

Simple Transparent Products
Discussion paper by the Retail Financial Services
Forum

This is intended as a paper to stimulate debate; it is not a statement of policy by the Government, the Retail Financial Services Forum, the simple, transparent products sub-group or anybody represented in the Forum or sub-group.

Table of content

Table of content	2
1. The Retail Financial Services Forum	3
About this paper.....	4
2. Background and context	5
3. General principles for a simple transparent products regime.....	8
One size does not fit all	8
Simple products or more transparent labelling?	8
Changing regulation, products and markets.....	9
Role of advice	10
Target audience.....	11
Implementation.....	11
4. Case studies.....	13
Case study 1: Payment Protection Insurance.....	15
Case study 2: Credit cards	17
5. Next steps.....	21
Appendix A: Further information on the Simple, Transparent Products Sub-Group.....	22
Appendix B: List of questions	24

1. The Retail Financial Services Forum

The Retail Financial Services Forum (RFSF) was established in 2008. Chaired by the Exchequer Secretary to the Treasury, its members are drawn from across the retail financial services sector and consumer groups. The Financial Services Authority (FSA), Office of Fair Trading (OFT) and Financial Ombudsman Services (FOS) also attend. The aim of the Forum is to help ensure that retail financial services work better in the interests of consumers, the economy and society. The Forum seeks to improve consumers' confidence and trust in financial services by identifying and promoting action on the part of the industry, Government and the regulators.

The Forum played an important role in supporting the development of consumer-focused measures in the paper 'Reforming Financial Markets', published in July 2009. The white paper included consultation questions on a number of different consumer areas including Money Guidance, the wider implications process and simple, transparent products.

In Reforming Financial Markets, the Government asked the RFSF to look at the case for the development, introduction and distribution of simple, transparent products and help to steer the development of the policy ahead of a further Government consultation.

HM Treasury's aim for this work is better outcomes for consumers: simple, transparent products should assist the consumer to understand the products available, allow them to compare products and select one that suits their needs. The industry should also benefit from a reduction in complaints related to consumers' lack understanding of a product or unsuitable product choice.

The responses to the Reforming Financial Markets consultation broadly welcomed the idea of a simple, transparent products regime. However there was little consensus on what that regime should look like or which products it should be applied to. Respondents highlighted the risks of oversimplifying complex issues and unintended consequences; and a number raised questions about the Government and FSA's appetite for product regulation. Industry respondents in particular felt that Government was not best placed to design financial products.

At the RFSF meeting in October 2009, the Forum recommended to Government that further more detailed work was needed to refine the policy before a second consultation was undertaken. They agreed to establish a sub-group to consider these issues in more detail and develop practical solutions. For further details on the RFSF and the sub-group see Appendix A.

The RFSF sub-group focussed its work on proposals that would:

- help consumers select the financial products they need;
- prevent consumers from making poor purchasing decisions;
- reduce complaints related to a lack of suitability or understanding of a product; and
- be feasibly implemented.

About this paper

This paper summarises the sub-group's work and emerging thinking. It intended to stimulate debate; it is not a statement of Government or the RFSF's policy, or any constituent members of the Forum. Conclusions presented here are interim, and the RFSF would welcome views on these from other stakeholders to inform the next phase of the sub-group's work. The aim is to present formal recommendations to Government and other relevant bodies in the autumn.

Comments on the paper and any relevant evidence and research should be sent by Friday 30 April 2010 to:

rfsfsecretariat@hmtreasury.gsi.gov.uk

2. Background and context

The complexity of retail financial services products can mean people are in danger of, or at least feel that they are in danger of, buying a product which is not suited to their needs. Sometimes this can discourage people from engaging with financial services at all.

Complexity is such that even those with more sophisticated knowledge and experience of financial products may need help.

The FSA's Financial Capability in the UK survey (2006)¹ showed that consumers are struggling to shop around:

- One in ten consumers don't read the small print when they purchase a product, with a further third looking through the terms and conditions briefly; and
- There are low levels of shopping around (a third of those purchasing general insurance only got one quote, rising to two thirds only getting one quote for savings accounts).

This is reinforced by consumer research, commissioned in 2009 by HM Treasury.

This research indicated that consumers feel an ever-present worry that they have not made effective decisions when selecting products; in particular they worry about not having found the 'catches' and hidden charges, which could have a negative financial impact on them, or in the case of insurance products, affect their ability to make a claim. People feel these 'catches' are hidden in jargon and small print.

