

Log of live Wider Implications issues July 2025

1. Consumer Duty ¹				
Issue outline	Actions so far	Outcomes sought	Timescales	Organisations involved
Through the introduction of the Consumer Duty (CD), the FCA is setting higher expectations for the standard of care that firms give consumers. Some stakeholders are concerned that outcomes-based regulation may lead to inconsistent interpretation of the CD by the FCA and the Financial Ombudsman Service (Financial Ombudsman).	<ul style="list-style-type: none"> Regular working and senior level meetings to keep each other abreast of our comms plans and publications, for example findings from FCA reviews. The CD has applied fully to both open and closed products since 31 July 2024. We're working together to ensure timely discussions take place at a sector level between the FCA and the Financial Ombudsman about key issues to support consistency in understanding and interpretation. We hold monthly discussions about cross-cutting issues We introduced a regular Director-level meeting to discuss trends in casework where the Duty applies. We continue to look for opportunities for joint external events, for example roundtables with industry, with a focus on how we continue to be aligned with how the Duty applies. 	<ul style="list-style-type: none"> Ensure a consistent and complementary approach to the application of the CD whilst respecting the different independent statutory roles of the members. 	<ul style="list-style-type: none"> FCA published a policy statement summarising responses to its consultations and making new rules and guidance on 27 July 2022. The CD was subject to a phased implementation period. The duty applies to new and existing products and services open to sale or renewal from 31 July 2023. The duty applies to closed products and services from 31 July 2024. 	FCA, Financial Ombudsman Service

¹ This issue was originally logged as 'New Consumer Duty' and was revised on 10 March 2023

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2. Authorised Push Payment (APP) Fraud and Scams				
Issue outline	Actions	Outcomes	Timescales	Organisations involved
<p>Complaints about APP fraud and scams have risen significantly in recent years.</p> <p>Continued cooperation is important to help ensure consumers are provided with protection and information to avoid scams.</p>	<ul style="list-style-type: none"> The Government's National Payments Vision (NPV) and a joint remit letter sent by the Chancellor of the Exchequer to the FCA and the PSR were published on 14 November 2024. The NPV is intended by the Government to provide the strategic direction for payments. This confirmed the FCA would lead work on enhancing the management of overlaps between the FCA and the PSR's exercise of functions, particularly in relation to fraud policy. A cross-regulatory working group between the FCA and the PSR was established, and both organisations have been working collaboratively to monitor APP fraud trends and themes. Both the FCA and the PSR have developed, drafted, consulted on and implemented several policy initiatives over the last 12 months to help support efforts to tackle APP fraud. Both organisations are now seeking to monitor and evaluate the impact of these policy settings – including the PSR's reimbursement requirement, 'on us APP fraud' and the delayed payments tool – by gathering critical data on firms' APP fraud prevention measures and reimbursement practices via a joint survey. The NPV also confirmed deliverables for the PSR, notably, confirming the PSR's commitment to publish an independent review of its APP reimbursement rules following 12 months of implementation. The PSR are currently going through the tendering process for the independent evaluation of their reimbursement policy. 	<ul style="list-style-type: none"> Tackle instances of APP fraud by delivering a joined-up approach across regulators. Deliver similar outcomes across payment systems with respect to fraud prevention. Facilitate effective data sharing across relevant regulatory organisations to monitor APP fraud trends and the impact of interventions. 	<ul style="list-style-type: none"> Tackle instances of APP fraud by delivering a joined-up approach across regulators. Deliver similar outcomes across payment systems with respect to fraud prevention. Facilitate effective data sharing across relevant regulatory organisations to monitor APP fraud trends and the impact of interventions 	<p>FCA, PSR, Financial Ombudsman Service, MaPS, and BoE.</p>

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3. Undisclosed commission ²				
Issue outline	Actions so far	Outcomes sought	Timescales	Organisations involved
Issues relating to undisclosed commissions, particularly in the motor finance sector.	<ul style="list-style-type: none"> This is a live, ongoing and fast moving issue and the latest position can be found on our firm and consumer web pages. 	<ul style="list-style-type: none"> Ensure a consistent and complementary approach to the interpretation of rules, guidance, legislation and relevant law related to commission complaints with respect to the different roles of the framework's members. 	Ongoing.	FCA, Financial Ombudsman Service

² This issue was originally logged as 'Wood and Pengelly' (Wood v Commercial First Business Ltd & ors and Business Mortgage Finance 4 plc v Pengelly [2021] EWCA Civ 471) and was revised appropriately on 10 March 2023.

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4. Cost of Living				
Issue outline	Actions so far	Outcomes sought	Timescales	Organisations involved
Current economic conditions may lead to a growing number of consumers experiencing financial difficulties and resulting harms, including a potential increase in financially vulnerable customers. Consumer communications have a role to play – identifying audiences that would most benefit from support and signposting them to seek help.	<ul style="list-style-type: none"> Working level meetings and engagement CEO and Chair level joint meetings Joint communications work 	<ul style="list-style-type: none"> Work with each other and charities where compatible with the WIF members' independent statutory roles and functions to ensure the help that is available from e.g. MoneyHelper, charities, lenders, debt advisers is well signposted. Share data and insight between members to shape and strengthen strategic responses to cost of living pressures. 	<ul style="list-style-type: none"> The outcomes sought have been met; interventions have been moved into business as usual work and away from a crisis response. Members will consider a proposal to stand down this workstream from the framework. 	FCA, Financial Ombudsman Service, TPR, MaPS, FSCS

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5. Advice Guidance Boundary Review (AGBR)				
Issue outline	Actions so far	Outcomes sought	Timescales	Organisations involved
<p>The advice gap is a complex and long-standing issue where consumers may struggle to make critical decisions about saving and investing, or accessing their pensions, without help.</p> <p>The current regulatory framework has made it difficult to create the sorts of support services that could help consumers with simpler needs for whom full advice is not the answer</p>	<ul style="list-style-type: none"> • DP23/5 Advice Guidance Boundary Review – proposals for closing the advice gap was published in December 2023. • Following our November 2024 Stakeholder Update, which outlined feedback to DP23/5 and confirmed our focus on Targeted Support, Simplified Advice, and clarifying the advice–guidance boundary—with pensions as the initial priority—we published CP24/27 in December 2024. • This consultation set out proposals for a new form of Targeted Support for pensions. CP24/27 also signalled plans to extend this approach to investments. • Taking into account the 	<ul style="list-style-type: none"> • The Government and the FCA want to build an advice and guidance framework which consumers can trust, recognising the complexity faced by consumers in making financial decisions. • The FCA wants to ensure that members of our regulatory family, particularly the Financial Ombudsman, have a clear understanding of our policy objectives to build confidence for consumers and industry in our proposals and how they will be applied. • The FCA and the Financial Ombudsman will work closely as proposals are further developed. • The statutory role of MAPS will be taken into account in policy development and in the final policy outcome. 	Ongoing.	<p>FCA, Financial Ombudsman Service, FSCS, MAPS, TPR</p> <p>[This is a joint piece of work between FCA and Government (HMT)]</p>

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	<p>feedback received, the FCA worked with the wider regulatory family to develop more detailed proposals. In June 2025 we published CP25/17 - Supporting consumers' pensions and investment decisions: proposals for targeted support which sets out draft rules for Targeted Support in both pensions and retail investments.</p>			
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