

MONEY
ADVICE TRUST

BUSINESS
DEBTLINE

NATIONAL
DEBTLINE

WISER
ADVISER

Consultation Response:

HM Treasury

The Appointed Representatives Regime

Response by the Money Advice Trust

Date: April 2026

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Introduction

About the Money Advice Trust

The Money Advice Trust is a charity founded in 1991. Our mission is to help prevent financial difficulty and remove problem debt from people's lives.

In 2025, our National Debtline and Business Debtline advisers provided help to 189,550 people by phone and our digital advice tool, and 53,410 people by webchat, with 2.1 million visits to our advice websites. In addition to these frontline services, our Wiseradviser service provides training to free-to-client advice organisations across the UK and in 2025 we delivered this free training to 646 organisations.

We use the intelligence and insight gained from these activities to improve the UK's money and debt environment by contributing to policy developments and public debate around these issues.

Find out more at www.moneyadvicetrust.org.

Public disclosure

Please note that we consent to public disclosure of this response.

Introductory comment

We welcome the proposals to strengthen the legislative framework under which the Appointed Representatives (AR) regime functions, which we hope will provide greater protections to consumers.

As a debt advice charity, we are mainly familiar with the AR regime in relation to commercial debt advice, lead generation and debt packager firms. We believe that the appointed representative model needs urgent reform in this market.

We would suggest that there is consideration given to prohibiting ARs from carrying out lead generation, or debt advice or debt packaging for principal firms authorised for debt counselling. We believe that the risk of consumer detriment in this area is very high and is generating an unacceptable risk considering the market of vulnerable people seeking debt advice who are often in desperate circumstances. **There should be a complete ban on ARs operating this activity in our view.**

We have shared our evidence with regulators, including the FCA, regarding misleading advertising by commercial debt firms, insolvency practitioners, and lead generation firms. Websites may contain misleading or incorrect information related to debt solutions. We see numerous examples of firms using trading names that masquerade as debt charities or are misleading as to the nature of the service offered. This does not appear to be prevented by the FCA before registration takes place, nor is the register routinely supervised and such trading names removed.

The company structures can be opaque, and the market has shifted following the implementation of the very welcome FCA debt packager rules.¹ We have seen some insolvency practitioner firms appear to have become ARs of FCA authorised debt firms, and lead generation/debt packager firms becoming an AR instead of being a principal firm.

We have set out some recent examples in Appendix 1 at the end of our response below.

¹ FCA (2023) [Debt packagers policy statement and final rules](#)

Responses to individual questions

Question 1: do you agree that a regulatory gateway should operate for principal firms, with authorised firms needing a permission from the FCA to act as principal?

We very much agree that there is a gap in the regulatory framework. The AR model seems to us to be an inadequate form of regulation which places too much responsibility on principal firms to ensure compliance. The model therefore opens the door to too many opportunities for poor firms to behave badly.

We would prefer that the AR model is fundamentally reformed. However, we support the proposal that a regulatory gateway should operate for FCA authorised firms who wish to act as a principal firm as a good step forward. It is very important that such firms have the necessary expertise, resources and systems in place to provide effective oversight of ARs.

We are also very supportive of providing the FCA with the ability to vary or withdraw permission from such firms to act as a principal firm. It is vital that the FCA can act swiftly and effectively to prevent harm to consumers caused by both the activities of ARs and their principal firm.

However, we would like to see certain categories of activity being removed from the AR regime altogether. We would suggest a prohibition on ARs from carrying out lead generation for debt advice, debt advice or debt packaging for principal firms. As we said in our response to the HM Treasury Appointed Representative Regime call for evidence,² in the area of commercial debt advice, we do not have confidence that the principal firms will carry out the due diligence required to ensure that their ARs comply.

We are also concerned that the FCA will not be able to dedicate sufficient resources to oversee the chain of firms involved to ensure compliance either.

² Money Advice Trust (2022) [Response](#) to the HMT Appointed Representative Regime call for evidence

Question 2: do you agree with the proposed design of the permission regime for principal firms?

We have not identified any aspects of the proposed design that we disagree with. It will of course be vital to the functioning of the permissions regime that the FCA sets out very clearly a set of high standards that any applicant firm will have to meet to be granted permission to act as a principal firm. There is no point in setting up a permission gateway that defaults to allowing firms through without adequate scrutiny at the point of application.

We assume that these standards and requirements will be set out in the FCA designed rules.