Complexity can mean different things for different people and across different product groups. For some it can be the volume of paperwork, while for others it can be understanding exclusions (for insurance) or terms and conditions.

The Government has twice introduced measures intended to improve access to basic financial products. In 1998 it introduced Charges, Access and Terms (CAT) standards, and in 2005 'stakeholder' products, a suite of products with defined characteristics. The

¹ http://www.fsa.gov.uk/pubs/other/fincap_baseline.pdf

Government has also used other tools, such as tax and regulation, which have had an impact on product design.

Both CAT standards and the Stakeholder suite imposed standards on charges, accessibility and terms for financial products. However neither was popular with the financial services industry, which argued that charge caps made the products unprofitable and moreover consumers did not demand them. Some products did not sell well – for example, according to ABI data less than a quarter of the ISAs sold in 2007 by ABI members were stakeholder ISAs.

However stakeholder child trust funds and stakeholder pensions have sold better. Almost three quarters of parent-selected child trust funds are stakeholder products. This may be because the information parents receive makes clear that there is a stakeholder option, so they are always given the opportunity to make a choice between stakeholder and non-stakeholder.

Similarly, financial advisers are required by an FSA rule (RU64) to explain in writing to a customer why the pension they want to recommend is at least as suitable as a stakeholder pension product. This often means having to justify higher charges.²

² These points were made in the HM Treasury paper – Reforming Financial Markets http://www.hm-treasury.gov.uk/d/reforming_financial_markets080709.pdf

Box 1: Consumer research

The consumer research was conducted by GFK-NOP in 2009 on behalf of HMT and aimed to provide a general overview of consumer perceptions. The research asked consumers:

- what, if any, issues they faced when selecting products to meet their needs;
- what products were essential for them; and
- what potential simplifications would be helpful.

Essential products

Consumers identified some products as essential and relatively straightforward: current accounts; motor insurance; loans and credit cards; savings (although some younger respondents viewed savings as a luxury); and travel insurance.

Some products were seen as essential only at certain life-stages and regarded as more complex: mortgages; home/property insurance, life assurance and critical illness income / payment protection (which are seen as attached to mortgages); and personal pensions and annuities.

Consumers did not agree on how essential some products were, but did agree that certain products were relatively complex: investment products/ISAs; second mortgages; equity release; and private medical insurance.

Issues

Many consumers said they felt confused when selecting essential financial products and therefore often felt exposed to varying degrees of risk.

Possible solutions

Consumers welcomed the idea of more transparent and simpler products. They believed that simpler labelling and key features information would help improve transparency and clarity and lead to more honest communication. They saw these as relatively easy solutions to implement, which would make a significant difference to their experiences and perceptions of the industry

Consumers were less attracted to endorsements and guarantees, owing to a lack of trust in the financial services industry and Government.

A minority of consumers wanted more simplicity, with more basic products with fewer frills, but the majority were afraid this might have a negative impact on choice.

3. General principles for a simple transparent products regime

The sub-group has developed some principles and considerations for a viable simple transparent products regime, on which it would welcome views.

One size does not fit all

While a single 'regime' was originally considered in *Reforming Financial Markets*, the sub-group concluded that it is not feasible to have a 'one size fits all' approach. Depending on which products are selected for further exploration, the key components of products, target audience and methods of implementation might be entirely different. Different products will also be subject, for example, to different regulatory requirements or tend to be sold in a particular way.

As the Government's aim is for a system which has reach and applicability across products and markets, the conclusions of the sub-group suggest that solutions may need to be flexible: a 'framework' or 'toolkit', rather than a rigid 'regime'.

Are there any examples of existing toolkits or frameworks that would help to develop this approach?

Simple products or more transparent labelling?

The sub-group debated whether it should focus on the *design* of new simple products with straightforward, core features that meet consumers' needs (this 'simple product' could then act as an alternative or comparator alongside other products of this type) or on more transparent *labelling* to allow consumers to better understand products' features and compare them more easily with others.

In the research commissioned by HM Treasury, consumers on the whole seemed to prefer improved labelling over basic products.

Is there any existing research that probes consumers' views on labelling versus basic products?

Most consumers did not seem aware of labelling requirements that currently exist, such as 'Key Facts' for mortgages and other products or Key Features Documents for saving and investment products, or if they were aware of them, strongly implied that these are not simple enough. They felt it would be useful to have a one-page document that summarised everything they needed to know about a product. The need to ensure features are simple enough to summarise in one page could drive simple design as well. However consumers were clear that any solutions should not lead to restricted choice.

