

TOM PURSGLOVE MP
CORBY & EAST NORTHAMPTONSHIRE



HOUSE OF COMMONS

LONDON SW1A 0AA

21st March 2018

Dear Consultant,

RE: FINANCIAL SERVICES DUTY OF CARE.

Thank you for your recent correspondence in respect of a 'duty of care' for providers of financial services.

I completely understand the importance of ensuring that vulnerable people, such as cancer sufferers, are treated properly by their bank. As you may be aware, the regulation of financial services firms is a matter for the independent Financial Conduct Authority (FCA). The FCA does already apply rules in relation to how firms should deal with their customers. These rules include requiring companies to treat their customers fairly, and to act in accordance with the best interests of their customers. A number of specific rules also include an obligation to take 'reasonable care' for certain activities.

The FCA supervises the activities of firms against these rules and other provisions and, where necessary, can take enforcement action against firms to secure appropriate consumer protection. I understand that the FCA is of the view that its current regulatory toolkit is sufficient to enable it to fulfil its consumer protection objective.

However, the FCA has said that it will look at the issue of a 'duty of care'. The precise scope of any proposed 'duty of care' is uncertain, and the impact of introducing any new obligation needs to be fully considered. I am pleased that, following discussions with Treasury Ministers, the FCA now proposes to issue a discussion paper later this year. It will invite contributions from all interested parties on the case for and against a duty of care, what form such a provision might take and consequential issues arising from adopting it. I welcome the commitment by the FCA to accelerate its proposed timetable, and I hope you will find this news reassuring.

Once again, thank you for having taken the time to contact me and if I can ever be of any further assistance to you then please do not hesitate to contact me again.

with best wishes,

TOM PURSGLOVE MP
MEMBER OF PARLIAMENT
CORBY & EAST NORTHAMPTONSHIRE