Welcome

Welcome to Issue 12 of Engage, TISA's regular newsletter. Highlights include:

- The pilot phase of our industry project to develop a Digital Identity launches.
- An independent study of KickStart Money declares it a success, while providers MyBnk hold a live session for MPs at Westminster and TISA hosts its first Financial Education for Children Showcase.
- TISA's Children's Savings Policy Council has a change focus and structure.
- An update from our Savings Index and MiFID II industry-led projects, including the latest MiFID II good practice guide focusing on upstream (distributor to manufacturer) reporting.
- A free industry event hosted by TISA will consider how financial services can ensure fair treatment for vulnerable customers.
- Guest contributor NSAFS provide a brief overview of their Life, Money, Action! Training project.
- TISA lends its support to The Transfers and Re-registration Industry Group (TRIG) industry guidelines to help improve customer experience and The Pension Scams Industry Group (PSIG) Combating Pension Scams – A Code of Good Practice.
- Find out more about our Annual Conference Information Zone, plus your chance for an Early Bird discount – see page 6 for details.
- Meet the latest new faces at TISA, including 2 new Non-Executive Board Directors.

We hope you enjoy the latest issue and welcome your feedback – feel free to contact us with your views at engagement@tisa.uk.com.

Jane Goodland and Gregg McClymont join TISA Board

We announced earlier this year that Jane Goodland, Responsible Business Director at Quilter Plc, and Gregg McClymont, Director of Policy and External Affairs at B&CE, joined TISA’s Board as Non-Executive Directors.

Joining the existing 10 Non-Executive Directors, former Member of Parliament and Shadow Minister of State for Pensions, Gregg McClymont brings with him experience from across both Parliament and the financial sector. Gregg is a retirement expert with a focus on pensions solutions and long-term savings and is also currently Chair of the Board of Directors for the Pension Quality Mark.

Gregg was previously the Head of Retirement at Aberdeen Standard Investments, a position he held for three years.

Joining Gregg is Jane Goodland, currently Responsible Business Director at Quilter plc. Jane has over 20 years’ experience in financial services, having worked across asset management and investment consulting focusing on sustainable investment in roles for HSBC, Janus Henderson and Willis Towers Watson. Jane is also a driving force behind the TISA initiated project KickStart Money – a collaborative £1 million industry project that is facilitating financial education in primary schools.

After a very successful industry career, current TISA Non-Executive Director Richard Freeman will be retiring from Quilter plc. Richard has agreed to continue his involvement with TISA and will remain a TISA independent NED.

Jane Goodland, Responsible Business Director at Quilter, commented: “TISA’s commitment to ensuring good practice for consumers makes joining the Board an exciting prospect. I’m delighted with my appointment and hope to bring further expertise to the Board and TISA strategy development through my experience in responsible investment and sustainable business and my commitment to addressing diversity issues within our industry.”

Gregg McClymont, Director of Policy and External Affairs at B&CE, added: “Helping to ensure consumers have the best options when it comes to saving for their future is a worthy cause, and I hope my previous experience both as head of Retirement Savings and as a former Shadow Minister for Work and Pensions can strengthen TISA’s continued commitment to consumers.”

Clive Shelton, TISA Chairman said: “We are excited to welcome Jane and Gregg to the Board. Their diversity of experience and combined passion for consumer focus will ensure that TISA continues to meet the varied needs of our broad membership base, while also delivering the best options for consumers. I also thank Richard Freeman for his enthusiastic support and contribution to TISA. In particular, Richard’s expertise in distribution has been an invaluable help as TISA developed its strategic policy towards ensuring UK consumers can access the financial guidance they need.”
**Kickstart Money visits Westminster as independent report declares it a success**

An independent evaluation report from Substance, following a year long study, has found MyBnk’s Money Twist primary school education programme delivered on behalf of KickStart Money to be effective.

