiding the risk that protracted timelines could defer or dilute the material benefits these changes are intended to achieve. This will require effective stakeholder engagement, ensuring that input is received from industry at the right time, and that the FCA is in lockstep with HMT to avoid any delays in implementation. There is also a need for careful consideration of how the transition period will be managed given that the regime covers thousands of products and will affect small and large firms. Reform should be introduced in a way that ensures a smooth shift to a unified framework and avoids having two regimes, for the regulation of BNPL and other CCA regulated lending, running concurrently for longer than the necessary transition.

More broadly, we would encourage forward thinking and an open mind on what elements of the CCA might helpfully be moved to the regulatory arena rather than legislation, given the pace of change and the ability for regulation to be adapted in a more agile way.

We would be happy to discuss any of these points further.

Yours faithfully,

[signed]

Matt Hammerstein  
Chair, FCA Practitioner Panel