

MALG Briefing

Single Financial Guidance Body

The proposed single financial guidance body is in line with the recommendations we made to government when they consulted on their plans.

Ultimately, the final shape of this body is a matter for government – and Parliament – to decide. What is important, in our view, is that people continue to have access to high-quality money guidance and debt advice (regardless of its source); and that work to raise overall levels of financial capability is sustained, with effective co-ordination and leadership.

Regarding financial capability, the Government policy on financial inclusion is focused on ensuring that there is an appropriate supply of useful and affordable financial services and products, hence FCA's role to ensure that appropriate action is taken when the market fails to supply services and products.

There is little value in ensuring an appropriate supply of useful and affordable financial services and products if people don't have the ability to actually use them. Hence, financial capability is the ability of the public to manage their money well, including the ability of members of the public to engage with services and products made available by the financial services sector.

It will be the role of the Single Financial Guidance Body to improve the ability of the public to manage their money, so that they have the skills, knowledge, motivation and confidence to fully use the financial products and services on offer.

At present, HMT and the FCA have responsibility and the relevant powers to intervene when the financial services market fails to supply affordable products and services. The SFGB as outlined in the Bill is an information and guidance body, with commissioning and co-ordination functions. The Bill does not give the SFGB regulatory powers to intervene in the financial services markets.

On a practical level, we are working closely with DWP, TPAS, Pension Wise and others to ensure a smooth transition to the new body and that consumers continue to have access to the guidance and support they need to make more effective financial decisions.

The Bill has passed Committee stage at the House of Lords with the next stage (Report) being 24 October.

Peter Wyman funding review

Since the review was announced on 20 July, Peter has met with several stakeholders to introduce himself and discuss the topic. These stakeholders have included DASG members, others advice providers and creditors, representatives from the devolved nations and the FCA.

Peter has also crafted a call to evidence to build data for his review, this was launched on 7 September and has been shared broadly with stakeholders. It closes on 8 December and Peter will then move to formulate his emerging findings. The call to evidence can be found [here](#).

Future Commissioning Strategy

The consultation on the strategy has now closed after we received more than one hundred responses, including from all the main debt advice charities and financial services trade bodies.

There was broad support for each of the commissioning intentions and respondents set out a wide spectrum of views on how best they could be implemented.

We are currently analysing the responses as well as the outputs of the consultation events we held across the UK, which were attended by several hundred advisers and other stakeholders. Following completion of the analysis we will prepare a final version of the strategy that will be reviewed by the MAS Board in October before being shared with the oversight committee for its November meeting.

We intend to publish the final strategy in December, alongside the full version of the report on good practice prepared for us by Revealing Reality.