Work has already been done on the effectiveness of current disclosure requirements and labelling.³

Is further work needed to examine how far existing labelling requirements and practices meet consumers' needs for greater transparency? What would be the best way to explore this with consumers?

In practice, any new simple transparent products regime covering a significant range of different types of products is likely to need to cover elements of both approaches. The sub-group tested these different approaches in two illustrative case studies, which follow later in this paper.

Changing regulation, products and markets

The market for retail financial services products is continuously evolving, both in terms of product innovation themselves and the regulatory framework. A new regime would have to take account of existing and evolving disclosure requirements and forthcoming legislation or regulation, including from Europe.

A simple transparent products regime will also have to take into account changes that may develop in the market, for example, new types of products or a large number of consumers entering a market. The sub-group agreed that a simple transparent products regime

³ The FSA has done a significant amount of research in this area, particularly on certain products – see:

<http://www.fsa.gov.uk/Pages/Library/research/Consumer/index.shtml>,
http://www.fsa.gov.uk/pubs/other/DeMeza_Report.pdf and
<http://www.fsa.gov.uk/pubs/consumer-research/crpr69.pdf>

needs to be proactive in its consideration of where it can provide the most benefit to consumers and recognising where it can best help avoid future consumer detriment.

This indicates a need for thorough review and, preferably, piloting of any interventions planned for a simple transparent products regime, and regular review once it is in place.

Role of advice

HM Treasury indicated to the sub-group a particular interest in looking at products which are not normally sold with advice for the initial phase of the simple, transparent products work. HM Treasury's consumer research had shown that consumers tend to buy many of the products they consider essential without regulated advice; in particular, it highlighted that consumers seem to increasingly rely on comparison sites and social networks to help inform their product choice.

The sub-group agreed that considering 'non-advised' products reduced the complexity of designing a simple, transparent products regime. It noted however that the way in which people choose products was often more complicated than the headline findings from the research might suggest. Research undertaken by AEGON UK⁴ showed that consumers prefer to mix and match self-service tools and advice when buying products and that this combination is likely to vary significantly between types of people, their stage in life and types of products. In addition, consumers are not always aware of when they have or have not received advice.

The sub-group agreed that, if advised products were to come into scope, there would need to be more detailed consideration of the implications of the FSA's Retail Distribution Review and other work, and developments in Europe, such as the review of Markets in Financial Instruments Directive (MiFID) and developing policy on Packaged Retail Investment Products (PRIPs).

⁴ <http://www.aegon.co.uk/industry/shaping-our-industry/research/opinion-leader-research/index.html>

Target audience

Simple transparent products could be aimed at all groups of society i.e. universal or “mass market” products. This would require an easily identifiable set of ‘core needs’ of a wide range of consumers and products which meet these needs. It would also require consideration of any unintended consumer detriment caused by taking a broad approach.

This would also need to reflect that people use one type of product in different ways to cater for different needs. They may even change the way they use the products depending on their circumstances at a particular time. Credit products, for example, are used in very different ways by different consumers.

The sub-group firmly believes that a simple products regime needs to complement developments in the financial capability agenda. In particular, it discussed the possibility of simple, transparent products being tailored to those with low levels of financial capability.

Should products be designed to be understood and used effectively by those with low financial capability, or some other criterion?

The sub-group also discussed financial inclusion objectives – basic bank accounts, for example, are a simple transparent product designed specifically for low income, financially excluded individuals. The sub-group felt that simple transparent products could, in some cases, be of particular value as an entry level product for those who are financially excluded, or for people with specific needs at specific life stages.

Should simple transparent products aim to be ‘mass market’ products? Or should they target specific groups of consumers? If so, which groups and why?

Implementation

The sub-group’s consideration of how simple transparent products could be implemented has covered a range of options from collaborative action on the part of the industry, perhaps with the support of Government or consumer groups, to product regulation,

which could include requirements relating to product design, marketing and sales or making comparison features compulsory.

This also needs to take account of value for money, both for the consumer and the provider. The sub-group believes that an effective simple transparent product regime will need to achieve a balance between offering fair value to consumers and providing an adequate incentive to sell these products, whether this is through profit incentives or regulatory obligations.

Implementation could also be through collaborative work by industry to create new simple products or a new labelling scheme, designed to voluntarily agreed standards, which a number of industry participants would agree to distribute in a certain way. However this would only work effectively if there is collective agreement on the benefits and implementation.

Would this type of approach need an 'arbiter' to oversee standards and implementation?

