



Press Release

For immediate release

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TISA's 2021 Spring Budget proposals

The Investing and Saving Alliance (TISA), the cross-industry financial services membership body, is calling on the Chancellor ahead of the Spring Budget, which is due on 3rd March, to improve people's financial wellbeing.

The four calls are:

- **Support the adoption of Digital Identities.** Digital ID allows UK consumers to easily access new digital financial services and transform existing services by creating a single, reusable, secure ID for individuals. We are calling on the Government to support the adoption of Digital Identities for UK consumers of financial services to enhance engagement between consumers and their savings, plus to grow the FinTech services and wider digital economy, which will build a world class digital economy. This will also facilitate cross border digital trading post Brexit and enhance engagement between consumers and their savings and investments as the UK emerges from the Covid crisis.
- **Increase mass-market access to better quality financial guidance.** According to FCA research, there are 52 million adults in the UK, of whom only 4 million received financial advice in the last 12 months. The Chancellor must acknowledge that relying on consumers pro-actively accessing financial advice (which can come at a significant cost to consumers) is not realistic. TISA believes that consumers need access to free, personalised support from their financial services providers to solve the UK's "Advice Gap", which is why we call on the Government to ensure the opportunity of Brexit is seized, so a new regulatory regime around Financial Advice can be built that better suits the UK and the needs of its consumers.
- **Improve the Auto Enrolment framework.** In the 2017 auto-enrolment (AE) review, the Government confirmed its ambition to reduce the minimum age to 18 and remove the lower earnings limit, which is currently at £6,240, in the mid-2020s. Now, TISA is calling on the Government to put these agreed outcomes into legislation so that young people can start saving earlier and to ensure low earners aren't disproportionately impacted by the lower earnings band. Clarity on the timing and implementation approach of these changes is also required for employers and employees who will need to prepare. We would like to see the first formal review scheduled by 2023.

- **Simplify the ISA regime.** ISAs are a huge success in the UK, and they have become the savings vehicle of choice for millions of consumers but at the moment individuals cannot invest in more than one of the same ISA type in a tax year. We call on the Government to scrap the constraint on the number of ISAs that a consumer can subscribe towards in a year, allow the permissible assets of ISAs to be extended (as an alternative to creating new ISAs), increase the maximum age for opening a Lifetime ISA and lower the penalty charge for early withdrawals on the Lifetime ISA. Now more than ever consumers need flexibility to make their money work for them.

David Dalton-Brown, CEO, TISA said: *“TISA’s mission is to improve the financial wellbeing of UK consumers. We are constantly calling for change and raising awareness of financial services products and services that will improve people’s lives. I am confident that our proposals, including simplifying the ISA regime and increasing access to financial guidance, if implemented, would positively influence millions of UK financial services consumers and will bring significant long-term benefits to the UK economy, especially as we begin to navigate our way out of the Covid crisis.”*

-ENDS-

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Notes for Editors

The Investing and Saving Alliance (TISA) is a unique, rapidly growing membership organisation for UK financial services.

Our ambition is to improve the financial wellbeing of all UK consumers. We do this by focusing the convening the power of our broad industry membership base around the key issues to deliver practical solutions and devise innovative, evidence-based strategic proposals for government, policy makers and regulators that address major consumer issues.

TISA membership is representative of **all sectors of the financial services industry**. We have **over 200-member firms involved in the supply and distribution of savings, investment products and associated services**, including the UK’s major investment managers, retail banks, online platforms, insurance companies, pension providers, distributors, building societies, wealth managers, third party administrators, Fintech businesses, financial consultants, financial advisers, industry infrastructure providers and stockbrokers.

As consumers, the financial services industry and the economy react to and recover from the effects of the pandemic, the importance of the three key pillars of work that TISA prioritises has never been more apparent:

- **Strategic policy initiatives that influence policymakers** regarding the financial wellbeing of UK consumers & thereby enhancing the environment within which the industry operates in the key areas of **consumer guidance, retirement planning, later lifetime lending, vulnerable customers, financial education, savings and investments**.

- TISA is recognised for the **expert technical support provided to members** on a range of operational and regulatory issues targeted at improving infrastructure and processes, establishing standards of good practice and the interpretation and implementation of new rules and regulations covering **MiFID II, CASS, ESG/RSI, operational resilience, Cyber Risk, SM&CR** and a range of other areas.
- **Digital transformation initiatives** that are driving ground-breaking innovation and the development of industry infrastructure for greater operational effectiveness and revenue promoting opportunity for firms. TISA has become a major industry delivery organisation for consumer focused, digital industry infrastructure initiatives – **TISAtech** (a digital marketplace that brings together financial institutions and FinTechs for greater collaboration and innovation) and **TURN** (TISA Universal Reporting Network – a digital platform providing a secure data exchange for financial services using blockchain technology) – alongside projects **Digital ID** and **Open Savings & Investment**. This reflects TISA's commitment to open standards and independent governance.

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