



House of Commons

NOTICES OF AMENDMENTS

given up to and including

Wednesday 30 December 2020

New Amendments handed in are marked thus ★

☆ *Amendments which will comply with the required notice period at their next appearance*

Amendments tabled since the last publication: 7 to 14 and NC4 to NC26

CONSIDERATION OF BILL (REPORT STAGE)

FINANCIAL SERVICES BILL, AS AMENDED

NOTE

This document includes all amendments tabled to date and includes any withdrawn amendments at the end. The amendments have been arranged in the order in which they relate to the Bill.

John McDonnell
Jon Trickett
Apsana Begum
Nadia Whittome
Zarah Sultana
Bell Ribeiro-Addy

Ian Lavery
Kate Osborne
Richard Burgon
Mick Whitley
Mary Kelly Foy

Rebecca Long Bailey
Grahame Morris
Rachel Hopkins
Jeremy Corbyn
Claudia Webbe

Ian Mearns
Beth Winter
Paula Barker
Ms Diane Abbott

NC1

To move the following Clause—

“Report into standards of conduct and ethics in the financial services industry

- (1) The Treasury must prepare and publish a report into standards of conduct and ethics of businesses regulated or authorised by the Financial Conduct Authority.

Financial Services Bill, *continued*

- (2) The report must include—
- (a) an assessment of the prevalence of unlawful practices in the sector, including—
 - (i) tax evasion, and
 - (ii) money laundering;
 - (b) an assessment of the prevalence of other practices including—
 - (i) the charging of excessive fees,
 - (ii) the provision of inadequate advice to customers, and
 - (iii) tax avoidance;
 - (c) consideration of the case for the establishment of a public inquiry into standards of conduct and ethics within the UK financial services industry, under the Inquiries Act 2005; and
 - (d) an assessment of the present arrangements for the regulation of the financial services sector and the Government’s plans for further reform of the regulatory system.
- (3) This report must be laid before Parliament within six months of this Act being passed.”

Member’s explanatory statement

This new clause would require the Government to publish a report into the standards of conduct and ethics of businesses regulated or authorised by the Financial Conduct Authority, including consideration of the case for the establishment of a public inquiry.

John McDonnell
Jon Trickett
Apsana Begum
Nadia Whittome
Zarah Sultana
Bell Ribeiro-Addy

Ian Lavery
Kate Osborne
Richard Burgon
Mick Whitley
Mary Kelly Foy

Rebecca Long Bailey
Grahame Morris
Rachel Hopkins
Jeremy Corbyn
Claudia Webbe

Ian Mearns
Beth Winter
Paula Barker
Ms Diane Abbott

NC2

To move the following Clause—

“Report into anticipated use of the Debt Respite Scheme

- (1) The Treasury must prepare and publish a report into the anticipated use of the Debt Respite Scheme over the five years following the passing of this Act.
- (2) The report must include an assessment of—
 - (a) the number of people likely to use the Breathing Space scheme
 - (b) the number of people likely to be offered a Statutory Debt Repayment Plan,
 - (c) the scale of personal and household debt within the UK economy and the impact of this on use of the Debt Respite Scheme,
 - (d) the effectiveness of current mechanisms to prevent people having recourse to the Debt Respite Scheme, and

Financial Services Bill, *continued*

(e) the potential for additional policies and mechanisms to complement the work of the Debt Respite Scheme.

(3) This report must be laid before Parliament within six months of this Act being passed.”

Member’s explanatory statement

This new clause would require the Treasury to publish a report into the anticipated use of the Debt Respite Scheme, including the effectiveness of the current mechanisms to prevent people having recourse to the Debt Respite Scheme.

John McDonnell
Jon Trickett
Apsana Begum
Nadia Whittome
Zarah Sultana
Bell Ribeiro-Addy

Ian Lavery
Kate Osborne
Richard Burgon
Mick Whitley
Mary Kelly Foy

Rebecca Long Bailey
Grahame Morris
Rachel Hopkins
Jeremy Corbyn
Claudia Webbe

Ian Mearns
Beth Winter
Paula Barker
Ms Diane Abbott

NC3

To move the following Clause—

“Financial Services Compensation Scheme: third country investment products

The Financial Services Compensation Scheme must apply to all investment products provided by third country firms which have been authorised to operate in the United Kingdom by the FCA under the provisions of this Act.”

Member’s explanatory statement

This new clause would extend consumer protection for financial services products provided by third-country firms which have been authorised to operate in the United Kingdom.

Dame Margaret Hodge
Mr Andrew Mitchell
Nigel Mills
Catherine McKinnell
Ms Marie Rimmer
Stella Creasy

