

Rt Hon Andrew Tyrie MP
Chairman, Treasury Committee
House of Commons
London
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16 November 2015

Dear Mr Tyrie

TREASURY COMMITTEE FCA STATUTORY PANEL SESSION 28 OCTOBER 2015

I would like to take the opportunity to thank you for the invitation to attend the Committee's session on 28 October, and to say that I agree with your comments in the recent Citiwire article that the session was productive. The Panel is generally supportive of the work the FCA has been doing and the new responsibilities it has taken on, although we will continue to monitor and challenge it, and the other members of the regulatory community, to ensure value for money. High fees and charges can have a disproportionate impact on smaller firms, and this was a point I raised at the session.

I would like to clarify one point regarding the industry's interaction with the Money Advice Service (MAS). During her questions, Helen Goodman stated that, as she understood it, the Smaller Business Practitioner Panel (SBPP) would like to be in a position to approve the business plan of the Money Advice Service.

Our actual view, which was articulated in our response to the 2014 Review of the Money Advice Service Call for Evidence¹ is that the budget and business plan should be approved by a Panel of appropriate industry representatives from firms which are subject to the regulatory levy in order to increase the accountability of MAS to the industry, and that MAS should also be required to report back to that Panel (not the SBPP) on the achievement of its objectives. We stated that we believed there to be a mismatch between the source of the funds and the achievement of its objectives.

One of the Government's responses to the Farnish Review of MAS was to set up a challenge panel, including experts and practitioners from industry, consumer groups, the voluntary sector and academia, to scrutinise its work addressing the Review's questions. I have been appointed to this panel, in my role as Chair of the Smaller Business Practitioner Panel, and as part of my role I continue to argue for accountability by MAS to the industry which funds it.

Yours sincerely



Clinton Askew
Chair, FCA Smaller Business Practitioner Panel

¹ <https://www.fca-sbpp.org.uk/fcasbp-publications/consultation-responses>