



Association of Mortgage Intermediaries' response to HM Treasury public financial guidance review

This response is submitted on behalf of the Association of Mortgage Intermediaries (AMI). AMI is the trade association representing over 80% of UK mortgage intermediaries.

Intermediaries active in this market act on behalf of the consumer in selecting an appropriate lender and product to meet the individual consumer's mortgage requirements. Our members also provide access to associated protection products. Approximately 70% of all UK mortgage transactions are advised by intermediaries.

Our members are authorised and regulated by the Financial Conduct Authority (FCA) to carry out mortgage and insurance mediation activities. Firms range from sole traders through to national firms and networks, with thousands of advisers.

Q1: Are there any specific guidance gaps in the current pensions guidance offering that you think the new body should fill?

No comment.

Q2: Are there any pension-related topics that shouldn't be included in the remit of the new pensions body?

No comment.

Q3: Will these objectives focus the activities of the new money guidance body sufficiently to allow it to improve consumer outcomes?

We support the proposed model for a new money guidance body and agree with the proposed objectives. We believe the body should focus on engaging in simple budgeting and money management, which should be paid for by banks and insurers not by the advice community who provide support to consumers through other means.

Q4: What role do you think the new money guidance body should have in providing research?

We support the limited focus set out in the proposals.

Q5: Would limiting providers of debt advice to FCA authorised firms rule out any types of provider?

We support only using FCA authorised firms; as a trade body this is one of our core values.

Q6: How could the new money guidance body work with the debt advice providers most effectively to ensure that their expertise is captured and informs contract design?

No comment.

Q7: How do organisations currently monitor outcomes? Do you have any suggestions for the outcomes which should be monitored?

No comment.

Q8: How could “hand off” arrangements be most effectively built into contracts?

No comment.

Q9: How should the new money guidance body seek to understand the gaps in the provision of money guidance?

The new body should work closely with other organisations that provide financial education to understand what is currently available and to analyse how successful it is.

Q10: Is the planned focus on local and digital financial capability raising projects the right one?

No comment.

Q11: What should be included in the partnership agreement between the two bodies, and how could hand-offs best be specified?

Partnership of the money and pensions guidance bodies is key in order for them to work effectively. We question the comparison to “the successful governance arrangements between PRA and FCA” as in reality there is a need for closer alignment between these two bodies. Collaboration between the bodies should encompass the ongoing need for a joint direction of travel.

Q12: Do you have any other comments on the proposed model?

No.

Q13: Would these proposals have any impact on delivery of public financial guidance in Scotland, Wales and Northern Ireland?

No comment.

Q14: What kind of tools and products do consumers most often use or ask about?

No comment.

Q15: Which content on the MAS website is most useful for consumers?

No comment.

Q16: Which content on the MAS website is it necessary to maintain because it is not provided elsewhere?

The Money Advice Service worked very successfully with industry, the consumer groups and charities to deliver a search engine for consumers looking to source pensions advice. This was an essential component to support guidance following pension freedoms.

It was always anticipated that this was the start of a wider piece of work to build an independent database of advisers over the full range of financial needs. This would allow consumers to locate appropriately qualified advisers to support the guidance provided to deliver robust plans and the right products, thereby enhancing both capability and independence.

We consider that this search database should be protected, expanded and improved in any new venture.