



*Association of Mortgage Intermediaries' response to Money Advice Service
Business Plan 2018/19*

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.

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.

Questions

Q1. Do you agree with our judgements about what may be valuable to continue or complete from our Corporate Strategy, as we move towards the single financial guidance body (given what was in the draft bill to establish it on 23 November 2017)?

We agree that the principal purpose of the Money Advice Service (MAS) and the single financial guidance body (SFGB) should be to deal with people who need the most help, such as those who struggle to make ends meet or who have no savings or insurance products that protect them if a life event occurs. It is therefore appropriate that the focus is on individuals at the lower end of the capability spectrum, which should be funded by banks and insurers as well as other product providers.

Q2. Given our Corporate Strategy, what are your comments on the activities and priorities for April 2018-March 2019 we have set out in the individual chapters covering each aim?

Our comments relate to Chapter 4: improving access to guidance and advice.

We would like to see the focused cross-industry work that was being led by MAS in delivering an adviser search engine for consumers to be continued and extended to more product and advice areas by the SFGB.

Q3. Do you have any evidence, research or insight that can help make our programmes of work more effective?

No comment.

Q4. Do you have any comments on whether our programmes of work fit the differing circumstances and needs of people in the four countries of England, Northern Ireland, Scotland and Wales?

No comment.

Q5. Do you think our proposed long-term impact indicators address the most important outcomes in money management? Do you see any of them leading to unintended consequences?

No comment.

Q6. Do you agree that our 2018/19 commitments and measures of efficiency are robust and balanced? If not, we welcome alternative suggestions.

We welcome clarity on the direct provision of money guidance. Although this plan (and the legislation) sets out that MAS's focus should be on the 'financially struggling' and 'financially squeezed' segments, the plan aims to provide guidance to 3.9 million people in these segments out of 10.8 million.

Q7. Is the plan clear and easy to understand? If not, please indicate sections that you think should be made clearer.

It is not clear why there will be increased spending on "customer engagement" through offline services and the website. Given that MAS will cease to exist during the course of this year, this does not appear to be an effective use of resources.

Q8. If you would be interested in discussing co-funding we also invite you to use this opportunity to make contact.

N/A.