This collaborative work could include consumer groups or Government in an endorsing role, such as a 'kitemark' solution. Work could be carried out on developing an over-arching simple transparent products brand that would be recognised and trusted by consumers. This would require careful consideration of the role of the endorsing organisation – how much control would the endorser need and what risks might be involved? Alternatively simple, transparent products could be branded by the provider or distributor.

Consideration also needs to be given to consumers' mistrust of both industry and Government (as highlighted in the consumer research), as the way in which consumers perceive simple, transparent products will be critical for their success.

*How important is branding to a simple, transparent products regime?
Are there any lessons that can be learn from previous experiences?
What evidence is there about consumer perceptions of basic products?*

The sub-group also briefly considered comparison sites as a potential route through which transparency can be improved. Consumers said that they made much use of comparison websites for less complex

products and felt it had made the purchasing process easier. There are some concerns about whether comparison sites would be relevant for more complex products and about how this would work given their commercial nature. However comparison sites could play a role in collaborative action.

What scope is there to work through comparison websites and forums, given many consumers use these to aid product choice?

4. Case studies

The sub-group decided to apply these general principles and considerations to two illustrative case studies. It discussed a number of products as suitable candidates for these case studies:

- Current accounts, including basic bank accounts, given the essential nature of a transactional bank account;
- Unsecured credit products such as credit cards and loans: credit products were identified by consumers as essential, as they routinely supplemented their income with credit and there are also examples of consumer detriment; and
- Insurance products, notably payment protection insurance (PPI), which has been associated with high levels of consumer detriment.

Several products were suggested that are normally sold with advice:

- Consumers' financial needs resulting from a house purchase, such as mortgages and related products such as mortgage payment protection insurance (MPPI) and life insurance. The consumer research found that while mortgages were only considered essential for certain life stages, they were regarded as confusing products;
- Those involving a major decision where it is difficult or impossible to cancel the agreement (for example, equity release or annuities); and
- Those products that should be considered essential, whether or not consumers saw them as such (for example, pensions).

The sub-group selected PPI and credit cards for more detailed consideration. These case studies are not intended to yield solutions,

but to describe a direction of travel towards how solutions may be achieved and to illustrate practical application of the principles mentioned above.

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Case study 1: Payment Protection Insurance

Reason for selection

PPI was selected on account of the high levels of consumer detriment associated with this product. Consumers felt that PPI was essential for those with a large credit obligation, but was complex to understand. The complexity of the product has been compounded by the secondary nature of the sale alongside credit. It is also the case that excess profits have been earned on these products, as the Competition Commission's work makes clear.⁵ Both the FSA and Competition Commission have focused on how PPI was sold; complementary work on how it is bought could prove beneficial.

Existing and future regulatory obligations

There are already obligations in relation to the sales process for PPI including the initial disclosure document (IDD) which confirms:

- ❖ if the product is sold with advice or not,
- ❖ confirms scope of product offering (whole of market or limited or single),
- ❖ confirms fees for the advice and/or the service,
- ❖ contact details for the Financial Services Authority (FSA) as regulator; and
- ❖ information on how to complain and the role of Financial Services Compensation Scheme (FSCS).

The FSA and the Competition Commission have carried out extensive investigations into the sale of PPI. The Competition Commission recommendations included a point-of-sale prohibition on selling PPI for a fixed time period after a credit sale. This has been appealed and the Competition Commission is considering its findings. Action by the FSA has also resulted in an agreement by firms to stop selling single-premium PPI policies on unsecured loans and action by the Competition Commission has led to unbundling retail PPI from merchandise cover.

⁵ <http://www.competition-commission.org.uk/inquiries/ref2007/ppi/index.htm>

The Competition Commission's recommendations also included some work on how information about PPI is displayed to consumers, including:

- ❖ an obligation to provide a personal PPI quote;
- ❖ an obligation to provide information about the cost of PPI and 'key messages' in PPI marketing material; and
- ❖ an obligation to provide an annual statement of PPI cost and a reminder of the consumer's right to cancel.

The FSA has produced impartial comparative tables of PPI policies (and other products) to assist consumers in choosing the best product for their own circumstances.

Components of the product for consideration:

There are several different features of PPI that can make this a confusing product for consumers.

PPI can include a number of different types of cover, e.g. life cover, unemployment cover, accident/sickness cover. This can make it hard for consumers to understand exactly what they are paying for and what the benefits of each type of cover are.

The amount level of claims paid out by PPI policies often varies from policy to policy, with confusion surrounding how many months the policy will pay out for, the definition of a monthly payment and the maximum ceiling for claims payouts. This makes comparisons between different policies with differing levels of cover difficult.