The report found that three months after attending the programme, 70% of pupils were working towards a saving goal. The young people surveyed strongly agreed that ‘how they think about and treat money now will make a difference to their future’ and teachers reported that 87% of their pupils now understand that their financial decisions have consequences.

Kickstart Money sessions cover everything from understanding the value of money, to needs vs. wants and saving. It is a uniquely collaborative programme, funded by 20 leading financial services firms, brought together by TISA, delivered by the charity MyBnk. The initiative is part of a mission to demonstrate the advantages of including financial education on the primary curriculum if we are to change savings habits for a generation. It aims to reach 18,000 children over 3 years across the UK, with over 5,000 young people already having got involved.

Research by the Money Advice Service (MAS) has found that early intervention is key and that behavioural attitudes to money are formed by the age of seven.\(^1\) Only one third of parents talk to their children about money, and there is a significant lack of financial education provision in schools for children in the UK.\(^2\)

After Kickstart sessions, an astounding 96% of Key Stage Two teachers believed their pupils understood the benefits associated with saving. Its ability to change attitudes towards money, spending and saving is proven with one pupil reporting that when he now went shopping with his sister he thinks ‘do I really need this?’ and ‘can’t I save my money for something else more important’. In an event sponsored by Jeremy Quin MP, the report was launched at a special Kickstart Money session held in the Houses of Parliament on 28th June, giving MPs and Peers the chance to see the programme first hand. MPs were also urged to sign an Open Letter to the Secretary of State for Education, lending their name to the KickStart Money website campaign. You can check out a short video on our website covering the main events of the day here.


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**Change of focus and structure for the TISA Children’s Savings Policy Council**

Following the success of both the KickStart project and the Children’s Financial Education Showcase afternoon held in May, together with the increasing levels of interest and support in improving financial education for children, TISA has proposed to make a change to the focus and structure of the Children’s Savings Policy Council.

The Council was created at the time the Child Trust Fund (CTF) was being designed by HMT/HMRC and has served an invaluable role in helping shape the original structure of the scheme, the regulations and guidance, and subsequent enhancements as well as acting as a conduit for discussion between the government and providers. It was a sad day when the scheme was discontinued, but the council went on to provide a similar role in the development and implementation of the Junior ISA (JISA).

The regulatory environment around the CTF will undergo very little change as it is a closed book. There are a couple of matters currently being dealt with through specific working groups but once these are finalised, there will be little on regulation or technical aspects to discuss.

The JISA has very similar rules to the ISA and as such changes to the regulations are likely to affect both. For these reasons, it seems appropriate now to incorporate such regulation and technical matters within the TISA Cash & Investment Savings Technical Committee.

Such a change will enable those who would like to engage in a broader conversation about helping children develop a deeper understanding of how money works and how to make money work for them, to come together in a forum to share knowledge and ideas, with the specific intention of developing and delivering initiatives to make a change.

This will incorporate:
- Working with the Money Advice Service (MAS), taking the findings of their research and investigating ways our industry can meet some of the needs and gaps thereby identified;
- Sharing research, knowledge and understanding from member firms to shape proposals for new deliverables;
- Investigate the use of new technologies to better engage with children;
- Consider ways to help shape the attitudes and habits of young children, and ways to then build on those good habits by finding ways to inform those growing children of how to make their money work for them through the means of the products and services available, identifying where those products and services could be better improved or extended;
- Identify and utilise a variety of communication channels to deliver information to young people;
- And of course other objectives identified by the Council members to further the ultimate end goal of a financially literate and resilient population.

In terms of next steps, we are launching a new council with a range of member firms who have a desire to improve financial capability from the very earliest ages and can commit to working together to create achievable deliverables. If you are a TISA member firm, and think you could provide a valuable contribution to the success of the new council, please do get in touch with us at engagement@tisa.uk.com.

TISA would like to thank all current and past participants on the Children’s Savings Council for their support and work over the past many years. You have been a valuable support and together we achieved many successes.
Financial Education Showcase

TISA held its inaugural Financial Education Showcase on 26th April, a free event which provided insights, ideas, innovations and resources aimed at equipping children and young adults with the attitude, skills and means to enable them to achieve their personal and financial goals.