Alison Thewliss

Tom Tugendhat

NC4

★ To move the following Clause—

“Facilitation of economic crime

(1) A relevant body commits an offence if it—

(a) facilitates an economic crime; or

Financial Services Bill, *continued*

- (b) fails to take the necessary steps to prevent an economic crime from being committed by a person acting in the capacity of the relevant body.
- (2) In subsection (1), a “relevant body” is any person, including a body of persons corporate or unincorporated, authorised by or registered with the Financial Conduct Authority.
- (3) In subsection (1), an “economic crime” means—
 - (a) fraud, as defined in the Fraud Act 2006;
 - (b) false accounting, as defined in the Theft Act 1968; or
 - (c) an offence under the following sections of the Proceeds of Crime Act 2002—
 - (i) section 327 (concealing etc criminal property);
 - (ii) section 328 (arrangements etc concerning the acquisition, retention, use or control of criminal property); and
 - (iii) section 329 (acquisition, use and possession of criminal property).
- (4) In subsection (1), “facilitates an economic crime” means—
 - (a) is knowingly concerned in or takes steps with a view to any of the offences in subsection (3); or
 - (b) aids, abets, counsels or procures the commission of an offence in subsection (3).
- (5) In proceedings for an offence under subsection (1), it is a defence for the relevant body to show that—
 - (a) it had in place such prevention procedures as it was reasonable in all circumstances for it to have in place;
 - (b) it was not reasonable in the circumstances to expect it to have any prevention procedures in place.
- (6) A relevant body guilty of an offence under this section shall be liable—
 - (a) on conviction on indictment, to a fine;
 - (b) on summary conviction in England and Wales, to a fine;
 - (c) on summary conviction in Scotland or Northern Ireland, to a fine not exceeding the statutory maximum.
- (7) If the offence is proved to have been committed with the consent or connivance of—
 - (a) a director, manager, secretary or other similar officer of the relevant body, or
 - (b) a person who was purporting to act in any such capacity,
 this person (as well as the relevant body) is guilty of the offence and liable to be proceeded against and punished accordingly.”

Member’s explanatory statement

This new clause would make it an offence for a relevant body authorised or registered by the Financial Conduct Authority to facilitate, or fail to prevent, specified economic crimes.

Financial Services Bill, *continued*

John McDonnell
Jon Trickett
Apsana Begum
Nadia Whittome
Zarah Sultana
Bell Ribeiro-Addy

Ian Lavery
Kate Osborne
Richard Burgon
Mick Whitley
Mary Kelly Foy

Rebecca Long Bailey
Grahame Morris
Rachel Hopkins
Jeremy Corbyn
Claudia Webbe

Ian Mearns
Beth Winter
Paula Barker
Ms Diane Abbott

NC5

★ To move the following Clause—

“Offence of facilitation of or failure to prevent financial crime

- (1) A financial services company commits an offence if it—
 - (a) facilitates, aids or abets a relevant offence; or
 - (b) does not take all reasonable steps to prevent the commissioning of a relevant offence.
- (2) A financial services company guilty of an offence under this section shall be liable—
 - (a) on conviction on indictment, to a fine;
 - (b) on summary conviction in England and Wales, to a fine;
 - (c) on summary conviction in Scotland or Northern Ireland, to a fine not exceeding the statutory maximum.
- (3) For the purposes of this section—

“financial services company” means any person, including a body of persons corporate or unincorporated, authorised by or registered with the Financial Conduct Authority;

“relevant offence” means—

 - (a) fraud, as defined in the Fraud Act 2006;
 - (b) false accounting, as defined in the Theft Act 1968;
 - (c) any offence under the Proceeds of Crime Act 2002;
 - (d) tax evasion;
 - (e) an offence under Part 7 of the Financial Services Act 2012;
 - (f) insider dealing, as defined in the Criminal Justice Act 1993; and
 - (g) any other offence as the set out by the Treasury in regulations.”

Member’s explanatory statement

This new clause would create an offence in cases where financial services companies facilitate or fail to prevent financial crime.

Financial Services Bill, *continued*

Keir Starmer
Anneliese Dodds
Mr Nicholas Brown
Bridget Phillipson
Pat McFadden
Abena Opong-Asare

NC6

★ To move the following Clause—

“Money laundering: electronic money institutions

- (1) The Proceeds of Crime Act 2002 is amended as follows.
- (2) In section 303Z1 (Application for account freezing order)—
 - (a) In subsection (1) after “bank” insert— “, electronic money institution”
 - (b) In subsection (6) after “Building Societies Act 1986;” insert—
“electronic money institution” has the same meaning as in the Electronic Money Regulations 2011.”
- (3) In section 303Z2 (Restrictions on making of application under section 303Z1), in subsection (3) after “bank” insert— “, electronic money institution.”
- (4) In section 303Z6 (Restriction on proceedings and remedies), in subsection (1) after “bank” insert— “, electronic money institution.”
- (5) In section 303Z8 (“The minimum amount”), in subsection (4) after “bank” insert— “, electronic money institution.”
- (6) In section 303Z9 (“Account forfeiture notice”), in subsection (6)(b) after “bank” insert— “, electronic money institution.”
- (7) In section 303Z11 (“Lapse of account forfeiture notice”)—
 - (a) in subsection (6)— after “bank” insert “, electronic money institution”
 - (b) in subsection (7)— after “If the bank” insert “, electronic money institution”
 - (c) in subsection (7)— after “on the bank” insert “, electronic money institution.”
- (8) In section 303Z14 (“Forfeiture order”), in subsection (7)(a) after “bank” insert— “, electronic money institution.”
- (9) In section 327 (Concealing etc), after subsection (2C) insert—

“(2D) An electronic money institution that does an act mentioned in paragraph (c) or (d) of subsection (1) does not commit an offence under that subsection if the value of the criminal property concerned is less than the threshold amount determined under section 339A for the act.”
- (10) In section 328 (Arrangements), after subsection (5) insert—

“(6) An electronic money institution that does an act mentioned in subsection (1) does not commit an offence under that subsection if the arrangement facilitates the acquisition, retention, use or control of criminal property of a value that is less than the threshold amount determined under section 339A for the act.”
- (11) In section 329 (Acquisition, use and possession), after subsection (2C) insert—

“(2D) An electronic money institution that does an act mentioned in subsection (1) does not commit an offence under that subsection if the value of the criminal property concerned is less than the threshold amount determined under section 339A for the act.”

