

This week at the UK regulators

Thirty second guide: The week in overview

After the enforcement activity of the previous week, there were no concluded cases last week. Martin Wheatley gave a speech evaluating banks' progress in rebuilding consumer trust and confidence, and the FCA gave an update on its approach to payment protection insurance and published its response to the European Commission's proposals on capital markets union.

In policy developments, the FCA has issued a consultation paper on capital resource requirements for personal investment firms and the PRA has issued a consultation paper on stays in contractual documentation and the first of a

Martin Wheatley debates trust and confidence in banking

In a speech on 28 May, Martin Wheatley has set out his thoughts on how successfully the banking sector is rebuilding consumer trust and confidence. He referenced recent high profile enforcement action against banks, but noted the steps being taken by many institutions to make changes to culture and acknowledged the practical challenges associated with doing so. In remarks which will be followed closely by institutions preparing for and implementing the new individual accountability regimes due to come into force in March 2016, he added some additional colour on the types of "reasonable steps" which may assist those who will be Senior Managers in discharging the presumption of responsibility under the regime and sought to give some reassurance that the FCA will apply the presumption proportionately when selecting enforcement cases.

<http://www.fca.org.uk/news/debating-trust-and-confidence-in-banking->

FCA to look again at PPI

The FCA has (on 27 May) issued a statement responding to the judgment of the Supreme Court in *Plevin v Paragon Personal Finance Limited* in November 2014, where it was held that a failure to disclose to a client a large commission on a single premium payment protection insurance ("PPI") policy made the relationship between the lender and the borrower unfair under section 140A of the Consumer Credit Act 1974. The FCA has now followed up on a previous statement issued in January this year to confirm that it will

look at whether any additional formal rules or guidance are required. It has indicated that it expects to give its final views on this over the summer.

<http://www.fca.org.uk/news/statement-plevin-paragon-personal-finance>

<http://www.fca.org.uk/news/fca-to-gather-evidence-on-how-the-ppi-complaints-process-is-working>

Case reference: *Plevin v Paragon Personal Finance Limited* [2014] UKSC 61

FCA publishes response to European capital markets union proposals

The FCA has (on 27 May) published its response to the European Commission's Green Paper on proposals for capital markets union. It supports the proposals and suggests actions aimed at increasing the supply of investor finance into capital markets, ensuring effective, fair and competitive intermediation at proportionate cost and facilitating the greater use of capital market financing by corporate and others.

For further details of, and commentary on, the proposals, see our Clifford Chance response.

Separately, the FCA has (also on 27 May) published its response to the European Commission's consultation on the review of the Prospectus Directive.

<http://www.fca.org.uk/static/documents/fca-response-european-commission-building-capital-markets-union.pdf>

<https://onlineservices.cliffordchance.com/online/freeDownload.action?key=OBWlbfGhLNomwBI%2B33QzdFhRQAhp>

[8D%2BxrlGRel2crGqLnALtlyZe4B8K3LsekjgNN6Jk%2FYL0Zjp%0D%0A5mt12P8Wnx03DzsaBGwsIB3EVF8XihbSpJa3xHNE7tFeHpEbaelf&attachmentsize=1687975](http://www.fca.org.uk/static/documents/fca-response-european-commission-review-prospectus-directive-consultation.pdf)

<http://www.fca.org.uk/static/documents/fca-response-european-commission-review-prospectus-directive-consultation.pdf>

FCA warnings

Name of firm	Date of warning	Details
Invesco Capital Limited/ Invesco Investments	28 May 2015	Clone firm http://www.fca.org.uk/news/warnings/invesco-capital-limited-invesco-investments-clone

Policy developments

FCA		PRA		
Proposed developments				
		Deadline for responses		
Consultation papers	The FCA has (on 28 May) released a consultation paper (CP 15/17) on capital resources requirements for personal investment firms. http://www.fca.org.uk/static/documents/consultation-papers/cp15-17.pdf	7 September 2015	26 August 2015	The PRA has (on 26 May) released a consultation paper (CP 19/15) on contractual stays in financial contracts governed by third-country law. http://www.bankofengland.co.uk/pr/Document/publications/cp/2015/cp1915.pdf

Finalised policy and guidance				
		Implementation /effective date		
Policy statement			TBC	<p>The PRA has (on 27 May) released a policy statement (PS 10/15) on the implementation of ring fencing. It covers legal structure and governance arrangements and arrangements to ensure continuity of services and facilities to ring-fenced bodies. It annexes near final rules, which may change in the light of issues addressed in further consultation papers on ring fencing.</p> <p>http://www.bankofengland.co.uk/pradocuments/publications/ps/2015/ps1015.pdf</p>

Contacts

Roger Best
Partner

E: roger.best
@cliffordchance.com

Helen Carty
Partner

E: helen.carty
@cliffordchance.com

Carlos Conceicao
Partner

E: carlos.conceicao
@cliffordchance.com

Dorian Drew
Partner

E: dorian.drew
@cliffordchance.com

Jeremy Kosky
Partner

E: jeremy.kosky
@cliffordchance.com

Rae Lindsay
Partner

E: rae.lindsay
@cliffordchance.com

Kelwin Nicholls
Partner

E: kelwin.nicholls
@cliffordchance.com

Martin Saunders
Partner

E: martin.saunders
@cliffordchance.com

Judith Seddon
Partner

E: judith.seddon
@cliffordchance.com

Luke Tolaini
Partner

E: luke.tolaini
@cliffordchance.com

Editor

Chris Stott
Lawyer

E: chris.stott
@cliffordchance.com

This publication does not necessarily deal with every important topic or cover every aspect of the topics with which it deals. It is not designed to provide legal or other advice.

www.cliffordchance.com

Clifford Chance, 10 Upper Bank Street, London, E14 5JJ
© Clifford Chance 2013

Clifford Chance LLP is a limited liability partnership registered in England and Wales under number OC323571

Registered office: 10 Upper Bank Street, London, E14 5JJ

We use the word 'partner' to refer to a member of Clifford Chance LLP, or an employee or consultant with equivalent standing and qualifications

If you do not wish to receive further information from Clifford Chance about events or legal developments which we believe may be of interest to you, please either send an email to nomorecontact@cliffordchance.com or by post at Clifford Chance LLP, 10 Upper Bank Street, Canary Wharf, London E14 5JJ

Abu Dhabi ■ Amsterdam ■ Bangkok ■ Barcelona ■ Beijing ■ Brussels ■ Bucharest ■ Casablanca ■ Doha ■ Dubai ■ Düsseldorf ■ Frankfurt ■ Hong Kong ■ Istanbul ■ Kyiv ■ London ■ Luxembourg ■ Madrid ■ Milan ■ Moscow ■ Munich ■ New York ■ Paris ■ Perth ■ Prague ■ Riyadh* ■ Rome ■ São Paulo ■ Seoul ■ Shanghai ■ Singapore ■ Sydney ■ Tokyo ■ Warsaw ■ Washington, D.C.

*Clifford Chance has a co-operation agreement with Al-Jadaan & Partners Law Firm in Riyadh.