

Consultation Response

Proposals for Temporary Financial Relief for Customers Affected by Coronavirus

Financial Conduct Authority

April 2020

Ref:

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About this consultation

The Financial Conduct Authority has launched a consultation proposing a range of temporary measures to support users of several consumer credit products who are facing financial challenges arising from the coronavirus.

About Age UK

Age UK is a national charity that works with a network of partners, including Age Scotland, Age Cymru, Age NI and local Age UKs across England, to help everyone make the most of later life, whatever their circumstances. In the UK, the Charity helps more than seven million older people each year by providing advice and support. It also researches and campaigns on the issues that matter most to older people. Its work focuses on ensuring that older people: have enough money; enjoy life and feel well; receive high quality health and care; are comfortable, safe and secure at home; and feel valued and able to participate.

Key Points and Recommendations

Firms must be required to ensure that customers understand the long term implications of any action that is agreed

Firms should be required to report to the FCA how they are supporting customers, and particularly how they are helping vulnerable customers

The provisions should be extended to customers who do not have any negative Covid-19 implications for their finances, but who are concerned about accessing cash

Introduction

We welcome the opportunity to comment on the proposals, and the action that the FCA is taking to protect consumers impacted by Coronavirus in these markets.

We appreciate that the urgency of the action that the FC is taking. We understand that several firms are already implementing many of the measures that are proposed, and welcome the FCA's action that will bring common standards across firms and give consumers certainty of the help they can expect from their provider.

We fully recognise that many people are encountering financial problems as a consequence of the Coronavirus. Meeting financial commitments that were previously easily affordable has suddenly become challenging, and the flexibility that the FCA is giving firms to help such customers is to be welcomed.

We have been unable to consider the impact of each of the measures in the short time available to us, but have the following general points to make.