Financial Services Bill, continued

- (12) In section 339A (Threshold amounts)—
- (a) in subsection (1)— leave out “327(2C), 328(5) and 329(2C)” and insert “327(2C), 327(2D), 328(5), 328(6), 329(2C) and 329(2D)”
 - (b) in subsection (2)— after “deposit-taking body” insert “or electronic money institution”
 - (c) in subsection (3)— after “deposit-taking body” insert “or electronic money institution”
 - (d) in subsection (3)(a)— after “deposit-taking body’s” insert “or electronic money institution’s”
 - (e) in subsection (3)(b)— after “deposit-taking body” insert “or electronic money institution”
 - (f) in subsection (4)— after “deposit-taking body” insert “or electronic money institution”
 - (g) in subsection (8)— after “deposit-taking body” insert “or electronic money institution.”
- (13) In section 340 (Interpretation), after subsection (14) insert—
- “(14A) “Electronic money institution” has the same meaning as in the ElectronicMoney Regulations 2011.””

Member’s explanatory statement

This new clause would update definitions in the Proceeds of Crime Act 2002 to reflect the growth of financial technology companies in the UK by equalising the treatment of electronic money institutions with banks in regard to money laundering regulations.

Stella Creasy
 Paul Maynard
 Alison Thewliss
 Christine Jardine
 Stephen Flynn

NC7

- ★ To move the following Clause—

“Regulation of buy-now-pay-later firms

Within three months of this Act being passed, the Treasury must by statutory regulations make provision for the protection of consumers from unaffordable debt by requiring the FCA to regulate—

- (a) buy-now-pay-later credit services,
- (b) other lending services that have non-interest-bearing elements.”

Member’s explanatory statement

This new clause would bring the non-interest-bearing elements of buy-now-pay-later lending and similar services under the regulatory ambit of the FCA.

Financial Services Bill, *continued*

Keir Starmer
Anneliese Dodds
Mr Nicholas Brown
Bridget Phillipson
Pat McFadden
Abena Opong-Asare

NC8

★ To move the following Clause—

“European Union regulatory equivalence for UK-based financial services businesses

- (1) Within three months of this Act being passed, the Treasury must prepare and publish a report on progress towards regulatory equivalence recognition for UK-based financial services firms operating within the European Union.
- (2) This report should include—
 - (a) the status of negotiations towards the recognition of regulatory equivalence for UK financial services firms operating within the European Union;
 - (b) a statement on areas in where equivalence recognition has been granted to UK based businesses on the same basis as which the UK has granted equivalence recognition to EU based businesses; and
 - (c) a statement on where such equivalence recognition has not been granted.”

Member’s explanatory statement

This new clause would require a report to be published on progress towards, or completion of, the equivalence recognition for UK firms which the Government hopes to see following the Chancellor’s statement on EU-based firms operating in the UK.

Alison Thewliss
Stephen Flynn

NC9

★ To move the following Clause—

“Debt Respite Scheme: review

- (1) The Chancellor of the Exchequer must review the impact on debt in parts of the United Kingdom and regions of England of the changes made by section 32 of this Act and lay a report of that review before the House of Commons within six months of the date on which this Act receives Royal Assent.
- (2) A review under this section must consider the effects of the changes on debt held by—
 - (a) households,
 - (b) individuals with protected characteristic as defined by the Equality Act 2010,
 - (c) small companies as defined by the Companies Act 2006.
- (3) In this section—

“parts of the United Kingdom” means—

 - (a) England,
 - (b) Scotland,
 - (c) Wales, and

Financial Services Bill, *continued*

- (d) Northern Ireland; and
 “regions of England” has the same meaning as that used by the Office for National Statistics.”

Member’s explanatory statement

This new clause would require a review of the impact on debt of the changes made to the Financial Guidance and Claims Act 2018 in section 32.

Alison Thewliss
 Stephen Flynn

NC10

- ★ To move the following Clause—

“Legal protections for retail clients against the mis-selling of financial services

- (1) Regulation 3 (Private Person) of the Financial Services and Markets Act 2000 (Rights of Action) Regulations 2001 is amended as follows.
- (2) In paragraph 1(a), after “individual”, insert “, partnership or body corporate that is or would be classified as a retail client”.
- (3) In paragraph 1(b), leave out “who is not an individual” and insert “not within the definition of paragraph 1(a)”.
- (4) For the purposes of this regulation, a “retail client” means a client who is not a professional client within the meaning set out in Annex II of Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU.”

Member’s explanatory statement

This new clause seeks to give retail clients greater legal protections against the mis-selling of financial services products.

