



Season's Greetings *A special message from our CEO*

Dear TISA Member

Thank you for your continued support during the past year. This is enabling us to carry out an extensive scope of activity to benefit firms from across our broad and expanding membership base, with the financial wellbeing of the consumer at the core of everything we do.

Earlier in the year we completed the essential task to change TISA's underlying name to ***The Investing and Saving Alliance***, refocus our mission and update our branding. This is providing a much clearer message about our aims and a better reflection of the scope of our activities. We are already seeing the benefits of this in our engagement with external stakeholders, especially those unfamiliar with our work.

As a result of last week's General Election, we now have certainty over the immediate political landscape that we will be engaging with. But, while the pathway for Brexit now looks clearer, there are still many unanswered questions about the impact Brexit will have on our sector, the future regulatory environment and the way in which we meet the needs of individual savers and investors.

TISA's development of strategic policy, our lead on critical digital transformation projects for our sector and focus on regulatory interpretation and the other technical work that I know members value highly, means we are ideally positioned to provide you with essential support.

Importantly, next year you'll hear more about **Vision 2025**. This is our strategic policy roadmap for the next five years, drawing on the excellent work already being carried out by our policy councils and working groups with new research, to develop a set of initiatives

that we believe have the scope to change consumer behaviour in the way they engage with their finances. A distinguishing feature of Vision 2025 is that it will seek to deliver outcomes, rather than just developing policy proposals. In line with our mission, the aim is to create greater financial wellbeing for the nation.

This is an exciting development for TISA and I look forward to your input and feedback as Vision 2025 evolves. In the meantime, I have provided a brief overview of our current area of focus and plans for 2020 below. Please do get in touch if you would like further details.

I am also delighted to welcome Tony Stenning who was appointed TISA Chairman in November. Tony is well known and respected for his advocacy of the benefits that our industry can bring to consumers and I look forward to working with him as we continue TISA's drive to improve financial wellbeing for all.

It just remains for me, on behalf of the TISA Board, Executive and Staff, to wish you a peaceful Christmas and a prosperous New Year.

David Dalton-Brown

CEO

TISA



A look ahead to TISA activities in 2020...

Vision 2025

Savings in the UK remain at historical lows with 30% of households having no savings at all and a further 20% having less than £1,500. In addition, the move to Defined Contribution pensions has reduced average contribution rates from 25% to less than 8%.

Poor financial capability is endemic, there is a low level of digitalisation compared to other sectors and people are not engaging with money matters.

Set against this backdrop, **Vision 2025** aims to enhance financial wellbeing for all by focusing on those areas that have a wide social impact and where we can drive change and make a difference. **Vision 2025** will be delivered through policy and projects and by working in collaboration with TISA members and key stakeholders. Importantly, it will also build on a portfolio of in-train initiatives (many of which you can read about here). We look forward to the full launch of **Vision 2025** in Q1 next year.

Financial Guidance

Of the 51 million adults in the UK, only 6 million receive financial advice with 45 million relying on other sources to help with decision making on key personal financial matters. Providing meaningful **financial guidance** to the mass of the UK population therefore remains a key policy line for us in 2020. We'll be continuing our campaign to address the ambiguity in the rules defining guidance, with the objective of helping financial services to better support customers through a greater degree of personalisation than can currently be provided. This could help raise the tide of financial wellbeing in the UK through better engagement and decisions regarding rainy day and retirement savings as well as reducing the reliance on debt.

Digital transformation

Our two main digital initiatives are making excellent progress and have further milestones planned for 2020. The work to develop a **Digital ID for UK customers** that meets all relevant regulatory requirements (KYC & AML) is moving into the final test and build phases with a test environment, governance scheme and hub provider in train for the first half of the year. The Digital ID will allow consumers to create and control a single, secure, reusable verified identity to access UK financial services. This is being designed to align with Government services giving the scope for future use across multiple sectors.

TISA's project to create a common set of open standards and APIs to facilitate **Open Savings & Investment** has progressed to build mode with an initial focus next year on message standards, a trust framework, legal contract and governance. Both projects represent fundamental building blocks towards a future digital marketplace for financial services. [Read more here.](#)

On a similar theme, we are working to deliver a **MiFID II Industry Solution**. The disclosure

of Costs & Charges and Target Market Data under MiFID II continues to pose challenges for firms involved in the design, manufacture and distribution of products through the sheer scale of the data to be reported, number of parties involved and inconsistencies in how the rules are being interpreted.

We have therefore responded to the request from members and set about developing a solution through the creation of an industry standards utility. A technology backed option is the preferred choice to support the solution and we have already successfully tested a Blockchain Proof of Concept. The project is now entering Phase 3 where we will establish a MiFID II Delivery Entity to work with our preferred industry solution supplier.

There are still opportunities to get involved and help shape the future development of these three projects, do get in touch for further details.

Retirement

Our Retirement Policy Council is focused on developing proposals and solutions to help people build an appropriate level of savings for their future retirement needs. **Increasing auto enrolment contribution levels** is a key strategic policy and in February we will publish research and proposals in a report to be launched at our inaugural **Annual Retirement Conference** on 11th February 2020. **TIP:** save £100 on this event if you **book** in December 2019 using coupon code **ARC100EB**.

Children's' Financial Education

We know the benefits of empowering young people with financial confidence from an early age. The TISA initiated **KickStart Money** project continues to demonstrate the success of this approach and is on track to exceed its original commitment to provide 18,000 primary school age children with financial education lessons in the classroom. Our **Children's Financial Education Policy Council** will set about building on this success and supporting Vision 2025 when it publishes its objectives next year.

Linked to this we'll continue our efforts to publicise **Child Trust Funds** as the first accounts reach maturity in 2020, in particular getting the message out to reunite the estimated 1.2 million accounts with 'lost' owners.

Vulnerable Customers

At some point or another in our lives we will experience what it is like to rely on financial services when we are in a position of vulnerability. The Regulator has challenged firms to

raise their game and we will continue to provide support to help firms improve their practices. Next year this will include a free **online self-assessment tool** to help firms in their efforts to treat vulnerable customers fairly. The tool is being launched at our **Vulnerability Conference** on February 6th. **TIP:** save £100 on this event if you **book** in December 2019 using coupon code **VC100EB**

Savings Culture

A pilot competition is underway with 6 universities to challenge young people to demonstrate how their generation can be influenced and inspired to rebuild a savings culture in the UK. Next year the competition will progress to an 'Ideas Rave' before competing teams present their solutions at a judging final planned for March, when the winners will be announced. The winning team will be rewarded with a short period of paid work experience.

Technical

MiFID II continues to be an important theme in our 2020 technical focus with updates coming soon to our acclaimed **Good Practice Guides** on Product Governance and on Costs & Charges. These, and our other guides, are rapidly becoming accepted practice throughout the industry providing much needed consistency in how firms implement the rules.

Expect to see more from us on **Environmental, Social & Governance (ESG)** too as our working groups get to grips with the regulatory requirements – including MiFID II implications – timetable, good practice and how best to communicate ESG to customers and advisers.

Other areas of technical focus in 2020 <https://www.linkedin.com/company/tisa-leading-on-investments-&-savings/> will include addressing the risks posed by **Cybercrime**; changes in **taxation** and the effect on customers and the industry; **Client Assets**; the challenges of **financial crime** and on-going **SM&CR** implementation issues.

This is a snapshot of TISA activity, for more information [visit our website](#) and don't forget to follow us on [Twitter](#) and [LinkedIn](#).

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