

Minutes

Meeting:	FCA Board
Date of Meeting:	07 March 2022
Start time:	10:00
Venue:	Meeting held in Boardroom and via Microsoft Teams

Members Present:	Charles Randell (Chair) Liam Coleman Bernadette Conroy Jeannette Lichner Richard Lloyd	Alice Maynard Nikhil Rathi Tommaso Valletti Sam Woods
In attendance:	Set out in Annex A	

1 Declarations of interest

- 1.1 The meeting noted there was a quorum present and proceeded to business.
- 1.2 No interests were declared in the items to be discussed.

2 Response to the Complaints Commissioner's Final Report on the FCA's handling of LCF complaints

- 2.1 The Board noted that on 15 February 2022, the Financial Regulators Complaints Commissioner (the Commissioner) had issued her Final Report on complaints relating to the FCA's oversight of London Capital & Finance (LCF). The FCA was required to respond to the Final Report by 15 March 2022. The Board noted that the Final Report had been published by the Commissioner and the FCA's response would be published once issued.
 - 2.2 The Board was briefed on the extent to which the Final Report differed from the Commissioner's preliminary report. It noted that the Final Report contained further criticism of the FCA in relation to its approach to the Register and its approach to ex gratia compensatory payments.
 - 2.3 The Board noted that the Commissioner had reiterated her recommendation that the FCA accept that the Register was misleading. The Board did not accept the Commissioner's view on this matter, noting that the Register was required for specific statutory purposes and that, in relation to LCF, the entry was understood to be accurate at the time. While the FCA had continued to work to improve the accessibility of Register since LCF, the Board did not believe that the Register was misleading in respect of LCF.
 - 2.4 The Board noted that the Commissioner had expressed the view that the FCA's published Remedies Statement was inconsistent with the Complaints Scheme and, in particular, with
-

paragraph 7.14 of the Scheme. The Commissioner had therefore recommended that the FCA should re-examine complaints that had been determined in accordance with the Remedies Statement by using the factors in paragraph 7.14.

- 2.5 The Board did not accept that this was an accurate characterisation of the Remedies Statement and considered that the FCA had applied the factors set out in paragraph 7.14 of the Scheme to complaints relating to LCF. The Board noted that the LCF complaints had been considered against the factors in paragraph 7.14 of the Complaints Scheme at the April 2021 Board when the FCA's broad approach to LCF complaints had been agreed. The fact that the LCF complaints had been considered against the factors in paragraph 7.14 was also set out in the FCA's response to the Preliminary Report. The Board therefore concluded that it would not be appropriate to re-examine the relevant complaints. The Board recognised, however, that the wording of the Remedies Statement could have been clearer; its purpose being to describe established practice rather than set out a revised approach to determining whether compensation should be payable.
- 2.6 The Board noted that the Commissioner had recommended that the FCA should publish its internal guidance on its approach to determining compensation payments for delays in the handling of complaints. The Board agreed that a guide should be published but that it would be important to make clear that each complaint would be determined according to its particular circumstances.
- 2.7 The Board agreed that the FCA's response to the Final Report should be approved for publication by the Chair, the Chief Executive and members of the Board's LCF Sub-Committee.

There being no further business the meeting closed.

Charles Randell
Chair of the FCA

Annex A: Attendees, presenters and observers

In attendance:

Sheree Howard – Executive Director, Risk and Compliance Oversight
Robin Jones - Director, Risk and Compliance Oversight
Alison Russell – Head of Department, Risk and Compliance Oversight
Graham Pratt – Associate, Risk and Compliance Oversight
Stephen Braviner Roman – Director, General Counsel
Martin Boffey – Head of Department, General Counsel Division
Simon Pearce – Director, Company Secretary
Miles Bake – Director, Corporate Governance Division
Ian Runacres – Manager, Chairman’s Office
Chris Garman – Manager, CEO Office