

LEGISLATIVE CONSENT MEMORANDUM
FINANCIAL GUIDANCE AND CLAIMS BILL

1. This Legislative Consent Memorandum is laid under Standing Order (“SO”) 29.2. SO29 prescribes that a Legislative Consent Memorandum must be laid, and a Legislative Consent Motion may be tabled, before the National Assembly for Wales if a UK Parliamentary Bill makes provision in relation to Wales for any purpose within, or which modifies the legislative competence of the National Assembly.
2. The Financial Guidance and Claims Bill (the “Bill”) was introduced in the House of Lords on 22 June 2017. The Bill can be found at:

[Bill documents — Financial Guidance and Claims Bill \[HL\] 2017-19 — UK Parliament](#)

Policy Objective(s)

3. The UK Government’s stated policy objectives are to provide greater clarity and make it simpler for people by having a single body, namely the Single Financial Guidance Body (the “SFGB”) responsible for all public financial guidance, and to protect consumers from widespread malpractice across the Claims Management Companies sector, such as nuisance calls and encouragement of fraudulent claims, by transferring regulatory responsibility to the Financial Conduct Authority.

Summary of the Bill

4. The Bill is sponsored by the Department for Work and Pensions.
5. The key provisions of the Bill cover the creation of the SFGB which will provide pensions guidance and money guidance in one place and also has a strategic financial capability function. The Bill also makes provision for devolving funding of debt advice to the Devolved Administrations and also transfers the regulation of claims management companies to the Financial Conduct Authority (the “FCA”).
6. It will be a requirement for the SFGB to:
 - co-ordinate the development of a UK national strategy to improve:
 - Financial capability of members of the public;
 - Ability of members of public to manage debt; and
 - Provision of financial education to children & young people
 - take forward a statutory objective requiring the SFGB to work closely with the Devolved Administrations with regards to the provision of information, guidance and advice (covering pensions, money, debt and

strategic financial capability to members of the public in the Devolved Administrations.

- Provide for the FCA to collect levy payments for the delivery of debt advice in the Devolved Administrations and for funds collected to be transferred by Her Majesty's Treasury directly to each Devolved Administration.
- Set up committees to advise on or to discharge its functions.

Provisions in the Bill for which consent is required

7. Part 1 of the Bill establishes the SFGB which has functions of pensions guidance, debt advice, money guidance and strategic financial capability to enable people to access the advice and help they need to make informed financial decisions (clause 2).
8. Clause 2(8) also lists the objectives of the SFGB namely to improve the ability of members of the public to make informed financial decisions, to support the provision of information, guidance and advice in areas where it is lacking and to secure information and to ensure guidance and advice is available to members of the public in the clearest and most cost-effective way.
9. Clause 3 of the Bill makes specific requirements as to the pensions guidance function of the SFGB and clause 4 enables the SFGB to arrange for another person to carry out specified functions. The Bill provides that both guidance and directions may be issued to the SFGB (clause 5) and provision is included at clause 6 requiring the SFGB to set standards to be complied with. Clause 7 stipulates the monitoring and enforcement requirements in respect of any such standards set by the SFGB. Grants, loans or other financial assistance in connection with the establishment of the SFGB is provided at clause 8 together with provisions for the disclosure of information at clause 12. Part 1 of the Bill also provides (clause 14) powers for the dissolution of the SFGB and Schedule 1 to the Bill makes further provision about the SFGB.
10. These provisions within Part 1 of the Bill fall within the National Assembly for Wales' legislative competence under Part 1 of Schedule 7 to the Government of Wales Act 2006 ('GOWA') pursuant to subject 5 Education and Training, subject 15 Social Welfare and subject 4 Economic Development and do not fall within any of the exceptions specified in any Part of the Schedule.

Reasons for making these provisions for Wales in the Financial Guidance and Claims Bill

11. It is the view of the Welsh Government that it is appropriate to deal with these provisions in this UK Bill as it enables the provisions to come into force at the same time across the UK allowing a coherent approach in a

single piece of UK legislation. The Bill represents the most appropriate and proportionate legislative vehicle to enable these provisions to apply in Wales and to ensure the consistency in the provision of financial guidance across the UK.

Financial implications

12. There are no financial implications relating to the provisions of the Bill which are in competence.

Conclusion

13. It is the view of the Welsh Government that it is appropriate to deal with these provisions in this UK Bill as the provision of the services undertaken by the SFGB on a UK wide basis, with the devolved administrations working closely in the design and delivery of services, will make it easier for those seeking help to understand where to go for such help. This closer working will allow Welsh Government to provide a strategic and integrated approach to, for example, aspects of social welfare law such as housing, benefits, employment and discrimination.

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