

Top Tips

A factsheet to help people who give simple guidance, help or advice on money matters

The Financial Services Authority (FSA) is the UK's financial regulator. Part of our role is to authorise people who give financial advice. However, not everyone who gives advice on money matters needs to be authorised.

This factsheet covers:

- what you can say and do around money matters without FSA authorisation;
- top tips and examples of how you can give general advice and guidance on money matters without being authorised; and
- where to get help.

If in your work you:

- suggest that someone chooses a particular financial product from a specific firm;
- suggest they take financial advice from a particular person or firm; or
- promote or advertise a particular financial product.

then you may have to be FSA authorised and be 'an authorised person'.



There is a lot you can say and do around money and finance without FSA authorisation, but you need to consider what you say and do to be sure.



Read this factsheet to see if our examples are like the guidance you give. If so you do not need to take any action and can carry on giving general advice. But if you are being more specific – for example recommending a particular financial product, firm or financial adviser – then you may need to:

1. be authorised to do so by the FSA; or
2. have any adverts recommending a financial product approved by someone who is authorised by the FSA.

Some organisations, particularly those that help people with debt problems, may require a consumer credit licence from the Office of Fair Trading (OFT). If you think this applies to you contact the OFT on 0207 211 8608.







So does this apply to me?

The people described below give guidance on money in their work but do not need FSA authorisation. **Read on to see if your work is like any of these examples...**

<i>You might be a</i>	<i>You can...</i>	<i>For example...</i>
 <p><i>social housing worker</i></p>	<p>provide comparisons on financial products or services:</p>	<p>A tenant is struggling to pay his bills and thinks about asking the 'man who comes to the door' for a loan.</p> <p>You suggest he shops around to get the best deal and encourage him to look at banks and credit unions.</p>
 <p><i>hostel worker</i></p>	<p>provide information from the, government, the FSA, or a bank or other 'authorised person':</p>	<p>You are discussing bank accounts and someone asks whether she can open one as she's had money problems in the past.</p> <p>You suggest she considers a basic bank account and give her 'Just the facts about basic bank accounts'. This FSA booklet has account details from many high street banks, but no specific one is recommended.</p>
 <p><i>probation officer</i></p>	<p>provide details of local financial services providers:</p>	<p>You are discussing borrowing during a rehabilitation session with ex-offenders.</p> <p>You provide contact details for local credit unions. You do not recommend a specific credit union.</p>
 <p><i>project worker</i></p>	<p>discuss what financial products you have without recommending any in particular:</p>	<p>A man with a learning disability is attending a starting employment course. He is about to start a paid job.</p> <p>Saving for retirement is raised and you say I'm saving for retirement through a stakeholder pension.</p>



<i>You might be a</i>	<i>You can...</i>	<i>For example...</i>
 <i>scout leader</i>	arrange a trip to a financial firm for information:	You run a scout troop and after discussing the importance of saving for a rainy day, you visit the local building society to investigate savings accounts further. On the visit you tell the scouts they should shop around as other banks and building societies may have products better suited to their individual needs.
 <i>volunteer at a meeting for lone parents</i>	highlight the disadvantages of particular products:	You overhear two parents talking about a Christmas savings scheme called 'saveRus'. You know that saveRus is an unregulated savings club and tell them that if it goes bust there is no protection from the Financial Services Compensation Scheme – whereas there would be with a bank or credit union.
 <i>advice worker</i>	help people you work with fill in application forms:	Your client wants to apply for a mortgage with XYZ bank. She is unsure how to fill in the application form. You help by explaining the various terms, suggest where she might find the information and show her how to set out the answers. Your client then completes and signs the form.

 <i>youth centre helper</i>	BUT You cannot... recommend specific products and providers:	You run sessions on money at a local youth advice centre, and have been discussing insurance. You want to suggest people take out XYZ company's motor insurance and give them XYZ's leaflet. STOP! Suggesting someone gets insurance is fine but do not recommend a specific company.
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In some circumstances you may legally be able to do more than is covered in this factsheet, but FSA authorisation is not needed for anything here.

Top tips for giving general advice about money matters at

work

You can...

- ✓ give information comparing products generally, but do not make a specific recommendation.
- ✓ give information produced by the FSA, the government or an FSA 'authorised person' e.g. a financial services firm, but do not alter or redesign this information or produce your own leaflets, and avoid recommending a specific financial firm.
- ✓ provide contact details for financial firms, as long as you do not recommend a specific firm in preference to others.
- ✓ discuss what financial products you have, but you should avoid recommending your product provider in preference to others.
- ✓ go with someone or arrange a visit to a financial firm (e.g. a bank), but make it clear that there are other firms who may have more suitable products.
- ✓ highlight general advantages and disadvantages of different product types, but not discuss specific products or firms.
- ✓ provide general factual information, but if someone needs more specific and detailed advice suggest they take independent financial advice.

**For clear, impartial information about money matters visit
www.moneymadeclear.fsa.gov.uk**

If you have questions about anything in this factsheet, contact us on 020 7066 0082 or www.fsa.gov.uk/Pages/Doing/Do/index.shtml. For enquiries about Consumer Credit Licences call the OFT on 0207 211 8608.