Attendees enjoyed an afternoon of presentations, discussion and games with representatives from a range of organisations and initiatives who share our passion for financial education and who already provide active solutions.

It was encouraging to see so much support for a cause which is so close to TISA’s heart and bring together like-minded people from organisations, charities and firms, all keen to share ideas and learn.

Following the success of the event, and the recent KickStart Money evaluation report which proves unequivocally that the provision of engaging and fun financial education for children is effective, we are looking at the potential to host a second event – watch this space!

TISA launches Digital ID pilot

In July TISA launched the pilot phase of its industry project to develop a Digital Identity, this phase building on the successful, earlier consumer research and emulation phases of the project.

We believe the project will revolutionise how people manage their money and make it easier for them to save and enhance their financial wellbeing.

Over the next six months, TISA, and a group of leading financial service providers, will develop several prototype consumer ‘digital identities’, with the aim of testing different customer verification methods. By the end of the six months, the test group will have established a clear set of standards and levels of assurance to create a secure Trust Framework that is in keeping with regulation and anti-money laundering rules.

The Digital Identity will be based on an open set of standards, which will make it easy for the UK financial services industry to adopt the new technology. The Digital ID will give consumers greater control and access over their finances, by granting them the ability to easily transfer funds between accounts and make it easier for them to communicate with their providers should any personal circumstances change.

Commenting on the launch David Dalton-Brown, TISA Director General said:

“It’s clear that people would save and invest more if the process of opening savings and investment products and transferring money was made easier. Too many customers are left frustrated when they are unable to complete financial processes online. That’s why the Digital Identity is vital to helping people manage their money better.

“As the Digital ID project has progressed, we have opened up the potential for a full Digital Ecosystem, allowing consumers’ data to be managed securely on their behalf. Both businesses and consumers will be able to take greater control of their information, in a trusted and easy to use way.

“We see the Digital ID providing a vital foundational component in the digitisation of UK financial services. This will benefit consumers, product providers, fintech firms and deliver considerable economic benefits to the UK.”

The Digital ID will also allow financial service providers to save on the costs of taking on new customers. This will allow better protection for their customer’s personal data against identity fraud and will create new revenue streams through the development of new products and services which utilise digital identity.

Pilot working group member Dave Willdig, Head of IT Architecture UK at Zurich added:

“Digital Identity will increasingly become a core requirement in any online transaction and we are very pleased to be involved with this project. It is crucial that the resulting Digital Identity is fit for purpose and we look forward to working with TISA as they liaise with government, the Information Commissioner’s Office and other key stakeholders.

Whilst this activity is a crucial area, it highlights the complexities that the Digital Identity pilot will help address for the whole of the financial services industry.”

A governance steering group comprising representatives from the pilot participants will oversee the delivery of the project. Working groups have also been established to focus on specific streams including proposition, user needs/journey, testing and evaluation; Trust Framework; standards development; technical/infrastructure; stakeholders and planning.

Digital ID Pilot: get involved!

As reported, a full emulation for the Digital Identity has been successfully completed and the project has now entered the pilot phase to fully assess the technical and operational aspects of the identity.

This project is aligned with the work being undertaken by the Government Digital Service and its Verify scheme and a brand range of industry stakeholders are being engaged.

If you are interested in participating in the project, please get in touch with us at engagement@tisa.uk.com.

Contact us

Should you have comments or questions about any of the topics covered in this issue, please contact engagement@tisa.uk.com

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ENGAGE
Update on the TISA KPMG Savings Index

The TISA Savings Index will provide licence holders with detailed, up to date analysis of UK consumers savings, allowing typical household wealth to be identified by income, age, region, family circumstances and property ownership. The index will trace all Cash and other financial assets such as ISAs and share-portfolios less unsecured debt, Pensions savings and property equity (net of mortgage). The database underpinning the index and the dashboard can be useful for obtaining a range of insights and support a number of business decisions:

- **Customer engagement** – The Dashboard can be a powerful tool to engage customers, face to face or through digital media. Research confirms that showing customers how much their peer group is saving can be a strong incentive to increase personal levels of saving.

