

Minutes

Meeting: FCA Board
Date of Meeting: 1 June 2020
Venue: Meeting held via Skype

Present:	Charles Randell (Chair)	Richard Lloyd
	Catherine Bradley	Alice Maynard
	Liam Coleman	Sam Woods
	Bernadette Conroy	Christopher Woolard
	Sarah Hogg	Tommaso Valletti
	Jeannette Lichner	
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 No interests in relation to the items to be discussed were declared.

2 Further support for mortgage borrowers impacted by Covid-19

- 2.1 The Board was briefed on the outcome of the consultation on proposed guidance for the next phase of support for mortgage borrowers. It was noted that the underlying policy approach sought to ensure consumers receive appropriate support where they are experiencing temporary financial difficulties because of Covid-19. The policy also took into account issues of competition and market integrity, including the concerns of non-bank lenders in relation to the extension of further payment deferrals.
- 2.2 The Board was informed that stakeholders were generally supportive of the guidance including extension of the window for consumers to apply for a payment deferral, extension of the ban on repossessions and that consumers who could repay should do so. Areas of contention were mainly associated with how lenders should be required to provide further support to consumers who had already taken a payment deferral.
- 2.3 The Board was supportive of the flexibility offered by the guidance for a firm to agree the form of support it considers appropriate but with the safeguard that the customer's view prevails in the case of a disagreement. Reference to the availability of full and partial payment deferrals within the guidance was also welcomed.
- 2.4 The Board recognised the complexities associated with the masking of credit files and the limitations of applying this in the longer-term. Given the risk of long lasting impact on a consumer's credit file, and the time limited nature of the proposals, the Board supported maintenance of the current approach. However, it was noted that engagement with credit reference agencies and lenders on this issue would continue to explore potential alternatives.

In the meantime, the Board recognised the importance of ensuring that consumers were made aware of the potential longer-term implications of a further payment deferral without being discouraged from seeking appropriate assistance when it was in their interests to receive it. The Board supported transparent consumer communications that addressed this balance.

- 2.5 The importance of clear expectations of firms regarding the engagement and treatment of vulnerable consumers, including the digitally disadvantaged, was also discussed.
- 2.6 The Board **approved** the publication of guidance, setting out the FCA's expectations of firms, in relation to further support for mortgage borrowers impacted by Covid-19.
- 2.7 The Board **agreed** to the publication of the guidance on, and with effect from, 2 June 2020.

3 Any other Business

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

Charles Randell
Chair

ANNEX A: Attendees*

Attending for all, or substantially all of the meeting:

Jonathan Davidson	Executive Director, Supervision – Retail & Authorisations
Toby Hall	Private Secretary, Chief Executives Office
Sheree Howard	Executive Director, Risk and Compliance Oversight
Sean Martin	General Counsel
Sheldon Mills	Interim Director, Strategy & Competition
Simon Pearce	Company Secretary
Ian Runacres	Private Secretary, Chairman's Office
Andrew Whyte	Director, Communications

Attending for the following items:

2	Nisha Arora	Director, Consumer & Retail Policy
	Anthony Daughton	Manager, Competition Finance
	Charlotte Matthews	Manager, Covid Credit
	Ian Searle	Manager, Payments Policy
	Miranda de Savorgnani	Manager, Credit Team
	Karen Croxson	Head of Department, Economics - Research

* Relevant associates were also in attendance