

## **MONEY ADVICE SERVICE TO BEGIN DEBT ADVICE CO-ORDINATION ROLE**

Today, the Money Advice Service announces it will perform a central role in the coordination of debt advice across the UK from April 2012.

The announcement follows the Government's response to the Consumer Credit and Personal Insolvency Review which states the Money Advice Service is well placed to take a role in the coordination of debt advice services, and to develop a model which ensures that debt advice outcomes can be delivered in an effective, efficient way.

### **Gerard Lemos, Chair of the Money Advice Service said:**

*"We welcome this move to clarify our role to include the coordination of debt advice. Our vision is that people with unmanageable debt know where and how to access an effective debt advice service that delivers consistent and fair outcomes for them and their creditors."*

*"Our priority is to ensure resources are available from April 2012, so that people continue to have access to quality debt advice. We are now conducting research to develop a new model that improves the delivery of debt advice and is sustainable for the longer term. We will also be consulting with consumers, creditors, regulators and the debt advice sector so that any changes we recommend are fair and provide long term stability".*

### **Mark Hoban MP, Financial Secretary to the Treasury, said:**

*"People struggling with debt need independent, impartial and free advice. The Money Advice Service will be able to build on existing work done by groups such as the CAB and develop it further so it meets the needs of those looking for help. Delivering good quality debt advice will also benefit financial services firms, who will now take over responsibility for funding the service from taxpayers."*

**ENDS**

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**Notes to Editors:**

**About the Money Advice Service**

The Money Advice Service is an independent organisation. It gives free, unbiased money advice across the UK – online, over the phone and face-to-face. The Service was set up by Government and is paid for by a statutory levy on the financial services industry, raised through the Financial Services Authority. Its statutory objectives are to enhance the understanding and knowledge of members of the public about financial matters (including the UK financial system); and to enhance the ability of members of the public to manage their own financial affairs. The Service has an independent Chairman and board appointed by the Financial Services Authority. It was formerly the Consumer Financial Education Body.

1. The Money Advice Service will become responsible for coordination from 1 April 2012. It is now conducting research to understand how the debt landscape meets the needs of service-users and creditors. The insights will be used to develop a new model for the delivery of debt advice which is sustainable for the longer term.
2. The new role of coordinating debt advice from April 2012 complements the existing remit of the Money Advice Service which is to offer free, unbiased money advice to help everyone make the most of their money as a matter of course.

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