Alison Thewliss
 Stephen Flynn

NC11

- ★ To move the following Clause—

“Legal protections for small businesses against the mis-selling of financial services

- (1) Regulation 3 (Private Person) of the Financial Services and Markets Act 2000 (Rights of Action) Regulations 2001 is amended as follows.
- (2) In sub-paragraph 1(a), leave out “individual” and insert “relevant person”
- (3) In sub-paragraph (1)(b), leave out “individual” and insert “relevant person”.
- (4) After paragraph 1, insert—
 - “(1A) For the purposes of this regulation, a “relevant person” means—
 - (a) any individual;
 - (b) any body corporate which meets the qualifying conditions for a small company under sections 382 and 383 Companies Act 2006 in the financial year in which the cause of action arises;

Financial Services Bill, *continued*

- (c) any partnership which would, if it were a body corporate, meet the qualifying conditions for a small company under section 382 Companies Act 2006 in the financial year in which the cause of action arises.””

Member’s explanatory statement

This new clause seeks to give small businesses greater legal protections against the mis-selling of financial services products.

Alison Thewliss
Stephen Flynn

NC12

- ★ To move the following Clause—

“Pre-commencement impact assessment of leaving the EU Customs Union

- (1) No Minister of the Crown or public authority may appoint a day for the commencement of any provision of this Act until a Minister of the Crown has laid before the House of Commons an impact assessment of—
- (a) disapplying EU rules;
 - (b) applying rules different from those of the EU
- as a consequence of any provision of this Act.
- (2) A review under this section must consider the effects of the changes on—
- (a) business investment,
 - (b) employment,
 - (c) productivity,
 - (d) inflation,
 - (e) financial stability, and
 - (f) financial liquidity.
- (3) A review under this section must consider the effects in the current and each of the subsequent ten financial years.
- (4) The review must also estimate whether these effects are likely to have been different in the following scenarios—
- (a) if the UK had left the EU withdrawal transition period without a negotiated comprehensive free trade agreement, or
 - (b) if the UK had left the EU withdrawal transition period with a negotiated agreement, and remained in the single market and customs union.
- (5) The review must also estimate the effects on the changes if the UK signs a free trade agreement with the United States.
- (6) In this section—
- “parts of the United Kingdom” means—
 - (a) England,
 - (b) Scotland,
 - (c) Wales, and
 - (d) Northern Ireland; and
 - “regions of England” has the same meaning as that used by the Office for National Statistics.”

Financial Services Bill, continued

Member's explanatory statement

This new clause would require the Government to produce an impact assessment before disapplying EU rules or applying those different to those of the EU; and comparing such with various scenarios of UK-EU relations.

Alison Thewliss
Stephen Flynn

NC13

★ To move the following Clause—

“Review of Impact of Scottish National Investment Bank Powers

- (1) The Chancellor of the Exchequer must review the effect of the use of the powers in this Act in Scotland and lay a report of that review before the House of Commons within six months of the date on which this Act receives Royal Assent.
- (2) A review under this section must consider the effects of the changes on—
 - (a) business investment,
 - (b) employment,
 - (c) productivity,
 - (d) inflation,
 - (e) financial stability, and
 - (f) financial liquidity.
- (3) The review must also estimate the effects on the changes in the event of each of the following—
 - (a) the Scottish Government is given no new financial powers with respect to carrying over reserves between financial years,
 - (b) the Scottish Government is able to carry over greater reserves between financial years for use by the Scottish National Investment Bank.
- (4) The review must under subparagraph 4(b) consider the effect of raising the reserve limit by—
 - (a) £100 million,
 - (b) £250 million,
 - (c) £500 million, and
 - (d) £1,000 million.”

Member's explanatory statement

This new clause requires a review of the impact of providing Scottish Government powers to allow the SNIB to carry over reserves between financial years beyond its current £100m limit.

Financial Services Bill, *continued*

Alison Thewliss
Stephen Flynn

NC14

★ To move the following Clause—

“Application of money laundering regulations to overseas trustees: review of effect on tax revenues

- (1) The Chancellor of the Exchequer must review the effects on tax revenues of section 31 and lay a report of that review before the House of Commons within six months of the date on which this Act receives Royal Assent.
- (2) The review under sub-paragraph (1) must consider—
 - (a) the expected change in corporation and income tax paid attributable to the provisions in this Schedule; and
 - (b) an estimate of any change attributable to the provisions of section 31 in the difference between the amount of tax required to be paid to the Commissioners and the amount paid.
- (3) The review must under subparagraph (2)(b) consider taxes payable by the owners and employees of Scottish Limited Partnerships.”

Member’s explanatory statement

This new clause would require the Chancellor of the Exchequer to review the effect on public finances, and on reducing the tax gap, of section 31, and in particular on the taxes payable by owners and employees of Scottish Limited Partnerships.

Alison Thewliss
Stephen Flynn

NC15

★ To move the following Clause—

“Parliamentary scrutiny of FCA provisions

Any provision made by the Financial Conduct Authority under this Act may not be made unless a draft of the provision has been laid before and approved by a resolution of the House of Commons.”

Member’s explanatory statement

This new clause subjects FCA provisions under this Act to the affirmative scrutiny procedure in the House of Commons.