Some in the sub-group felt that policies could offer more flexibility to consumers to specify the amount of benefit payments they want. Consumers cannot currently set the amount of cover, as the amounts are fixed to the level of the loan repayment, or loan repayment plus a set amount to cover income. This also makes potential benefits harder to measure.

The sub-group mentioned that exclusions and conditions seemed to vary from policy to policy, with little comparability on what is covered as standard and what is not. For example, sub-group members reported different levels of cover for conditions such as backache and mental health issues. This can mean that consumers overlook the

small print and might end up purchasing an unsuitable product. Linked to exclusions is access: PPI is often not available to certain groups of consumers; for example, many PPI policies cease cover after the age of 65, even if the individual's credit obligations continue beyond 65.

PPI: Illustration 1

A product baseline. This would set out the sorts of features that a PPI product should contain or should not contain (in the case of exclusions). This would set a floor on product quality above which producers would be able to innovate.

Target audience

This could be aimed at the mass market. Failings in the way PPI was sold has damaged trust in the product and take up is currently low. This product could reassure consumers who would benefit from PPI that what they are buying has a minimum set of standards.

Implementation

A joint industry and consumer group set of standards or a kitemark for products meeting these minimum standards.

PPI: Illustration 2

Clearer, consistent *labelling of exclusions* to aid understanding of what consumers are and are not insured for. This could include providing the proportion of people who would usually claim for different conditions.

Target audience

This would benefit everyone. Clearer details on exclusions could benefit those who struggle to understand the small print of products and would help to ensure that they are purchasing an appropriate product.

Implementation

FSA regulation of the explanation of exclusions.

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Case study 2: Credit cards

Why selected

Credit cards are seen as essential by consumers and there is a very large market for them. Overall, there were around 1.9 billion credit card transactions in 2009, with a total value of over £100 billion. After the US, the UK has the highest number of credit cards per head of population – 1.2 cards per adult - with 60 million credit cards in circulation at the beginning of 2010. Credit cards are generally selected without advice and consumers switch frequently.

Whilst the majority of credit card users are responsible and manage their cards well, credit card use has been associated with problem debt and credit cards have been the target of recent regulatory interventions. Credit cards are the subject of a relatively high number of complaints, accounting for a third of all the banking and credit complaints received by FOS in 2008/09.

Existing and future regulatory obligations

Credit cards are regulated by the OFT under the Consumer Credit Act 1974, which provides for the licensing and oversight of consumer credit firms and specific statutory requirements in relation to the conduct of business across the lifecycle of a loan, covering advertising and sales, the form and content of agreements, post-contractual information requirements and enforcement in case of default.

These provisions will be supplemented by the implementation in UK the Consumer Credit Directive which, among other things, introduces new requirements for the provision of pre-contractual information, including the requirement for consumers to be given a new Single European Consumer Credit Information Sheet and for any new loan to be adequately explained before the agreement is entered into.

In addition, there are a number of voluntary labelling obligations under the Lending Code for providers of credit cards, including summary box guidelines which cover details on interest rates, interest free period, allocation of payments, minimum repayment and

charges. These were introduced following detailed consumer research by the OFT.⁶

Further evidence has been collected as part of the consumer credit directive and the BIS Credit and Store Card Review, which has been fed into the work of the sub-group. The Government published its response to the consultation on credit and store cards on 15 March.⁷

Components of the product for consideration

The consumer research showed that people feel that credit cards are relatively straightforward but often felt caught out by the small print. The sub-group felt that how costs are explained on credit cards could be made clearer to consumers, including how APR was explained and what only meeting the minimum payments would mean over the long term.

The sub-group also felt that credit card providers can also change details on credit cards without the consumer requesting the change or fully understanding why it has changed (i.e. increased limits or changes in rates⁸

Credit Cards: Illustration 1

Transparency on costs. This would involve additional details to explain to consumers why debt is repriced, require consumers to opt in to credit increases and explain the cost of debt in a more consumer friendly way.

Target audience

This could have mass market appeal, but particularly aid those with low levels of financial capability.

Implementation

An industry agreed and implemented solution.

⁶ http://www.ofst.gov.uk/shared_ofst/reports/financial_products/ofst978.pdf

⁷ <http://www.bis.gov.uk/news/features/2010/3/credit-cards-consultation-response>

Credit Cards: Illustration 2

A *'basic' credit card*. This would have fixed features such as the same interest rate on all types of debt, a higher minimum payment, a low credit limit, not allowing cash withdrawals.