Question 3: do you agree that all of the detailed requirements applying to the contractual relationship between principals and their ARs, as well as requirements relating to the Financial Services register, should be set out in FCA rules?

It appears sensible to set out the requirements relating to the contractual relationship between principal firms and ARs in bespoke FCA rules. We also agree that the way in which ARs will be included on the Financial Service Register should be set out in FCA rules.

Question 4: do you agree with the overall implementation approach proposed for the principal permission?

We have some concerns about the FCA implementation approach. We worry that not requiring existing principal firms to apply for the new permissions will potentially leave elements of poor practice in place.

We consider it vital that the FCA conducts a systematic review of firms with existing permissions and uses its ability to vary or withdraw these where consumer detriment is identified. Otherwise, firms may carry on causing harm to consumers until such a time as a review is carried out in the future.

Question 5: Are there other factors that need to be considered to avoid any disruption to existing principals and ARs?

As we have said, there should be an FCA systematic review of firms with existing permissions, to ensure that existing consumer detriment is addressed. This review might lead to disruption to existing principals and ARs, but we would consider this to be necessary to achieve good outcomes for consumers.

Question 6: do you agree with the proposal to repeal section 39A of FSMA 2000?

We are not able to comment on this proposal, as it is outside of our area of expertise.

Question 7: do you agree that the FOS should have jurisdiction to consider a complaint against an AR where the principal is not responsible for the acts or omissions of the AR?

We very much support the proposal for FOS to have the jurisdiction to consider a complaint against an AR in the circumstances set out in the paper. We agree with the government that it is unfair to leave consumers in such cases without access to FOS to resolve disputes.

We think that the proposals will close a loophole in protections for consumers where the principal firm is held not to be responsible for the actions of its AR, and will allow the AR to become accountable to FOS instead.

Question 8: do you agree that complaint handling arrangements should remain the responsibility of principal firms?

As the principal firm will retain responsibility for their ARs, it makes sense that those firms will continue to deal with consumer complaints about AR activities in most scenarios.

Question 9: do you agree that the FOS should be able to involve an AR in the investigation of a complaint, as set out above, where a complaint relates to the acts or omissions of the AR?

We agree with the proposals to amend FSMA and make rules under the scheme to ensure FOS can include the AR as a party to a complaint alongside the principal firm.

This seems to make sense and allow for a more streamlined approach to complaints involving an AR where there might be a dispute over responsibility between the firm and the AR. This new mechanism should allow for a speedier resolution of complaints and better outcomes for the affected consumers.

Question 10: do you agree that the proposed extension of FOS jurisdiction is not likely to have a material impact on the role of the FSCS, or the level of FSCS compensation to be provided?

We cannot comment on this in any detail, but from the paper, the extension of FOS jurisdiction as proposed would not appear to have a material impact on the role of the FSCS.

Question 11: do you agree that bringing ARs within scope of the SM&CR, as proposed above, would provide more coherent and proportionate conduct, fitness & propriety and accountability arrangements for ARs and their principals?

We agree with these proposals. Principal firms and their ARs should operate under the same regulatory framework. However, we would not support the regulatory regime being watered down. Consumers should not receive diminished protections under the new regulatory framework. The FCA and government should ensure that this does not happen when ARs are brought under the regime.

