Financial Services Consumer Panel
AN INDEPENDENT VOICE FOR CONSUMERS OF FINANCIAL SERVICES

Financial Services Consumer Panel response to: HM Treasury's Sandler Review Team consultation – Review of Medium and Long-Term Retail Savings

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Introduction

1. The Consumer Panel welcomes the opportunity to comment on the consultation paper setting out the key issues that the Sandler Team propose to address in their review of the medium- and long-term savings industry. The Panel notes that, at this early stage of the review, the purpose of the consultation document is to gather information and ideas in order to understand the functioning of the industry and how it serves consumers. The Panel looks forward to further debate once feedback to this consultation is available. In the meantime, this response concentrates on those parts of the 'value chain' which most directly impact on consumers. The Panel also has a number of general comments that it would like to make about the review.

2. To summarise, the Panel strongly believes that efficient competition is not enough to make the market meet consumers' needs. Furthermore, a purely economic analysis cannot take full account of the potential risks to consumers arising from an inherently complicated marketplace. Indeed, the forces of competition seem in the past largely to have driven businesses into a position where, in order to achieve maximum profitability, they must exploit the difficulties consumers face in making sense of the market. If consumers are to be required to take on much of the risk that was once shouldered by the State and employers, improvements in competition must go hand in hand with effective consumer protection.

Recognising consumer diversity

3. As the consultation paper acknowledges, consumers are not a homogeneous mass. When looking at possible solutions, any review needs to start from a more detailed examination of what different groups of consumers experience and then accept that each group may have different needs. For example, Panel research shows that just over three in ten people have ever taken out a life assurance savings product. Personal pensions are held by only 6% of the adult population[1]. So, there is in fact only a relatively small group of people who are direct owners of investment products. Many people may not think of themselves as having 'investments' at all, particularly where they are bundled together with products serving other financial needs, such as protection-based life insurance and mortgages.

4. Recent research carried out by the Panel (see the Panel's Survey published in May 2001) shows that different types of consumers may need very different strategies for managing their money. Wealthy people are also the more financially literate. Equipped with money and knowledge, they have a clear idea of the types of financial products they need and are fairly confident about making the right decisions. At the other end of the spectrum, people with far fewer financial resources to draw on are unable to save and want to safeguard what little money they have. They are not willing or able to take financial risks.

5. For example, research that the Panel conducted into sales of mortgage endowments has shown that a large number of people had no appreciation of the risks associated with this product and would not have purchased the endowment had they known.

6. On the other hand, research by AUTIF[2] suggests that there is a group of relatively knowledgeable and active consumers. The large increase in numbers of people buying through discount brokers suggests that some consumers are well informed and able to make the most of the opportunities available in the marketplace.

7. This diversity in consumer attitudes and needs leads the Panel to question the underlying assumption that people should be encouraged to purchase investment products. Investment in medium- and long-term savings products may not be right for everyone. If people with little disposable wealth make a poor or wrong investment decision (or invest on the basis of poor advice), the consequences for them are likely to be more severe than for better-off consumers. For this group, the State must continue to play a crucial role.

[1] *Source: NOP's FRS Survey (based on responses from 58,040 people aged over 18 years of age between August 2000 and July 2001).*
[2] *Unit Trust Information Service Market Research Survey & Report, March 2001*

The limitations of competition

8. In his foreword to the consultation paper, Ron Sandler talks about concerns over the effectiveness of the competitive processes in the savings industry. The Panel empathises with this, but warns against the implicit assumption that increased competition in the industry will automatically benefit all consumers. Competition relies on informed consumers making sensible decisions. In the medium- and long-term savings industry at present, more sophisticated consumers may be able to take account of competitive considerations and risk factors. However, the large majority of investors and potential investors are not in a position to appreciate or assess quality or value. The infrequency of their involvement in the market means that they are not able to build up expertise and therefore are not in a good position to take account of competitive considerations (see paragraph 24 below).

