FCA cuts unnecessary Ts&Cs for 0% interest finance offers

Following consultation earlier this year, the Financial Conduct Authority (FCA) have announced that where a financial offer includes an interest rate or reference to cost for a genuine 0% interest offer (where there are no credit charges and the APR is 0%), then the full representative example is no longer needed.

This new rule applies to all 0% finance offers in any medium but, as Ts&Cs have to be read out in real-time in ads on the medium, radio stands to benefit the most from this change.

The doing away with the full representative example for genuine 0% interest offers will come as a particular boon to the motor industry, where being able to offer 0% finance on cars can be an important part of their business model.

Siobhan Kenny, CEO of Radiocentre says: “Radiocentre welcomes this change wholeheartedly. We agree fully with the FCA’s view that removing these details makes it easier for consumers to focus on key facts, particularly as radio ads are delivered in such short time frames. Radiocentre has been lobbying key decision makers in the UK, Strasbourg and Brussels, with a view to simplifying the lengthy, confusing terms and conditions that dog radio ads. We are delighted that the FCA have seen the value of ditching unnecessary representative examples in this instance, and updated their handbook accordingly.”

ENDS

The relevant extract from the FCA’s handbook can be found below:

<https://www.handbook.fca.org.uk/handbook/CONC/3/?view=chapter>

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