



The Money Charity Response – FCA Review of Linked Services List for Payment Account Regulations. (January 2022)

The Money Charity is a Financial Wellbeing charity whose vision is to empower people across the UK to build the skills, knowledge, attitudes and behaviours to make the most of their money throughout their lives, helping them achieve their goals and live a happier, more positive life as a result.¹

We welcome the opportunity to respond to the Financial Conduct Authority's review of the Linked Services List.

Due to the short nature of our response we have elected not to respond to each question individually, but rather to offer an overall comment.

¹ See box on back page.

Overall Comments

As a Financial Capability and Wellbeing charity, we deliver education on personal finance, budgeting, credit, financial goal-setting and related matters. This includes many of the items on the linked services list as provided by the FCA. Our interests are in line with the purpose of the list, to improve the transparency and comparability of fee information in relation to payment accounts for consumers. Generally, we think the definitions on the list are simple and as straight forward as they can be. However, we would like to raise our concern with one item on the list, which is the definition of direct debit. In our understanding, a direct debit is an instruction from a customer to their bank or building society to transfer money from the customer's account to the account of a specified organisation. We feel that the use of the terms "someone else" and "recipient" are too vague, and do not properly stress that a direct debit is always a payment made to an organisation. Furthermore, we find that the definition does not emphasise that direct debits are typically used to pay bills. Finally, we suggest that the FCA's proposed definition lacks clarity about the formal framework of direct debits. Namely, that they are covered by a guarantee which protects customers from payments taken in error.

The Money Charity is the UK's Financial Wellbeing charity providing education, information, advice and guidance to all.

We believe that everyone achieves Financial Wellbeing by managing money well. We empower people across the UK to build the skills, knowledge, attitudes and behaviours to make the most of their money throughout their lives, helping them achieve their goals and live a happier, more positive life as a result.

We do this by developing and delivering products and services which provide education, information and advice on money matters for those in the workplace, in our communities and in education, as well as through influencing and supporting others to promote Financial Capability and Financial Wellbeing through consultancy, policy, research and media work.

We have a 'can-do' attitude, finding solutions to meet the needs of our clients, partners, funders and stakeholders.

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