9. In some cases, this is because all the information they need to make such an assessment is not readily available to them. In others, it is because the information is obfuscated by the way in which products are marketed. And because intermediaries are still so important to providers as a means of distribution, consumer interests are all too often subordinated to those of product providers and intermediaries. Even given the provision of digestible comparable information, the way in which products are structured (so often driven by tax considerations) and the perverse incentives for intermediaries mean that competition is likely to continue to operate unevenly for different groups of consumers. The limitations to competition have effectively been acknowledged in the development of CAT-marked products and the steps taken towards product regulation in stakeholder pensions.

Allocation of Capital

10. In the Introduction to the consultation paper, it is implied that the efficient allocation of capital should be an objective of the Review. It is said that this is not happening at present because of problems with the underlying competitive process. From the Panel's perspective, the emphasis here seems wrongly placed. The problem that needs addressing is not the effective allocation of capital, but the process by which savings products are sold to consumers. Clearly, consumer interests are not best served by the current processes and the primary objective of the Review should, in the Panel's view, be to identify why this is so and "to suggest policy responses to ensure that consumers are well served" (as stated in the terms of reference).

11. It may well be that, by improving the lot of the consumer, a more efficient allocation of capital is achieved. However, the Panel suggests that the focus of the Review needs to be more on the consumer. The vision of delivering 'efficient investment' and an efficient risk-return trade-off at the lowest possible cost also seems idealistic. What may be a rational decision for an individual consumer may not be the best way to achieve an effective allocation of capital. For some people, providing they can get what they regard as a reasonable deal, convenience is the main consideration; for some, branding plays an important part; for others, the trust they place in an intermediary is paramount. The Review needs to recognise that there are a large number of factors that can influence a consumer's choice of investment. It should aim to ensure that individual consumers are enabled to choose an investment which, for them, seems to represent an efficient risk-return trade-off at the lowest possible cost. If this also leads to an efficient allocation of capital for the economy as a whole, so much the better.

12. In any event, given the uncertainties inherent in markets and the fact that past performance is not an indicator of future performance, the competitive dynamics of the savings industry at the point of sale are quite different to those present in other industries. Whilst it ought to be possible for informed consumers to identify efficiencies between different products and product providers, it is not possible for them to determine what represents an efficient allocation of their capital.

The role of advice

13. One way in which the financial services industry differs from most other industries is in the role played by independent professional advisers. The notion of advice as a saleable commodity is not one to which people are accustomed. In no other industry are customers confronted with the concept of advice as a separately costed item. In other industries, people do their own shopping around and are able to determine what's best for them without having to pay for professional advice. In the car industry, for example, a potential purchaser may take 'advice' from several tied salesmen before making a decision on what to purchase. In financial services, on the other hand, even if people take the trouble to do some shopping around, they are not necessarily equipped to make a decision on the financial product that is right for them.

14. Research available at present suggests widespread consumer ignorance not only about the cost of advice, but also about the way in which they are charged for it. In a market such as this, where consumers are so confused, they are unlikely to exert downward pressure on the cost of advice. Perversely, therefore, competition is driven not by what the consumer is prepared to pay for the advice, but by the amount of commission providers are prepared to pay advisers in a bid to ensure that they will 'push' their products.

15. This in turn has had a distorting affect on the market in general with a large growth in the sale of high-commission products such as with-profits bonds being evident. Competition of this nature will not work well in consumers' interests while the incentives of consumers and intermediaries are so poorly aligned.

16. Decision-making is further complicated by the need to take decisions both in relation to one's overall investment strategy and on the specific product one might purchase. The nature of the advice needed at these two distinct stages is likely to be quite different. However, there is little incentive for providers and advisers to offer generic or strategic advice and their inevitable concentration on products may mean that the importance of assessing suitability is missed. This suggests that people should use a broad range of information sources, but Panel research shows that they have not yet moved away from the conventional method of buying (or, more accurately, being sold) financial products face-to-face with an adviser or salesperson.