Target audience

People with specific needs or at specific lifestages, for example those new to the credit market, those re-entering the credit market and those wanting more control over their credit card spending.

Implementation

A collaborative approach among the industry, building on simple credit cards already in the market, including working with consumer groups to ensure they met the target groups needs.

⁸ The sub-group's discussions took place before BIS published its response to the Credit and Store Card Review. The Government response introduced new rights which deal with information to consumers on increases in their interest rate or their credit limit, including the right to reject increases.

5. Next steps

There are a number of options for taking forward the work of the sub-group:

- a) continue to develop its work on PPI and credit cards to turn them into workable solutions ready for piloting;
- b) widen the range of products it considers in detail;
- c) using its knowledge across markets and from the work on product 'deep dives', to develop an overarching 'toolkit' or 'framework' that could sit across a range of products.

The sub-group will draw on feedback on this paper from interested parties and discussions with Government and regulators to determine the direction and outputs of the next phase of this work.

Further research

A literature review of existing research, including any evidence supplied in responses to this paper, and further consumer research would be helpful in informing the next phase of work. Areas for further exploration in research could include the purchase process and consumer perceptions of solutions, particularly on labelling versus simplified products.

Piloting the scheme

When the sub-group makes recommendations later this year, either for particular products or a wider simple, transparent products framework, it will be important that a pilot is undertaken to check that any new scheme is workable and of benefit to consumers.

The sub-group has valued the opportunity to work through these issues with a diverse group of participants from industry, consumer and regulators and is keen to continue its work and further develop the ideas set out in this paper. It welcomes comments or further evidence to feed into future discussions. It hopes to conclude its work and make recommendations to the Government and others by autumn 2010.

Appendix A: Further information on the Simple, Transparent Products Sub-Group

The group was set up as a sub-group of the Retail Financial Services Forum and is independent of Government. It was chaired by Daniel Godfrey, who is also a RFSF member.

The RFSF sub-group focussed its work on proposals for simple transparent products that would:

- help consumers select the financial products they need;
- prevent consumers from making poor purchasing decisions;
- reduce complaints related to a lack of suitability or understanding of a product; and
- be feasibly implemented.

The sub-group used these proposals to determine the scope of its work, to select several products for more detailed consideration and to develop illustrative approaches.

The time available to the sub-group for this phase of the work was limited and the sub-group therefore took a pragmatic approach, recognising that it would be unable to come up with a complete working solution at this stage.

Members of sub-group

- Daniel Godfrey, Director of Corporate Communications, Phoenix Group (Chair)
- Francis McGee, Head of Corporate Affairs, AEGON UK
- Peter Tyler, Director, BBA
- Sue Edwards, Head of Consumer Policy, Citizens Advice
- John Parker, Director, OFT
- Victoria Nye, Director, Training and Education, IMA
- Jane Vass, Financial Services Policy Adviser, Age Concern and Help the Aged
- Brian Morris, Head of Savings Policy, BSA

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- Peter Jolly, Assistant Director Consumers & Distribution, ABI
- Tori Watson, Senior Public Affairs, Which?
- Dan Frith, External Risk, RBS
- Adam Phillips, Chair, FSCP
- Caroline Mitchell, Lead Ombudsman for Investments and Mortgages, FOS
- Delroy Corinaldi, Director of External Affairs, CCCS
- Ian Shayler, Executive, UK Cards Association

Observers

- Department for Business Innovation and Skills
- Financial Services Authority
- HM Treasury (Secretariat)

Appendix B: List of questions

1. Are there any examples of existing toolkits or frameworks that would help to develop this approach?
2. Is there any existing research that probes consumers' views on labelling versus basic products?
3. Is further work needed to examine how far existing labelling requirements and practices meet consumers' needs for greater transparency? What would be the best way to explore this with consumers?
4. Should products be designed to be understood and used effectively by those with low financial capability, or some other criterion?
5. Should simple transparent products aim to be 'mass market' products? Or should they target specific groups of consumers? If so, which groups and why?
6. Should simple transparent products aim to be 'mass market' products? Or should they target specific groups of consumers? If so, which groups and why?
7. Would this type of approach need an 'arbiter' to oversee standards and implementation?
8. How important is branding to a simple, transparent products regime? Are there any lessons that can be learned from previous experiences? What evidence is there about consumer perceptions about basic products?
9. What scope is there to work through comparison websites and forums, given many consumers use these to aid product choice?