

Minutes

Meeting: FCA Board
Date of Meeting: 13 May 2020
Venue: Meeting held via Skype

Present: Charles Randell (Chair) Richard Lloyd (from item 3)
Catherine Bradley Alice Maynard
Liam Coleman Sam Woods
Bernadette Conroy Christopher Woolard
Sarah Hogg Tommaso Valletti
Jeannette Lichner (excl. item 4)

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 The Board noted that Jeannette Lichner was a board member of Miller Insurance Services LLP and **agreed** that she would absent herself from the discussion re: Covid-19: Insurance and Premium Finance Guidance.

2 Minutes of previous meetings

- 2.1 The Board **approved** the minutes of the meetings held on 23 and 30 April and 4 May 2020.

3 Update from the Chief Executive

- 3.1 The Chief Executive summarised the FCA's activities and priorities in response to the Covid-19 pandemic.
- 3.2 This included the approach to supporting borrowers which sought to provide clarity for consumers and firms beyond the end of any initial payment deferrals. The Board recognised the limitations of the temporary measures currently in place, for both consumers and firms. It was therefore noted that the approach would need to consider and balance issues of competition, market integrity and consumer protection.

4 Covid-19: Insurance and Premium Finance Guidance

- 4.1 The Board was briefed on the outcome of the consultation on proposed guidance clarifying the expectations of insurance and premium finance firms dealing with consumers in temporary financial difficulties, as a result of Covid-19.
- 4.2 The Board was informed that stakeholders were generally in support of the guidance and that comments had largely focused on when firms should take action, the length of the

deferral period and concerns about the impact of payment deferrals on recourse arrangements between lenders and brokers.

- 4.3 In response, the guidance sought to maintain flexibility for firms including the ability to offer a payment deferral of between one and three months. This would be accompanied by clear expectations that customers should be granted a payment deferral unless it is obviously not in their interests. The guidance would also address the position in relation to lenders seeking to rely on triggering recourse arrangements in the event that a payment deferral has been granted. A firm with concerns about their ability to act in accordance with the guidance would be expected to raise these with the FCA.
- 4.4 The FCA would actively monitor the implementation and take up of deferrals in this space.
- 4.5 The Board **approved** the publication of guidance, setting out the FCA's expectations of insurance and premium finance firms dealing with consumers in temporary financial difficulties, as a result of Covid-19.
- 4.6 The Board **resolved** to make the following instrument:
- i. **COVID-19 Premium Finance Instrument 2020**
- 4.7 The Board **agreed** to the publication of the guidance and associated rule changes on 14 May, with these coming into effect on 18 May 2020.

5 Senior Manager & Certification Regime (SM&CR)

- 5.1 The Board was briefed on the certification and Conduct Rules requirements for solo-regulated firms and the requirement to submit information on certified and assessed staff for inclusion on the Register.

6 Any other Business

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

Charles Randell
Chair

ANNEX A: Attendees*

Attending for all, or substantially all of the meeting:

Megan Butler	Executive Director, Supervision - Investment Wholesale and Specialists
Jonathan Davidson	Executive Director, Supervision – Retail & Authorisations
Nausicaa Delfas	Executive Director, International
Sheree Howard	Executive Director, Risk and Compliance Oversight
Sean Martin	General Counsel
Sheldon Mills	Interim Director, Strategy & Competition
Simon Pearce	Company Secretary
Georgina Philippou	Chief Operating Officer
Ian Runacres	Private Secretary, Chairman’s Office
Mark Steward	Executive Director, Enforcement & Market Oversight
Andrew Whyte	Director, Communications

Attending for the following items:

4	Richard Fox	Interim Director, Firms and Emerging Policy
	Alex Roy	Head of Department, Consumer Distribution Policy
	Roma Pearson	Head of Department, General Insurance & Protection
5	Peter Ewing	Technical Specialist, Accountability & Culture Supervision Specialists
	David Blunt	Head of Department, Conduct Specialists
	Mike Wells	Head of Department, Approved Persons, Passporting & Mutuals
	Peter Curtis-Valiano	Technical Specialist, Governance & Professionalism

* Additional associates were also in attendance