Balancing consumer responsibility and consumer protection

17. The Panel also warns against making assumptions about the degree of responsibility consumers must take, without an accompanying emphasis on consumer protection. Investors need to realise that some products (e.g. pensions and long-term care insurance) are now being structured in a way that transfers the risks away from the State, from employers and from the product providers onto individual investors. However, increasing consumer awareness will not be enough on its own. An active consumer protection regime is needed to ensure that consumers who do invest to meet future needs are well served.

18. Providing simplified products such as stakeholder pensions is only part of the answer. All too often, it is the process of putting the products together for different types of consumer that is the nub of the problem. There is no ‘one size fits all’ way of doing this. The Panel therefore sees a suitability requirement (testing generic, strategic and product suitability) as absolutely crucial to the protection of consumers of savings products.

19. We agree that the present regulatory framework has not solved all the problems of industry efficiency. Present conduct of business processes seem to be driven by concerns about what might go wrong rather than by the objective of identifying an appropriately structured vehicle for the consumer to invest in. However, industry efficiency is not the sole aim of regulation. Regulation has been successful in setting some key standards – such as the qualification requirements for financial advisers and disclosure requirements. Lighter regulation will not necessarily improve the position of consumers. On the contrary, consumer reliance on advisers shows that there is a continuing need for regulation to address the quality and integrity of the advice they provide.

Scope of the Review

20. In the current marketplace, provider governance is of paramount importance. The Panel would like the Review to consider the role of the independent actuary in balancing the benefits to consumers and shareholders. There is a clear conflict of interest for an actuary who is supposed to be the independent guardian of policyholder interests but who is also a director of a plc with responsibility to deliver shareholder value.

21. The Panel understands that tax considerations often underpin the way in which products are structured and this invariably makes them complicated in the eyes of the consumer. For some products, the tax regime also acts against the interests of the consumer, it is understood, by acting as a barrier to switching. There is no mention of tax in the consultation paper. The Panel hopes that the tax regime as it applies to medium and long-term savings products is within the Review's remit.

Questions raised in Chapters 4 and 5 of the Consultation Paper

22. The Panel offers the following responses to those questions raised in sections 4 and 5 of the consultation paper which relate to consumer issues:-

To what extent is the description in paragraphs 14 and 15 of the consultation paper an accurate description of consumer behaviour?

23. The Panel agrees that this is an accurate description of much consumer behaviour. However, as we argued in paragraphs 3-8, the description is too broad. It is important to understand the wide diversity of consumer attitudes and behaviours.

24. For example, as the Panel's research has shown, the factors that may influence people's decision to buy savings and investments products vary greatly between different groups of consumers. Reliance on 'big name' companies and past performance was most common among people who were on lower incomes, had few financial products, found saving difficult, and were risk averse. In contrast, people with higher incomes, considerable financial wealth, more financial products, and greater financial literacy tended to place greater reliance on the comparative costs and charges of products.

Is weak consumer influence inevitable? Can action be taken to mitigate it? If so, by whom? To what extent can regulation compensate for it? To what extent can improvements in the quality of information provided to consumers by the industry help to improve consumer influence? Does new technology offer opportunities to increase consumer power by making information more accessible, particularly comparative information?

25. Generally speaking, we believe weak consumer influence to be inevitable in the current marketplace. The extent to which this can be mitigated depends on how on which group of consumers one is looking at. Consumer education may be able to help compensate for this to some extent, but should not be seen as a panacea. Preliminary research in North America suggests that it has had some effect in specific markets (among high school graduates and groups of employees). However, an underlying problem is that most people do not buy savings products often enough to build up the expertise which they may develop in buying more frequent consumer purchases, such as a car, and any problems often take a long time to emerge. The Panel believes that the introduction of onsumer education in schools is a good idea, but notes that the benefits of this will only be seen gradually in years to come. Consumer education of adults is still in its infancy and it is too early to judge its effectiveness – there is a risk that it could tend to make the informed consumers more informed rather than helping the less well informed. Improvements in the quality of information available to consumers could help to improve their influence; the industry has to take more responsibility in this respect.