Alison Thewliss
Stephen Flynn

NC16

★ To move the following Clause—

“Scrutiny of FCA Powers by committees

- (1) No provision may be made by the Financial Conduct Authority under this Act unless the conditions in subsection (2) are satisfied.
- (2) The conditions in are that—

Financial Services Bill, *continued*

- (a) a new statutory committee comprising Members of the House of Commons has been established to scrutinise financial regulation, and
- (b) a new statutory committee comprising Members of the House of Lords has been established to scrutinise financial regulation.
- (3) The Treasury must, by regulations, make provision for and about those committees.
- (4) Those regulations must provide that the committees have at least as much power as the relevant committees of the European Union.”

Member’s explanatory statement

This new clause requires statutory financial regulation scrutiny committees to be established before the FCA can make provisions under this Bill.

Alison Thewliss
Stephen Flynn

NC17

- ★ To move the following Clause—

“Review of impact of Act on UK meeting Paris climate change commitments

The Chancellor of the Exchequer must conduct an assessment of the impact of this Act on the UK meeting its Paris climate change commitments, and lay it before the House of Commons within six months of the day on which this Act receives Royal Assent.”

Member’s explanatory statement

This new clause would require the Chancellor of the Exchequer to review the impact of the Bill on the UK meeting its Paris climate change commitments.

Alison Thewliss
Stephen Flynn

NC18

- ★ To move the following Clause—

“Review of impact of Act on UK meeting UN Sustainable Development Goals

The Chancellor of the Exchequer must conduct an assessment of the impact of this Act on the UK meeting the UN Sustainable Development Goals, and lay it before the House of Commons within six months of the day on which this Act receives Royal Assent.”

Member’s explanatory statement

This new clause would require the Chancellor of the Exchequer to review the impact of the Bill on the UK meeting the UN Sustainable Development Goals.

Financial Services Bill, *continued*

Alison Thewliss
Stephen Flynn

NC19

★ To move the following Clause—

“Money laundering and overseas trustees: review

- (1) The Treasury must, within six months of this Act being passed, prepare, publish and lay before Parliament a report on the effects on money laundering of the provisions in section 31 of this Act.
- (2) The report must address—
 - (a) the anticipated change to the volume of money laundering attributable to the provisions of section 31; and
 - (b) alleged money laundering involving overseas trusts by the owners and employees of Scottish Limited Partnerships.”

Member’s explanatory statement

This new clause would require the Treasury to review the effects on money laundering of the provisions in section 31 of this Act, and in particular on the use of overseas trusts for the purposes of money laundering by owners and employees of Scottish Limited Partnerships.

Alison Thewliss
Stephen Flynn

NC20

★ To move the following Clause—

“Regulatory divergence from the EU in financial services: Annual review

- (1) The Treasury must prepare, publish and lay before Parliament an annual review of the impact of regulatory divergence in financial services from the European Union.
- (2) Each annual review must consider the estimated impact of regulatory divergence in financial services in the current financial year, and for the ten subsequent financial years, on the following matters—
 - (a) business investment,
 - (b) employment,
 - (c) productivity,
 - (d) inflation,
 - (e) financial stability, and
 - (f) financial liquidity.

in each English region, and in Scotland, Wales and Northern Ireland.

- (3) Each report must compare the analysis in subsection (2) to an estimate based on the following hypothetical scenarios—
 - (a) that the UK leaves the EU withdrawal transition period without a negotiated comprehensive free trade agreement;
 - (b) that the UK leaves the EU withdrawal transition period with a negotiated agreement, and remains in the single market and customs union;
 - (c) that the UK leaves the EU withdrawal transition period with a negotiated comprehensive free trade agreement, and does not remain in the single market and customs union; and

Financial Services Bill, *continued*

- (d) that the UK signs a comprehensive free trade agreement with the United States.

- (4) The first annual report shall be published no later than 1 July 2021.”

Member’s explanatory statement

This new clause requires a review of the impact of regulatory divergence from the European Union in financial services, which should make a comparison with various hypothetical trade deal scenarios.

Alison Thewliss
Stephen Flynn

NC21

- ★ To move the following Clause—

“Duty of care specification

- (1) The Financial Services and Markets Act 2000 is amended as follows.
(2) After Section 1C insert—

“1CA Duty of care specification

- (1) In securing an appropriate degree of protection for consumers, the FCA must ensure authorised persons carrying out regulated activities are acting with a Duty of Care to all consumers.
- (2) Matters the FCA should consider when drafting Duty of Care rules include, but are not limited to—
- (a) the duties of authorised persons to act honestly, fairly and professionally in accordance with the best interest of their consumers;
 - (b) the duties of authorised persons to manage conflicts of interest fairly, both between themselves and their clients, and between clients;
 - (c) the extent to which the duties of authorised persons entail an ethical commitment not merely compliance with rules;
 - (d) that the duties must be owned by senior managers who would be accountable for their individual firm’s approach.””

Member’s explanatory statement

This new clause would mean that the FCA would need to ensure that financial services providers are acting with a duty of care to act in the best interests of all consumers.

Christine Jardine

NC22

- ★ To move the following Clause—

“Extension of the Breathing Space and Mental Health Crisis Moratorium

- (1) The Debt Respite Scheme (Breathing Space Moratorium and Mental Health Crisis Moratorium) (England and Wales) Regulations 2020 shall be amended as follows.

Financial Services Bill, *continued*

- (2) In section 1(2), for “4th May 2021” substitute “31st January 2021”.
- (3) In section 26(2), for “60 days” substitute “12 months”.

