



The Money Charity response to the BCAP Review of TV Ads for High-Cost Short-Term Credit, Including Payday Loans

Introduction

1. As the UK's leading financial capability charity, we welcome the opportunity to respond to this consultation.
2. We believe that being on top of your money means you are more in control of your life, your finances and your debts, reducing stress and hardship. And that being on top of your money increases your wellbeing, helps you achieve your goals and live a happier more positive life as a result.
3. Our vision is for everyone to be on top of their money as a part of everyday life. So, we empower people across the UK to build the skills, knowledge, attitudes and behaviours, to make the most of their money throughout their lives.
4. We believe financially capable people are on top of and make the most of their money in five key areas:
 - Planning (including budgeting)
 - Saving
 - Debt
 - Financial services products
 - Everyday money (including wages, cash, bank accounts)

Response

5. Through our work we promote a healthy attitude towards money management, including appropriate and sustainable use of credit. We believe that any credit product – including, in some circumstances, a payday loan or other high-cost short-term credit (HCSTC) – can be the right choice for you circumstances, provided you have evaluated other options and know how you'll repay it.
6. Whether any credit product should be advertised on programming that appeals to under-18s, or before the watershed, is a complex issue. Introducing young people to types of credit and developing their understanding of how these works is important if they are to positively engage with them in future – but this must be balanced by ensuring that the advertising is responsible and does not encourage dangerous use of credit.
7. Provided this second criteria is met, we don't see a need for scheduling restrictions on credit products. However, we are concerned that some credit providers – by no means solely in the HCSTC sector – use advertising that promotes the idea that relying on debt to fund everyday commitments is a positive or normal course of affairs. This is particularly relevant for young viewers, but such a message, whoever it is promoted to, is irresponsible and should be seen as a breach of rule 1.2.
8. If further advertising restrictions *are* imposed, we believe this should be across all financial products, not solely for HCSTC (or any other segment of the market). Sending the message that certain loans are 'off-limits', where, by contrast, other forms of credit are 'safe' to market in these ways, sets up an artificial and in our view unjustified divide. It could also be dangerous for children's long-term financial wellbeing if it leads to children believing that, for example, credit cards are inherently safe products because they believe the 'bad' products cannot be advertised in particular advertising slots.
9. If there are particular practices relating to HCSTC (for example the use of cartoon characters in advertisements, or encouraging children to pester their parents) we believe there are appropriate rules under 1.2 and 5.9 to deal with this, and would expect them to be well enforced.