26. The growth of e-commerce might help people to choose between different providers, but it is of questionable assistance in determining suitability and brings with it a new set of problems in terms of regulatory oversight and security. Again, it is the wealthier consumer who is likely to be able to make the best use of new technology rather than those who would benefit more. New technology – and the availability of comparative information – could encourage competition and those accustomed to saving via the web are already able to take advantage of this. However, nobody should be expected to have a complete set of skills for dealing with a particular product.

Do corporate purchasers exert greater competitive pressures on providers and intermediaries? What role, if any, might employers have to play in improving the functioning of the market?

27. This question assumes that companies are devoting some of their resources to deciding what is best for their employees. The Panel's impression is that marketing by providers and intermediaries plays a big part in corporate purchasers' decisions in this respect. For example, one possible reason why stakeholder pensions have not taken off so far might be that providers prefer to sell employers Group Personal Pension Schemes, rather than capped-charge stakeholder pensions.

How effective has the regulatory regime been in tackling the issue of the consumers' weak influence? What other consequences has it had?

28. The regulatory system has taken some valuable steps to mitigate weak consumer influence. We welcome the work that has gone into disclosure over several years and, in particular, the FSA's recent paper on 'Treating consumers fairly after the point of sale'. However, in the past regulatory initiatives have not addressed some key causes of weak influence. In particular, we would pick out a remuneration system where - in a system where advisers are still very important - advisers and consumers have different incentives. Reports in the trade press make it clear that in spite of all the rules for disclosing commission, providers still think that they can win market share by paying high commissions. Discounting, too, may not work in all consumers' interests, especially if it encourages commissions overall to rise in order to cover the cost of discounts for the better informed and more confident consumer.

29. Another cause of weak consumer influence might be financial advertising that concentrates on highly selective past performance data rather than costs and charges. This has helped to create a culture where the importance of costs and charges is downgraded (from our research, almost four out of ten consumers believe that the financial market is so competitive there is little difference between the charges and costs of different companies). The Panel welcomes this week's report from the Task Force set up by the FSA to examine this issue. We agree with the

Task Force that change is needed to ensure that consumers do not take action on the basis of misleading advertisements and we support the FSA’s moves to tighten the rules in this area. In particular, we support the proposal to prohibit the use of past performance figures as the main message in an advert.

What has been the role and focus of the personal finance media? What has been their impact?

30. The impact of the personal finance media should not be over-stated. The Panel's research shows that although just over a quarter of financial decision-makers (28 per cent) read the personal finance pages every week or almost every week, the majority of financial decision-makers (55 per cent) hardly ever or never read the personal finance pages of a newspaper. And the influence of the media is far outweighed by that of financial advisers - 48 per cent of recent purchasers of FSA-regulated products said that they had used a financial adviser as a source of information, compared to just 11 per cent who had used newspaper articles. On the other hand, as stated above, advertising in the media has played an important part in creating a set of expectations - and the concentration on past performance in much advertising to date may do more to mislead than enlighten.

Can commercial entities play a more significant role in providing information to the consumer about retail savings products, particularly over the Internet?

31. The Internet may be a potentially valuable source of information for those consumers who are accustomed to use it for such purposes, but this value will be reduced if consumers are unsure how objective and accurate web-based information is. Product search and purchase facilities must be comprehensive and objective if they are not to perpetuate the same risks of bias that might occur in face to face selling (see the Panel's response to FSA Consultation Paper 45 Conduct of Business Sourcebook).

Why has direct selling on a large scale not occurred? Would a greater role for direct selling be desirable and, if so, how might this happen? What role could branding play in this process?

32. One hypothesis which is widely argued, particularly by those in the industry, is that consumers are too apathetic to buy direct and therefore (for example) 'insurance is sold, and not bought'. However, before this argument is accepted, the Panel hopes that the Review Team will look more closely at consumers' incentives to buy direct. Traditionally, distribution costs, such as commission, have been built into the cost of products so customers have had nothing to gain by buying direct. Of course, this is changing, with the advent of some big direct providers and

the availability of no-load products, but it may be that we are in a transitional period.