Member’s explanatory statement

This new clause would bring forward the start date of the Debt Respite Scheme and extend the duration of the Breathing Space Moratorium from 60 days to 12 months.

Christine Jardine

NC23

- ★ To move the following Clause—

“Impact of COVID-19 on the Debt Respite Scheme: Ministerial report

- (1) The Treasury must prepare and publish a report on the impact of the COVID-19 pandemic on the implementation of the Debt Respite Scheme.
- (2) The report must include—
 - (a) a statement on the extent to which changes to levels of household debt caused by the COVID-19 pandemic will affect the usage and operation of the Debt Respite Scheme;
 - (b) a statement on the resilience of UK households to future pandemics and other financial shocks, and how these would affect the usage and operation of the Debt Respite Scheme; and
 - (c) consideration of proposals for the incorporation of a no-interest loan scheme into the Debt Respite Scheme for financially vulnerable individuals affected by the COVID-19 pandemic.
- (3) The report must be laid before Parliament no later than 28 February 2021.”

Member’s explanatory statement

This new clause would require the Treasury to publish a report on the impact of the COVID-19 pandemic on the implementation of the Debt Respite Scheme, including consideration of a proposal for the incorporation of a no-interest loan scheme into the Debt Respite Scheme.

Seema Malhotra
Alison Thewliss
Stephen Flynn
Peter Dowd
Julian Knight
Tom Tugendhat

Ben Lake

Mr William Wragg

Tonia Antoniazzi

NC24

- ★ To move the following Clause—

“Mortgage contracts: regulation of management and ownership

- (1) Article 61 of the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001 shall be amended as follows.
- (2) After paragraph (2), insert—
 - “(2A) Managing a regulated mortgage contract is also a specified kind of activity.

Financial Services Bill, *continued*

- (2B) Owning a regulated mortgage contract is also a specified kind of activity.”
- (3) For sub-sub-paragraphs (3)(a)(ii) and (3)(a)(iii) substitute—
- “(ii) the contract provides for the obligation of the borrower to repay to be secured by a legal mortgage of land (other than timeshare accommodation) in the United Kingdom;
- (iii) at least 40% of that land is used, or is intended to be used, as or in connection with a dwelling.”
- (4) After sub-paragraph (3)(c), insert—
- “(d) “managing” a regulated mortgage contract means having the power to exercise or to control the exercise of any of the rights of a lender under a regulated mortgage contract.
- (e) “owning” a regulated mortgage contract means holding the legal title to a regulated mortgage contract or to own beneficially the rights of the lender under a regulated mortgage contract.”
- (5) For paragraph (4), substitute—
- “(4) For the purposes of sub-paragraph (3)(a)—
- (a) “mortgage” includes charge and (in Scotland) a heritable security;
- (b) the area of any land which comprises a building or other structure containing two or more storeys is to be taken to be the aggregate of the floor areas of each of those storeys; and
- (c) “timeshare accommodation” has the meaning given by section 1 of the Timeshare Act 1992(c).”

Member’s explanatory statement

This new clause would require the regulation of the ‘management’ and ‘ownership’ of a regulated mortgage contract.

Seema Malhotra
 Alison Thewliss
 Stephen Flynn
 Peter Dowd
 Julian Knight
 Tom Tugendhat

Ben Lake

Mr William Wragg

Tonia Antoniazzi

NC25

★ To move the following Clause—

“Standard Variable Rates: Cap on charges for Mortgage Prisoners

In section 137A of the Financial Services and Markets Act 2000 (The FCA’s general rules), after subsection (6), insert—

- “(7) The FCA must make rules by virtue of subsection (1) in relation to introducing a cap on the interest rates charged to mortgage prisoners in relation to regulated mortgage contracts with a view to securing an appropriate degree of protection for consumers.
- (8) In subsection (7) “mortgage prisoner” means a consumer who cannot switch to a different lender because of their characteristics and has a regulated mortgage contract with one of the following type of firms—

Financial Services Bill, *continued*

- (a) inactive lenders: firms authorised for mortgage lending that are no longer lending; and
- (b) unregulated entities: firms not authorised for mortgage lending.
- (9) The rules made by the FCA under subsection (7) must set the level of the cap on the “Standard Variable Rate” at a level no more than 2 percentage points above the Bank of England base rate.
- (10) In subsection (9) “Standard Variable Rate” means the variable rate of interest charged under the regulated mortgage contract after the end of any initial introductory deal.
- (11) The FCA must ensure any rules that it is required to make as a result of the amendment made by subsection (7) are made not later than 31st July 2021.”

Member’s explanatory statement

This new clause would require the FCA to introduce a cap on the Standard Variable Rates charged to consumers who cannot switch to a different lender because of their characteristics and who have a regulated mortgage contract with either an inactive lender or an unregulated entity.

