



HM TREASURY

1 Horse Guards Road
London
SW1A 2HQ
2 December 2011

Money Advice Service and the coordination and provision of debt advice

As you may be aware, the Money Advice Service will take a direct role in the coordination and provision of debt advice from 2012-13 onwards - a challenge the organisation is well equipped to meet, given its consumer financial education remit and national reach.

The Money Advice Service (referred to as the Consumer Financial Education Body in the Financial Services and Markets Act 2000) has a statutory function to enhance the understanding and knowledge of members of the public of financial matters, and their ability to manage their own financial affairs ("the consumer financial education function"). Section 6A of the Financial Services and Markets Act 2000 sets out this function and can be viewed using the following link.

<http://www.legislation.gov.uk/ukpga/2000/8/section/6A>

Paragraph (2) of this section specifies a non-exhaustive list of activities that are included in the function. The Money Advice Service is required to undertake the activities specified at Section 6A(2), to a degree it deems appropriate. These activities include the provision of information and advice to members of the public.

The Department for Business Innovation and Skills and HM Treasury jointly published in July 2011 *Consumer credit and personal insolvency review: summary of responses on consumer credit and formal response on personal insolvency*. In this, the Government proposed to clarify the consumer financial education function in the forthcoming Financial Services Bill, by including express provision for the coordination and provision of debt advice.



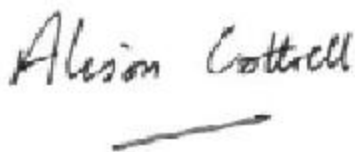
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The consumer financial education function (as currently set out in Section 6A) allows the Money Advice Service to take on and deliver the coordination and provision of debt advice (these activities are covered by the words “the provision of information and advice to members of the public” set out in section 6A(2)(e)). The Government believes, however, that the clarification it proposes should be made in order to reflect the importance of debt advice as part of the Money Advice Service’s activities.

The Government is now seeking views on this proposal and would welcome written comments by 6 January 2012. Responses can be sent to consultationresponse-MAS@hmtreasury.gsi.gov.uk or:

Consultation Response-MAS
Insurance and Savings
HM Treasury
1 Horse Guards Road
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Yours sincerely,

A handwritten signature in black ink that reads "Alison Cottrell". Below the signature is a horizontal line.

Alison Cottrell
Director, Financial Services