33. In the meantime, the Panel suggests that it might be helpful to look more closely at the motives of those who buy direct. Qualitative research by the Panel[3] suggests that there may be a correlation between consumer confidence and direct purchasing:

> 'There is some correlation between the financial sophistication or confidence of the respondents and their motivations for purchasing direct. For many of the proactive and financially confident respondents the direct route provided them with the opportunity to engage further with the market and allow themselves more control over their financial affairs. At the other end of the spectrum those who were less confident used the direct channel as a means of avoidance of the market, merely reacting to it rather than being actively involved.'

34. The importance of trust may also be evident in consumers' attitudes to brands. Brands are often developed on the basis of qualities that are not really the essential qualities of products (e.g. cars). Consumers rely on them partly because advertising alerts consumers to their existence and partly because consumers assume that brands with a reputation cannot afford to lose their good name and so will give them a better deal. Since many consumers of financial services can't recognise what a good deal is, they won't know when a brand has let them down (unlike with electrical goods). So although branding in the financial services industry could play a part in encouraging a greater role for direct selling, it is questionable whether this would be in the overall interests of consumers.

Is increasing revenue the key business issue for IFAs rather than reducing costs?

35. No comment.

Why are consumers reluctant to pay directly for advice? Why is advice bundled with selling? Why is there no market for advice? Could a market for advice be developed and how?

36. Our research[4] shows a widespread lack of understanding of the advice/sales process among recent purchasers:

- nearly a third (31 per cent) thought no commission or fee was payable
- one person in six (16 per cent) didn't know or couldn't remember
- 43 per cent said the adviser was paid by commission
- 6 per cent said they had paid the adviser a fee

[3] *Direct Channels Research*, NOP Financial, June 2000
[4] *Financial Services Consumer Panel Annual Report 2000*

- 21 per cent referred to both commission and a fee.

37. At the same time, our research found that, when consumers were asked for their impressions of advisers, commissions engendered the highest levels of dissatisfaction.

38. Advice seems to be perceived as a free good of dubious value. However the Panel questions the assumption that there is no market for advice, particularly if consumers start to understand the implications of the transfer of responsibility from State to individual. The direct selling research referred to above, as well as much other research, has shown the importance of trust in many consumers' relationships with advisers. Furthermore, people are not used to buying advice. If a true market for advice is to be developed, it may be that it needs to be unbundled from selling and separately promoted. A necessary pre-condition would be increased consumer confidence in the industry and an improvement in the quality of advice to the extent that it meets consumers' reasonable expectations.

Are there alternative methods of remuneration for IFAs and direct sales forces? Why are they not more widespread?

39. The debate appears to have polarised into 'fees versus commissions'. This does not reflect consumer diversity. As the Panel's research shows, about a third of consumers think that advice is 'free', so they are unlikely to demand alternatives. On the other hand, the AUTIF research referred to earlier found that half the respondents who preferred to use an adviser said they would rather pay a fee (although they underestimated the amount of any fees). A large proportion of them said they preferred to buy direct or through discount brokers. The AUTIF respondents were relatively well-off and interested investors, and what is acceptable to them might not be acceptable for other consumers.

40. In fact, the market does not seem to involve a straightforward choice between fees and commissions. As we understand it, some advisers are opting for a hybrid method by offsetting commissions against a nominal fee. The benefits (or otherwise) of this practice need examination. Among other aspects of charging worthy of consideration would be methods of spreading fee payments out over a period of time.

What factors drive commission levels?

41. Comments in the trade press suggest that, to some extent at least, the need to buy market share has some part to play in commission levels. However it is also argued that commissions reflect the differing levels of administrative support given to providers by advisers. The Review Team needs to test these arguments to see how far higher commissions do in fact reflect higher levels of service - and whether this service is to the

benefit of the consumer. In particular, we urge the Review Team to test the extent to which advisers who receive renewal commissions actually do offer an ongoing service to consumers.