Seema Malhotra
 Alison Thewliss
 Stephen Flynn
 Peter Dowd
 Julian Knight
 Tom Tugendhat

Ben Lake

Mr William Wragg

Tonia Antoniazzi

NC26

★ To move the following Clause—

“Conditions for the transfer of a regulated mortgage contract

- (1) A regulated mortgage contract shall not be transferred without the written consent of the borrower.
- (2) When seeking consent from either an existing or a new borrower the lender must provide a statement to the borrower containing sufficient information in order for them to make an informed decision.
- (3) The statement provided pursuant to subsection (2) must be approved in advance by the Financial Conduct Authority and shall include—
 - (a) a clear explanation of the implications in terms of the interest rates which will be offered to the borrower including details of the policies and procedures which will apply for the setting of mortgage interest rates and for the making of repayments if the transfer takes place;
 - (b) how the transfer might affect the borrower;
 - (c) the name and address of the intended transferee, and of any holding company applicable;
 - (d) the relationship, if any, between the lender and the transferee;
 - (e) a description of the intended transferee and of its business, including how long it has been in operation, and details of its involvement in the management of mortgages; and
 - (f) confirmation that in the absence of a specific consent the existing arrangements will continue to apply.
- (4) Each borrower shall be approached individually and shall be given a reasonable time within which to give or decline to give their consent.

Financial Services Bill, *continued*

- (5) In this section, “regulated mortgage contract” has the meaning given by article 61(3) of the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001.”

Member’s explanatory statement

This new clause would require the written consent of the borrower for the transfer of a regulated mortgage contract and require lenders to provide specified information to borrowers when seeking this consent and for this statement to be approved in advance by the FCA.

Alison Thewliss
Stephen Flynn

13

- ★ Clause 33, page 39, line 30, at end insert—

“(c) the successor account must bear, in each financial year, at least the same level of bonus as the mature account before maturation.”

Member’s explanatory statement

This amendment would ensure customers do not lose any bonus should their funds be moved from a matured account into a new one.

Alison Thewliss
Stephen Flynn

14

- ★ Clause 33, page 39, line 30, at end insert—

“(7) Regulations under sub-paragraph (2) may only be made if the conditions in sub-paragraph (8) are met.

(8) The conditions referred to in sub-paragraph (7) are—

- (a) There must be an account available to any affected customer which provides at least as generous a bonus structure as the matured account.
- (b) The customer must have been successfully contacted by a relevant Department or public body.
- (c) The customer must have been given full and accessible information on the effects of changing account.”

Member’s explanatory statement

This amendment would ensure customers are contacted and informed before their funds are transferred.

Financial Services Bill, continued

John McDonnell
Jon Trickett
Apsana Begum
Nadia Whittome
Zarah Sultana
Bell Ribeiro-Addy

Ian Lavery
Kate Osborne
Richard Burgon
Mick Whitley
Mary Kelly Foy

Rebecca Long Bailey
Grahame Morris
Rachel Hopkins
Jeremy Corbyn
Claudia Webbe

Ian Mearns
Beth Winter
Paula Barker
Ms Diane Abbott

4

Clause 37, page 44, line 9, at end insert—

“(c) after subparagraph (2) insert—

“(2A) A person may not be appointed as chief executive under paragraph 2(2)(b) unless they have the consent of the Treasury Committee of the House of Commons.””

Member’s explanatory statement

This amendment would require a candidate for the position of chief executive of the FCA to receive the consent of the Treasury Committee for their appointment.

John McDonnell
Jon Trickett
Apsana Begum
Nadia Whittome
Zarah Sultana
Bell Ribeiro-Addy

Ian Lavery
Kate Osborne
Richard Burgon
Mick Whitley
Mary Kelly Foy

Rebecca Long Bailey
Grahame Morris
Rachel Hopkins
Jeremy Corbyn
Claudia Webbe

Ian Mearns
Beth Winter
Paula Barker
Ms Diane Abbott

3

Clause 37, page 44, line 14, after “ignored.” insert—

“(2C) A person may not be appointed as chief executive under paragraph 2(2)(b) until the Treasury has prepared and published a report on the effectiveness of the FCA under the tenure of the previous chief executive.”

Member’s explanatory statement

This amendment would require the Treasury to prepare and publish a report on the effectiveness of the previous chief executive in advance of the appointment of a new chief executive.

Financial Services Bill, *continued*

John McDonnell
Jon Trickett
Apsana Begum
Nadia Whittome
Zarah Sultana
Bell Ribeiro-Addy

Ian Lavery
Kate Osborne
Richard Burgon
Mick Whitley
Mary Kelly Foy

Rebecca Long Bailey
Grahame Morris
Rachel Hopkins
Jeremy Corbyn
Claudia Webbe

Ian Mearns
Beth Winter
Paula Barker
Ms Diane Abbott

5

Schedule 2, page 60, line 18, at end insert—

“(f) impose requirements relating to the publication of quarterly statements on portfolio holdings.”

Member’s explanatory statement

This amendment would allow the FCA to impose requirements on investment firms to publish quarterly statements on their portfolio holdings.

John McDonnell
Jon Trickett
Apsana Begum
Nadia Whittome
Zarah Sultana
Bell Ribeiro-Addy

Ian Lavery
Kate Osborne
Richard Burgon
Mick Whitley
Mary Kelly Foy

Rebecca Long Bailey
Grahame Morris
Rachel Hopkins
Jeremy Corbyn
Claudia Webbe

Ian Mearns
Beth Winter
Paula Barker
Ms Diane Abbott

6

Schedule 2, page 60, line 18, at end insert—

“(3A) General rules made for the purpose of subsection (1) must impose requirements relating to the publication of quarterly statements on portfolio holdings.”