- **Product governance, compliance and business case support** – Better understanding of the customer segments can help address requirements in the product governance life cycle and help underpin Board approvals. The detailed analysis of household wealth and savings will provide the evidence base to support the design of new products, bearing in mind MiFID II requirements to evidence design for target market and its evaluation during the ongoing product governance review process.

- **Product strategy and marketing decisions** – The new Dashboard can provide additional insights into businesses’ own customer database and help identify where savings needs are under-addressed.

- **Compliance and business case support** – The benefit of evidence-based research provides an important underpin to support compliance departments in their decision making.

The headline figures of the Index will be publicly available but the Index and underlying database is available only on a licence basis – these will be available on a one and three year basis. Licence holders will be able to access, search and interrogate the underlying database, generating valuable insights through a variety of bespoke search options.

For further details and enquiries, please contact renny.biggins@tisa.uk.com

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Consumer Engagement forum focuses on Guidance & Vulnerable Customers

Our Consumer Engagement Policy Council is still on the case of signposting the new Single Financial Guidance Body (SFGB). A survey has been sent out to members of the working group to gather information on the nature and extent of signposting opportunities to the SFGB. The group have determined that a mechanism to manage the various signposting opportunities between financial services and the SFGB is required to ensure consistency of approach and create a structured, enduring way of engaging with industry. We plan to engage with the SFGB on this matter before proceeding.

Elsewhere, our Vulnerable Customers group is organising a free conference featuring former England rugby player Alistair Hignell CBE, Harriet Hill of Alzheimer’s Society, Craig Rimmer of The Pensions Advisory Service, Rob Yuille from the ABI, Gav Barang of BT and David Sinclair of the International Longevity Centre UK. Whilst most financial firms have well established practices and procedures to comply with requirements, there is still a need to raise awareness and improve focus on the fair treatment of vulnerable people.

The conference is perfect for any financial services professionals responsible for all aspects of fair customer treatment from strategy, and product design, to staff training, operations, and systems design. The conference takes place on 24th September, find out more on TISA’s website.

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**MiFID II project on standards and latest MiFID II guide**

TISA’s project to examine options to provide solutions to the MiFID II requirements regarding the flow of data on costs & charges and on target market between providers and distributors is now well underway. The project is looking to develop open standards, identify technical solutions and establish an independent governance body. The aim is to reduce the industry’s operational and technology costs, ensure accurate and consistent presentation of data and secure better outcomes for consumers.

We are pleased to confirm that stage 1 is completed, which has seen the development of a downstream ISO standard and the preparation of an upstream distributor reporting standard. This latter is receiving feedback and testing from the industry on a European, not purely UK, basis. The next step will see this adopted as an ISO standard.

The project is moving into Stage 2, which involves specifying the demand and functional requirements to enable an industry technical solution; the output will be available to the market to enable competitive inter-operable solutions to be available. This will be the focus for Q3, 2018.

The MIIFD II Upstream Distributor group [part of the MiFID II Product Governance Executive Committee] has produced a good practice guide, MiFID II feedback template and Q&A for upstream (distributor to manufacturer) reporting – you can download the guide from our website here. The MiFID II feedback template is also available online.

Elsewhere, Our MiFID II Costs and Charges Executive Committee has agreed to review and update the TISA good practice guide with emphasis on industry standards around contentious issues such as transaction costs methodology, segregated mandates, ex post reporting and effect of charges on costs.
NSAFS works to educate people working in the UK’s financial services industry

TISA’s mission to promote financial wellbeing to the benefit of both individuals and the nation chimes harmoniously with the work of the National Skills Academy for Financial Services (NSAFS).

