

Minutes

Meeting: FCA Board

Date of Meeting: 26 June 2025

Start time: 09:30

Venue: Meeting held in Boardroom and via Microsoft Teams

Members Present:

Ashley Alder (Chair)
Aidene Walsh
Alice Maynard
Anita Kimber
Bernadette Conroy
Julia Black

John Ball
Liam Coleman
Nikhil Rathi (Items 4-8)
Richard Lloyd (Items 1-5)
Sophie Hutcherson
Sam Woods (Items 1-6)

In attendance: Set out in Annex A

Presenters: Set out in Annex A

Apologies: Bryan Zhang

1 Standing Items/ General Business

Declarations of Interest

- 1.1 The meeting noted there was a quorum present and proceeded to business.
- 1.2 Aidene Walsh declared an interest in relation to item 5.4 and recused herself from the meeting during discussion of this item.

Minutes of previous meeting

- 1.3 The Board approved the minutes of the meeting held on 22 May 2025.

Actions Log

- 1.4 The Board noted the action log and approved the closure of completed actions.

2 Reports

Audit Committee

- 2.1 The Board noted the update from the Chair of the Audit Committee on the meeting held on 19 June 2025. The Committee had focused on:
- i. The Complaints Commissioner's Annual report, with the FCA's proposed response being considered by the Board later in the meeting. The discussion with the Complaints Commissioner had been constructive.
 - ii. The Annual Accounts, which the Audit Committee had scrutinised. The final Annual Accounts for 2024/25 would be considered by the Board later in the meeting.

People Committee

- 2.2 The Board noted the update from the Chair of the People Committee on the meeting held on 5 June 2025. The Committee had focused on:
- i. Meeting with the Staff Consultative Committee (SCC) to discuss key topics raised by employees over the last 12 months. People Committee agreed to consider additional ways to engage with SCC, particularly in relation to providing feedback on how decisions have been made and how SCC's inputs had been considered.
 - ii. Workforce representation performance and pay gap reporting for 2025, with People Committee agreeing representation targets to 2030 for targets previously agreed but not yet met, and agreement not to set new targets for other demographics at this time as other mechanisms would be explored.
 - iii. Interim performance reviews for FCA Executive Directors (including Managing Director of the PSR), SMR Directors, the Chief Executive of the FCA and the FCA Chair.

- iv. Appointments to Independent Panels and agreement that further consideration would be given to improve diversity on the panels.
- v. The consolidation of the PSR into the FCA.

Risk Committee

- 2.3 The Board noted the update from the Chair of the Risk Committee on the meeting held on 5 June 2025. The Committee had focused on:
- i. An update on the FCA's external approach to Artificial Intelligence (AI), including the key strategic risks and mitigants related to the use of AI in the financial sector and supporting responsible use of AI by firms, in addition to updates on the AI lab.
 - ii. An update on data maturity at the FCA, including progress that had been made to enhance the FCA's data management capabilities, increase data maturity and mitigate organisational data risks.

Report from the PSR

- 2.4 The Chair and Managing Director of the PSR briefed the Board on the business of the PSR that was of relevance to the FCA, including:
- i. Approval of the PSR Annual Report and Accounts by the PSR Board, seeking final approval for publication from the FCA Board later in the meeting.
 - ii. Approval of the proposed approach to consolidation of the PSR into the FCA, noting that the Treasury consultation document was expected to be published by September 2025.
 - iii. Reflections on the critical payment structure in the UK and the regulatory approach, which would be led by the Payments vision delivery committee in consultation with the FCA, PSR and the Bank.

Report from the PRA

- 2.5 The CEO of the PRA briefed the Board on the business of the PRA that was relevant to the FCA, including developments in the USA's approach to prudential regulation.

FCA Chair

- 2.6 The Board noted the update from the Chair on his meeting with the Economic Secretary to the Treasury, including:
- i. Options for reform at the Financial Ombudsman Service (FOS).
 - ii. The FCA's approach to proportionality and application of the Consumer Duty to wholesale market firms in retail manufacturing and distribution chains.