42. As a general principle, if commissions really are payments for services rendered to the consumer, rather than to the provider, then the consumer ought to have the right to negotiate the charge before purchase. In practice, this is in fact what happens for people who are knowledgeable and confident enough to use a discount broker.

What are the consequences of different products having distinctly different levels of profitability for their distributors?

43. The Panel feels that profitability for distributors is a key driver of the market. For example, with-profits bonds carry high commissions and the high level of sales of these bonds in recent months suggests that profitability is indeed an important consideration. This would not necessarily be a problem if the consumer's profitability is not at risk, but it does raise the danger that distributors may put profitability above suitability in some cases.

Is there a case for regulatory intervention in the setting of fees and commission levels?

44. There are regular calls for a return to the 'maximum commission agreement' which used to apply. While some setting (or capping) of remuneration might control the most obvious abuses, it might also actually hinder the development of alternative methods of remuneration. The Panel suggest that alternatives are explored in more detail.

What causes the relationship between consumers and their advisers to be long-standing? Are consumers aware of the duties owed to them by IFAs?

45. Research has often shown that consumers' relationships with advisers are built on trust, and that this may over-ride considerations such as independence. It is likely, therefore, that considerations of legal duties also take a back seat to trust. However, the Panel notes that it may be harder to sustain longer-term relationships in future as the industry consolidates and the number of direct sales forces continues to dwindle.

46. Solicitors have detailed professional rules about acting for clients where there is a conflict of interest. How do IFAs square acting as agents for consumers when they get their money from producers? The concept of agency in financial services is not always crystal clear - the Insurance Ombudsman has actually held in the past that financial advisers are agents of the provider from whom they received commission.

Is the current standard of advisers' knowledge about investment issues sufficient?

47. No comment

How much attention is paid to investment strategy as opposed to selection of product and provider?

48. On many occasions the Panel has expressed concern that the definition of 'advice' in FSMA is restricted to recommendations, rather than more generic and strategic advice. In our view this continues to place all the emphasis on one part of the advice process, while poor strategic advice may be much more damaging than a poor product recommendation.

49. Research carried out by the Panel[5] indicates that people do not tend to go for a financial 'health check'. Both sides of the market (consumers and intermediaries) appear to focus on the decisions and advice at the time of purchase rather than on strategic decision-making.

How effective is the requirement to provide suitable advice? What other effects has it had?

50. As stated earlier, we strongly support this requirement. It has permitted the regulator to address some major systemic failures such as the mis-selling of personal pensions, FSAVCs and mortgage endowments. The Panel considers that the Government made an error of judgement by choosing not to regulate mortgage advice. Even when mortgage regulation is introduced, consumers won't have to be given best advice about which mortgage product is most suitable to meet their needs. There will still be considerable scope for people to be mis-led about what is the best way to fund their house purchase, the biggest single investment most people make during their lives.

How important are historic peer group investment performance league tables in determining advisers' recommendations? What impact does their use have on product providers' investment strategies?

51. No comment

What is the likely future impact on high street banks and other branded distributors on trends in distribution channels? What is the likely future impact of e-commerce on trends in distribution channels?

52. No comment.

[5] *Consumers in the financial market, 1999*

About the Financial Services Consumer Panel

The Financial Services Authority (FSA) established the Financial Services Consumer Panel in December 1998 to ensure that consumers' interests are represented in the development of the regulation of financial services. The Panel is independent of the FSA so that it can: advise the FSA on policy as it evolves, monitor the FSA's effectiveness in meeting its statutory objectives towards consumers, review developments in financial services where they impact on consumers, and publicly report its findings and recommendations. It can raise its own concerns and has resources to carry out its own research.

Who is on the Panel?

Colin Brown (Chairman)

Colin is a consultant specialising in consumer affairs, working with consumer organisations throughout the EU and in Central and Eastern Europe. Previously Deputy Director of Research at the Consumers' Association and Senior Fellow at the Policy Studies Institute, he has over 25 years' experience of research and development in social and consumer policy.