The Academy works to advance the education and assist the employability of people working in the UK’s financial services industry. And it also runs a range of courses designed to improve the skills level of those advising people how better to manage their finances.

One such training programme is Life, Money, Action! that has recently been completed and has undergone an independent project evaluation. The concept behind the course offers a model for other organisations working to improve money management skills among the general public. It employs the concept of training the most appropriate trainer.

Whereas TISA has launched its Kick Start Money initiative focusing on financial education for primary school children Life, Money, Action! targets the adolescent to young adult age group – from 16 to 24.

Research by The Money Advice Service has shown that two-thirds of this age group, although having aims for future career and personal development, have no plans in place to achieve them. Many lack confidence and although there are many organisations – such as banks and building societies – proffering help and guidance to address these issues, young people generally do not proactively seek this support and advice.

With this in mind, The Money Advice Service commissioned NSAFS to develop its Life, Money, Action! initiative that seeks to advise young people by upskilling those who are most likely to engage effectively with them; namely youth workers who have a more productive dialogue with the age group.

The two-day training course, which led to a new academic qualification, was delivered across the UK to 200 practitioners from a wide variety of organisations; including local government, social housing providers, further and higher education institutions and youth support agencies.

Those taking part developed the knowledge, skills and confidence to support young adults through key life transitions, such as moving into independent living, starting work, or embarking on further/higher education, or an apprenticeship.

A key aspect of the course was to help youth workers and advisers to change the mindset of young people to the issues of money management; including the importance of financial planning, budgeting and understanding contract obligations. Underpinning all this was the self-confidence of those both delivering and receiving the financial advice.

Of the 200 practitioners that entered the course 167, or 84%, achieved the Level 2 qualification ‘Improving Young People’s Financial Capability’ developed specifically by academic accreditation body OCN. A total of 157 of the course practitioners also produced assessments of how young people they were supporting had reacted to the information and advice provided as a result of the course. NSAFS also developed online resources to support the information provided.

Although this course was limited to 200 youth practitioners the fact that each is regularly in contact with dozens of young people means the number of beneficiaries can grow exponentially.

Peter Pledger is Chief Executive Officer at NSAFS

TISA welcomes combating pension scams industry code

The Pension Scams Industry Group (PSIG) has released Version 2.0 of Combating Pension Scams – A Code of Good Practice.

With pension savers having lost an estimated £1 billion to pension scams, it is imperative that industry and government put in place a framework to increase public awareness and help schemes combat this abhorrent activity.

TISA welcomes the updated industry Code of Practice and would encourage all schemes to review the document and extract relevant parts to assist in the creation of stringent operational procedures. We now await details of the regulations underpinning the cold calling ban and whilst these initiatives will not eradicate pension scams, they are a significant step in the right direction – it is an area where we constantly need to maintain momentum.

TISA is a Board Member of The Pension Scams Industry Group, the Code of Practice can be downloaded here.

New industry transfer framework gains support from TISA

The Transfers and Re-registration Industry Group (TRIG) has published a new framework of industry guidelines to help improve customer experience.

TISA is in support of the new framework, which is designed to identify and encourage good practice across the industry. It is hoped that the new framework will reduce the need for regulatory intervention when it comes to transferring or re-registering ISAs, pensions and investments.

The TRIG, which is made up of leading industry groups, such as TISA, has developed this framework over the last two years, discussing the content with FCA, the Department for Work and Pensions and the Pensions Regulator.

The guide is designed to support providers in developing, maintaining and improving their own strategy and procedures for dealing with transfers and re-registrations, in order to improve customer experience and outcomes.

If this framework and way of working is seen to be unsuccessful, there is a possibility of intervention from the FCA in the future.

The TRIG is now looking for firms to take on the responsibility of governing the framework. Firms who are interested will need to demonstrate how they would implement the new framework and meet a number of requirements.