3 Strategic Discussion- International Approach to support Strategy 25

- 3.1 The Board received the paper providing an update on the international approach to the FCA Strategy.
- 3.2 The Board agreed that due to the changes in the external environment and to ensure alignment with the FCA's Strategy, international resources and effort should pivot to focus on:
- i. Bilateral engagement to focus on key jurisdictions and additional jurisdictions as appropriate, noting a shift towards developing and emerging markets and a greater focus on specific operational co-operation, as well as relationship building. The approach would also focus on expanding engagement with Asia-Pacific (APAC), with financial services attachés to develop relations with partners and industry.
 - i. Promotional and inward investment activities, supporting the creation of an international concierge service working closely with the Government, the Prudential Regulation Authority (PRA) and industry partners.
 - ii. Supporting the Government's work on market access, focussing on steps that will help to implement as well as develop the FCA's regulatory regime.

4 Consultation Paper: Modernising the Redress Framework

- 4.1 The Board received the paper setting out the package of reforms, including responses to the FCA's Call for Input (CfI), proposals for legislative change which Treasury would be taking forward and proposals for a consultation to be published in July 2025.

4.2 The Board discussed the proposals and raised the following points:

- i. The proposed referral mechanisms for the Financial Ombudsman Service (FOS) seeking an FCA view on interpretation of FCA rules and how this would operate in practice, including the need to be cognisant of resource implications and the ability for the FOS to progress complaints in a timely manner.
- ii. Potential options for the proposed long stop, setting time limits by which complaints can be referred or decided by the (FOS), with the need to balance certainty for firms with consumer protection.
- iii. Discussions with the Treasury in relation to responding to mass redress events.

4.3 The Board emphasised the importance of giving due consideration to the operational capacity of the FCA in any modernised redress framework.

4.4 The Board was supportive of the consultation proposals being published in July 2025 alongside a separate Treasury publication, noting that the consultation would include guidance on early identification of harm as well as an updated Memorandum of Understanding (MoU) between the FOS and FCA.

5 Decisions of the Board

5.1 PSR Annual Report & Accounts 2024-25

- i. Under the Financial Services (Banking Reform Act) (FSBRA) 2013 and the Companies Act (CA) 2006 the PSR must report at least once a year to the FCA in relation to discharge of its functions and how it has advanced its objectives during the year. The production of the Annual Report and Accounts ensures this legal obligation is met.
- ii. The Board approved the PSR Annual Report & Accounts 2024/25 for publication, which owing to consolidated accounts with the FCA would be laid before Parliament on the same day as the FCA Annual Report & Accounts.
- iii. The Board noted that the Chair and Managing Director of the PSR would sign-off any minor amendments to the PSR Annual Report and Accounts before publication by the FCA.

5.2 FCA Annual Report and Accounts 2024-25

- i. The Board approved the FCA Annual Report 2024/25 including the Outcomes and Metrics webpage, Operating Services Metrics webpages, Positive Impact report and International financial reporting standards S2 disclosure (IFRS) for publication on 10 July 2025.
- ii. The Board agreed to delegate authority to sign-off on any further minor amendments to the Annual Report and Accounts and related reports to the FCA CEO and FCA Chair, ahead of the publication.
- iii. The Board agreed to delegate to the FCA Chair, Chief Executive and Company Secretary to sign the final accounts in July 2025, subject to recommendation from the Audit Committee on 03 July 2025.

5.3 FCA Secondary International Competitiveness and Growth Objective (SICGO) Report 2024/25 – approach on structure and plan

- i. The Board approved the draft SICGO Report 2024/25, response to the remit letter and the SICGO metrics.
- ii. The Board agreed to delegate sign-off on the final version of the SICGO report 2024/25, response to the remit letter and the SIGCO metrics to the FCA CEO and FCA Chair, ahead of publication.

5.4 Anti-Money Laundering (AML) supervisory update

- i. The Board discussed the Anti-Money Laundering (AML) supervisory update.

5.5 Update on the Complaints Commissioner

- i. The Board agreed the Complaints Commissioner annual budget of £1.78 million for the year.
- ii. The Board would consider any in-year funding requirements at the appropriate time.

5.6 The FCA's response to the Complaints Commissioner's Annual Report 2024/25

- i. The Board were provided with the paper outlining the key messages from the Complaints Commissioners (CC) Annual Report. The Board expressed

thanks to the CC for her work in the past year, as well as her constructive and productive relationship with the FCA.

- ii. The Board approved the FCA's response to the CC's Annual Report for publication in July 2025 as presented by the Chair of the Audit Committee.

