



Legislation to facilitate statutory prohibition of cold calling  
in relation to all Financial Services

Further to our briefing [Legislation to prohibit cold calling in relation to Claims Management](#) - this briefing covers an amendment to an earlier part of the Bill. It will be moved and debated first.

This less specific amendment aims to put pressure on the **Financial Conduct Authority** (FCA) to prohibit cold calling in relation to all, or selected, products and services. The way in which this may be set to be applied, through a valid amendment to this legislation, is necessarily tortuous.

Part 2 of this Bill enables a specific requirement on the **FCA** to be applied in respect of **Claims Management Companies**. This amendment to Part 1 may only cover the **Single Financial Guidance Body** and what may then flow from its action, given that this cannot bear on the **FCA** directly.

Whether or not the specific mechanism proposed may ever be created or used, this amendment provides an ideal opportunity for members to make the point that the **FCA** is the best and most effective body to regulate / prohibit direct marketing across the financial services sector.

Any direct (sectoral) regulator in place may impose regulations that are appropriate and clear. It may therefore expect a higher degree of compliance than that achieved by unfocused general regulation, which may be diluted by the need to cover many different circumstances.

**Financial Guidance and Claims Bill [HL]**

MARSHALLED  
LIST OF AMENDMENTS  
TO BE MOVED  
ON REPORT

Clause 2

LORD SHARKEY  
LORD MCKENZIE OF LUTON  
BARONESS ALTMANN  
THE EARL OF KINNOULL

- 2★ Page 2, line 18, at end insert –
- “(3A) In exercising its functions the single financial guidance body must have regard to the effect of cold-calling on consumer protection and must make and publish an annual assessment of any consumer detriment.
  - (3B) If the single financial guidance body considers that there are products or services where a ban on cold-calling would be conducive to its functions it must advise the Secretary of State to institute bans on such cold-calling and the commercial use of any data obtained by such cold-calling.
  - (3C) On receipt of advice from the single financial guidance body under subsection (3B), the Secretary of State may by regulations made by statutory instrument introduce a ban on cold-calling and the commercial use of any data obtained by such cold-calling as recommended by the single financial guidance body.
  - (3D) A statutory instrument containing regulations under this section may not be made unless a draft of the instrument has been laid before, and approved by a resolution of, each House of Parliament.
  - (3E) For the purposes of this section “cold-calling” refers to unsolicited real-time direct approaches to members of the public carried out by whatever means, digital or otherwise.”