Deadlines for responses to the request for proposal are due on 31st August, find out more here.
**TISA Annual Conference 2018: bag your Early Bird discount!**

More than 300 members and industry key influencers attended TISA’s 2017 annual conference, and our theme for 2018 will put the focus on the economic issues and the opportunities today’s richly diverse society offers UK financial services.

This year TISA’s Technical Policy Director Jeffrey Mushens and Digital Innovation Director Harry Weber-Brown will be on hand to lead you through the latest on our work to:
- Develop workable solutions for MiFID II implementation, particularly around the key issues of Costs & Charges, Target Market Data and Product Governance;
- Lead on the digitalisation of financial services with the Digital Identity for consumers and projects to deliver Open Asset Management, Open Standards, online dashboard solutions and an ISA App;
- Simplify the ISA regime to make it easier for consumers to understand/engage with and for product providers to administer.

Running from 11.00 to 12.00 this is the perfect way to kick-off your Annual Conference experience before the afternoon Business Programme commences at 13.15.

Our programme will also include presentations from:
- Anjalika Bardalai, Chief Economist and Head of Research, TheCityUK
- Ellisia Bayer, Senior Investment Director, Investec Wealth & Investment Ltd
- Mark Littlewood, Director General, The Institute of Economic Affairs.
- Elissa Bayer, Senior Investment Director, Investec Wealth & Investment Ltd
- Katrina Sartorius – Managing Director of Aegon’s Institutional business for Cofunds Ltd
- Nathalie Stone – Mansion House Capital
- Chloe Templeton – Head of Mutuals and Women in Finance at HM Treasury
- Jon Terry – Partner & Diversity and Inclusion Consulting Leader, PwC
- Nick Wright – CEO DST.

Keeping everyone in order will be our conference Chair Louise Cooper CFA – the renowned writer, broadcaster and speaker.

There will be plenty of opportunities to make new connections and to network during the lunch, refreshments and the close of conference drinks reception in the exhibition and fintech zone and the event is endorsed by the CISI for CPD purposes.

In addition to the free delegate place member firms receive, we are delighted to offer a discounted Early Bird registration fee of £250 for Members (normal price £330) and £399 for non-members (normal price £480). This special rate is only available until 31st August, visit our website for details and to book your seat.

**TISA strengthens management team**

TISA has expanded its senior management team with three new appointments:
- Harry Weber-Brown – Digital Innovation Director
- Theresa Gibson – Head of Marketing, Sponsorship and Events
- Andy Gordon – Regulation Executive

Harry Weber-Brown joins the permanent staff having managed TISA’s key digital projects. In his new role he will direct TISA’s digital innovation programme including an industry initiative to deliver a Digital Identity for consumers of financial services products, MiFID II Industry Standards & Solution, Open Asset Management, the Savings and Investments Dashboard and TISA’s growing work on Open Standards. Harry has over 20 years’ experience working in digital strategic planning and delivery across financial services in the UK and Europe and in the commercial, public and not-for-profit sectors.

Theresa Gibson’s role is to further develop TISA’s marketing and communications with member firms, increase awareness of TISA’s activity with stakeholders and enhance the promotion of the training and seminar programme. Theresa has wide ranging marketing experience from across the retail sector including event creation, management and sponsorship.

Andy Gordon will work alongside Jeffrey Mushens, TISA’s Technical Policy Director, to extend the support we offer members and the broader market on the interpretation and implementation of new legislation and regulation. In particular, Andy will lead the drive to enable more representatives from member firms to join TISA technical working groups and update the market through an extended regulatory seminar and training programme. Andy has extensive senior level experience across a broad cross-section of financial services companies and possesses an extensive knowledge and understanding of regulation and the support firms need to achieve and retain compliance.

**Events & Seminars**

**Digitalisation: your opportunity to create a life and pensions legacy**
**Thursday 13th September**

**Improving Practice on Vulnerable Customers**
**Monday 24th September**

**CASS Seminar – Edinburgh**
**Thursday 4th October 2018**

**CASS All Day Autumn Conference**
**Tuesday 16th October 2018**

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