Rules, Guidance and Technical Standards to be determined:

Regulatory Diversity & Inclusion: Non-Financial Misconduct

5.7 The Board resolved to make the following instruments

- i. **Non-financial Misconduct Instrument:** To align the rules for non-financial misconduct in non-banks and banks with an implementation date of 1 September 2026 and to consult on associated guidance.

6 Papers for noting

Independent Panels Annual Reports 2025

6.1 The Board noted the Independent Panels Annual Reports 2025.

Written Procedures

6.2 The Board noted the following decisions taken since the last meeting:

- i. The Board approved the final rules for Private Intermittent Securities and Capital Exchange System (PISCES). Decision made on 09 June 2025.

7 Independent Panels Reports

7.1 The Board noted the reports from the Independent Panels, which included updates from the Consumer Panel, Smaller Business Practitioner Panel and Listing Authority Advisory Panel.

8 CEO Report

8.1 The CEO briefed the Board on several topical issues including:

- i. Engagements with the Treasury in advance of Mansion House in July, including amongst other topics modernising the redress system and FOS reform, motor finance and the FCA's mortgage rule review.
- ii. The commitment within the Treasury's policy paper on the 'New approach to ensure regulators and regulation support growth' to cut administrative costs of regulation for business across the economy by 25% by the end of Parliament and the ask for the FCA to contribute to this exercise.
- iii. The decision by the Upper Tribunal to uphold the FCA's decision to ban Jes Staley, the former CEO of Barclays, from holding senior management roles in the financial services industry.

There being no further business the meeting closed.

Annex A: Attendees, presenters and observers

In attendance:

Sarah Pritchard – Deputy Chief Executive
 David Geale – Executive Director, Payments and Digital Finance
 Emily Shepperd – Executive Director, Chief Operating Officer
 Jessica Rusu – Executive Director, Chief Data, Information, and Intelligence Officer
 Sheree Howard – Executive Director, Authorisations
 Stephen Braviner Roman – Executive Director, General Counsel and Chief Risk Officer
 Steve Smart – Executive Director, Enforcement and Market Oversight
 Sophie Shaw – Observer, Next Generation NED
 Toby Hall – Director, Company Secretary
 Andrew Laidlaw – Manager, CEO private office
 Katie Ellis – Manager, Private Secretary, Chairs Office

Presenters and observers:

Item 1 – Standing Items/ General Business 1.1 Declarations of Interest 1.2 Minutes of Previous Meeting 1.3 Action Log	No attendees
Item 2 – Reports 2.1 Audit Committee – 19 June (verbal) 2.2 People Committee – 12 June 2.3 Risk Committee – 5 June 2.4 Report from the PSR 2.5 Report from the PRA 2.6 Chair	Liam Coleman Alice Maynard Bernadette Conroy Aidene Walsh Sam Woods Ashley Alder
Item 3 – Strategic Discussion 3.1 Strategic Discussion – International Approach to support Strategy 25 3.2 Consultation Paper: Modernising the Redress Framework	Sarah Pritchard Ruairi O’Connell Hannah Wright Charlotte Clark, Charlie Gluckman,

	Clare Vicary
Item 4 – Decisions of the Board	
4.1 PSR Annual Report & Accounts 2024-25	No attendees
4.2 FCA Annual Report and Accounts 2024/25	No attendees
4.3 FCA SIGCO Report 2024/25 – approach on structure and plan	Graeme Reynolds Cherryl Ng
4.4 AML supervisory reform update – housing a new Single Professional Services Supervisor	Steve Smart Andrea Bowe
4.5 Update on the Complaints Commissioner	Sadaf Hussain Alison Russell Graham Pratt
4.6 The FCA’s response to the Complaints Commissioner’s Annual Report 2024/25	Liam Coleman
Item 5 – Decisions of the Board – Rules Guidance and Technical Standards to be published	
5.1 Regulatory Diversity & Inclusion: Non-Financial Misconduct	Alex Smith Peter Curtis-Valino
Item 6 – Items for Noting	
6.1 Independent Panels Annual Reports 2025	No attendees
6.2 Written Procedures	No attendees
Item 7 – Independent Panel Report	
7.1 Independent Panels Monthly Report	Toby Hall

Item 8 – CEO Report and Private Session	
8.1 CEO Report to the Board	Nikhil Rathi
8.2 Private session with Nikhil Rathi and Non-Executive Directors	

Other relevant associates were also in attendance.