Member’s explanatory statement

This amendment would require the FCA to impose requirements on investment firms to publish quarterly statements on their portfolio holdings.

Keir Starmer
Anneliese Dodds
Mr Nicholas Brown
Bridget Phillipson
Pat McFadden
Abena Oppong-Asare

Schedule 2, page 63, line 5, at end insert—

“(ba) the target for net UK emissions of greenhouse gases in 2050 as set out in the Climate Change Act 2008 as amended by the Climate Change Act (2050 Target Amendment) Order 2019, and”

1

Financial Services Bill, continued

Rushanara Ali
 Sir Iain Duncan Smith
 Jeremy Hunt
 Mr Andrew Mitchell
 Ms Harriet Harman
 Mr Alistair Carmichael

Dame Margaret Hodge	Ian Paisley	Layla Moran
Andrew Selous	Shabana Mahmood	Andrew Gwynne
Andy Slaughter	Caroline Lucas	Angus Brendan MacNeil
Sarah Champion	Dame Diana Johnson	Darren Jones
Ms Angela Eagle	Clive Efford	Catherine McKinnell
Mohammad Yasin	Lilian Greenwood	Tony Lloyd
Rosie Cooper	Sir George Howarth	Rosie Duffield
Debbie Abrahams	Stewart Malcolm McDonald	Alyn Smith
Peter Dowd	Kate Hollern	Kate Osamor
Claudia Webbe	Rachel Hopkins	Kim Johnson
Ian Byrne		

7

★ Schedule 2, page 63, line 5, at end insert—

“(ba) the promotion of ethical investments with reference to the judgements of the International Court of Justice or the High Court of England and Wales concerning genocide under Article II of the United Nations Convention on the Prevention and Punishment of the Crime of Genocide, and findings of genocide or ethnic cleansing by a United Nations-mandated investigation.”

Member’s explanatory statement

This amendment would require the FCA, when making Part 9C rules for investment firms, to have regard to findings of genocide by the courts and UN-mandated investigations.

Alison Thewliss
 Stephen Flynn

8

★ Schedule 2, page 63, line 5, at end insert—

“(ba) the likely effect of the rules on trade frictions between the UK and EU, and”

Member’s explanatory statement

This amendment would ensure the likely effect of the rules on trade frictions between the UK and EU are considered before Part 9C rules are taken.

Alison Thewliss
 Stephen Flynn

9

★ Schedule 2, page 63, line 5, at end insert—

“(ba) the likely effect of the rules on the UK meeting its international and domestic commitments on tackling climate change, and”

Member’s explanatory statement

This amendment would ensure the likely effect of the rules on the UK meeting its international and domestic commitments on tackling climate change are considered before Part 9C rules are taken.

Financial Services Bill, *continued*

Alison Thewliss
Stephen Flynn

- 10**
- ★ Schedule 3, page 79, line 25, after “activities” insert “in the UK and internationally”
- Member’s explanatory statement*
This amendment would ensure the likely effect of the rules on the relative standing of the United Kingdom as a place for internationally active credit institutions and investment firms to be based or to carry on activities are considered both in terms of their UK and international activities before Part CRR rules are taken.

Keir Starmer
Anneliese Dodds
Mr Nicholas Brown
Bridget Phillipson
Pat McFadden
Abena Oppong-Asare

- 2**
- Schedule 3, page 79, line 29, at end insert—
- “(ca) the target for net UK emissions of greenhouse gases in 2050 as set out in the Climate Change Act 2008 as amended by the Climate Change Act (2050 Target Amendment) Order 2019, and”

Alison Thewliss
Stephen Flynn

- 11**
- ★ Schedule 3, page 79, line 29, at end insert—
- “(ca) the likely effect of the rules on trade frictions between the UK and EU, and”
- Member’s explanatory statement*
This amendment would ensure the likely effect of the rules on trade frictions between the UK and EU are considered before CRR rules are taken.

Alison Thewliss
Stephen Flynn

- 12**
- ★ Schedule 3, page 79, line 29, at end insert—
- “(ca) the likely effect of the rules on the UK meeting its international and domestic commitments on tackling climate change, and”
- Member’s explanatory statement*
This amendment would ensure the likely effect of the rules on the UK meeting its international and domestic commitments on tackling climate change are considered before CRR rules are taken.

ORDER OF THE HOUSE [9 NOVEMBER 2020]

That the following provisions shall apply to the Financial Services Bill:

Committal

1. The Bill shall be committed to a Public Bill Committee.

Proceedings in Public Bill Committee

2. Proceedings in the Public Bill Committee shall (so far as not previously concluded) be brought to a conclusion on Thursday 3 December 2020.

Financial Services Bill, *continued*

3. The Public Bill Committee shall have leave to sit twice on the first day on which it meets.

Proceedings on Consideration and up to and including Third Reading

4. Proceedings on Consideration and any proceedings in legislative grand committee shall (so far as not previously concluded) be brought to a conclusion one hour before the moment of interruption on the day on which proceedings on Consideration are commenced.
5. Proceedings on Third Reading shall (so far as not previously concluded) be brought to a conclusion at the moment of interruption on that day.
6. Standing Order No. 83B (Programming committees) shall not apply to proceedings on Consideration and up to and including Third Reading.

Other proceedings

7. Any other proceedings on the Bill may be programmed.
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