Ann Foster (Vice-Chairman)

Ann was formerly Director of the Scottish Consumer Council and has over twenty years' experience in the consumer movement. She is also a member of the Health Professionals Council and a member of Postwatch, the Consumer Council for Postal Services. She is also a consumer consultant to Oftel.

Jean Gaffin

Jean chaired OFTEL's Advisory Committee on Telecommunications for Disabled and Elderly People until 31 December 1999 and is currently Acting Chair of Harrow & Hillingdon Healthcare NHS Trust. She has extensive experience of working on behalf of vulnerable consumers. Previous positions include: the Executive Director of the National Council for Hospice and Palliative Care Services and Chief Executive of Arthritis Care.

Yvonne Gallacher

Yvonne is Chief Executive of Money Advice Scotland, set up in 1989 by the Scottish Consumer Council. She has over thirteen years' experience of consumer credit/money advice issues and of working with vulnerable consumers in a variety of roles, including debt counsellor, trainer and manager. She has also lectured and co-authored a Guide to Money Advice in Scotland. Yvonne is presently a member of the FSA Consumer Education Forum and Credit Union Consultation Panel. Yvonne is a member of the Scottish Consumer Council.

Harriet Hall

Harriet is a solicitor with considerable experience of consumer policy and retail financial services. She is a former legal officer with the National Consumer Council, where she worked on the needs of low income consumers, banking, credit, mortgages, regulation of equity release and long-term care insurance, the Financial services and Market Bill and the proposed EU directive on distance selling of financial services.

Dianne Hayter

Dianne is on the Board of both the National Consumer Council and of the newly established National Patient Safety Agency. She was formerly the Chief Executive of the Pelican Centre (a cancer charity) and prior to that had periods as the former Director of Corporate Affairs of the Wellcome Trust, Chief Executive of the European Parliamentary Labour Party, Director of Alcohol Concern, General Secretary of the Fabian Society, a journalist and trade union research officer. She is currently also a research student at Queen Mary College, London.

John Howard

John is a solicitor with extensive experience of consumer issues as a former presenter of the daily consumer programme on Radio 4 'You and Yours'. He is currently a freelance broadcaster and his work includes presenting personal finance television programmes. He is a member of the Mortgage Code Compliance Board.

Vinod Kumar

Vinod is a social scientist with market research skills and extensive voluntary and public sector experience of policy analysis and research. Until recently, he was Head of Policy and Research at the Royal National Institute for Deaf People, and he has previously worked for the Commission for Racial Equality. Now retired, Vinod is currently a Non-Executive Director of the Barnet Primary Care Trust, and a member of the Consumer Liaison Group of the Medical Research Council.

Nick Pearson

Nick is the National Money Advice Co-ordinator for the Federation of Information and Advice Centres. A career spent in advice organisations including the National Association of Citizens' Advice Bureaux where he was manager of the Money Advice Support Unit, he has particular experience of credit, debt and personal finance issues and of working with vulnerable consumers.

Paul Salvidge

Paul is a former senior civil servant with experience of regulatory work, employment law, competition, consumer protection, telecommunications, financial services and company law. He was previously Competition Policy and Consumer Affairs Director at the Department of Trade and Industry.

Richard Smethurst

Richard is Provost of Worcester College, Oxford University; previously a non - executive Director of IMRO, he chaired their Training Standards Panel. He has served as an economic adviser in Whitehall, and on the Monopolies and Mergers Commission, where he was Deputy Chairman. Richard lectures widely on financial and economic topics to businessmen and adult education groups. He is President of the National Institute of Adult Continuing Education.

Jane Vass

Jane is an independent consumer researcher specialising in financial services. She was previously Head of the Financial and Economic Research Group at Consumers' Association. Her current committee memberships include: Council of the Ombudsman for Estate Agents and the FSA Training Advisory Panel.

Dave Watts

Dave is a partner in a media business which is involved in publishing, editing and journalism - personal finance plays a large part in this. He is a former editor of "Which?" and "Money Which?" and former Assistant Director of Consumers' Association. He was also a policyholder representative on the Insurance Brokers Registration Council for nine years.

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