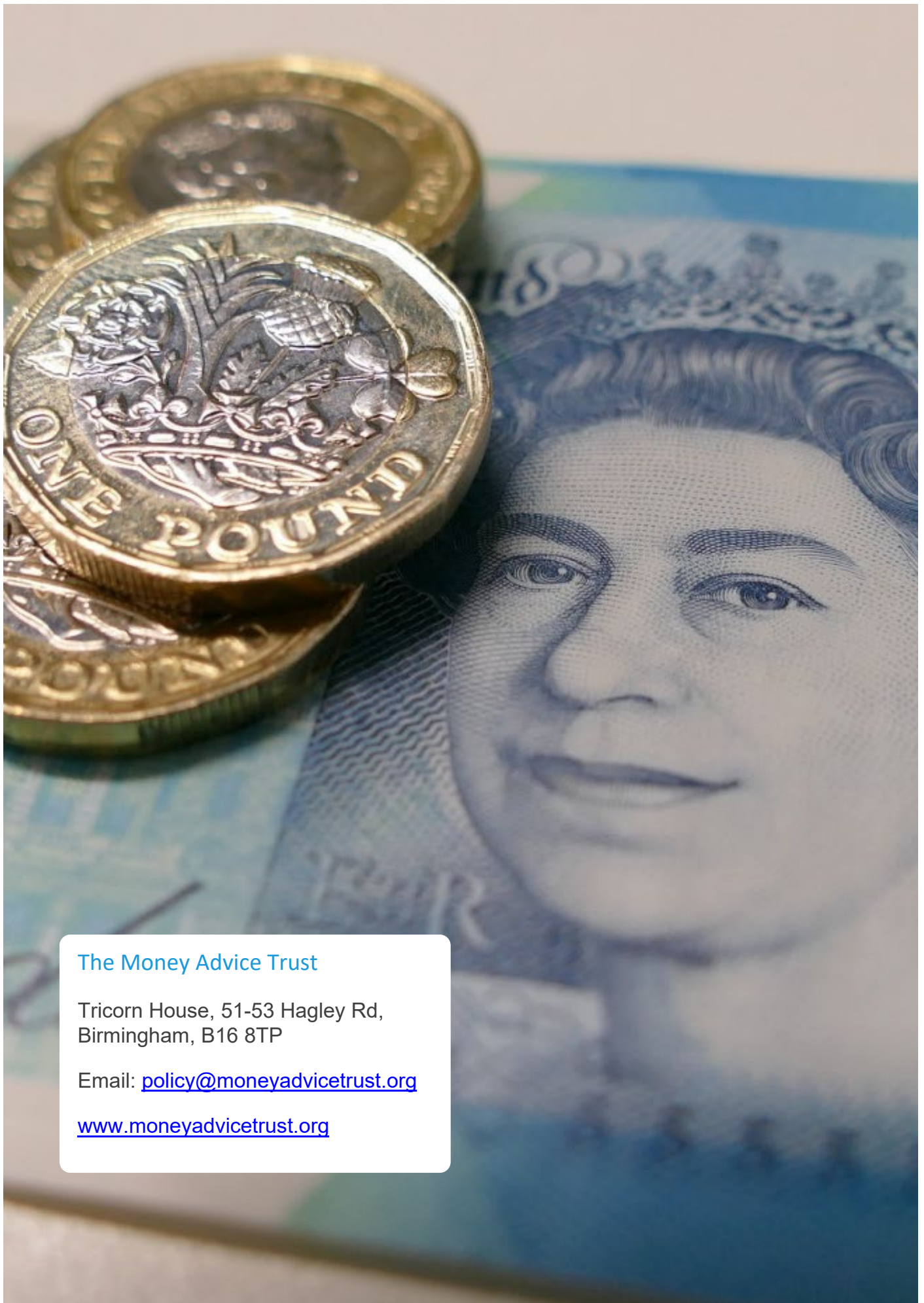
As we have said above, we have seen problems in the way in which principal firms and ARs have worked together to sidestep the regulatory rules for debt advice firms. We do not want to see such problems continue under the new regulatory framework.

For more information on our response, please contact:

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Appendix 1 Adverts for debt firms

Advert on Google or Bing	Company information	Comment
<p>Sponsored result</p> <hr/> <p> AdviceDebt https://www.adviceanddebt.help › money-advice › service</p> <p>Advice Debt: Your Debt Hero - UK Approved Debt Help</p> <p>Debt Consolidation Made Easy With Our Expert Debt Help UK Services. Do You Have Debts Of Over £5000? Are You Struggling To Keep Up With Payments? UK-Based Advisors. Expert Advice.</p>	<p>Registered in England and Wales 06575396 – AdviceDebt.help is trading name of Curtis Faraday Limited authorised and regulated by the Financial Conduct Authority number: 662089. Data Protection Registration No: Z1395326</p> <p>Where a debt solution is not provided by ourselves, AdviceDebt. help will pass you through to one of our trusted partner companies and we will be paid a fee should a solution be taken up with them.</p>	<p>This is an FCA authorised firm who only gives advice on IVAs and is paid a fee by its “trusted partner companies”. This is the FCA register. Curtis Faraday Limited</p> <p>Payment of a fee is not allowed under the FCA debt packager rules.</p>



Care About Money

<https://www.careaboutmoney.co.uk>

Care About Money | Debt Relief Services UK

Care About Money does not directly provide debt solutions, it will provide advice and refer you to one of it's trusted debt solution providers should you choose ...

[Speak to Our Debt Advisors](#)

Webflow Template - Cambridge - Created by Wedoflow.com and ...



[Debt Management Plan UK](#)

Taking back control of your finances doesn't have to feel ...



[Trusted UK Debt Relief Services](#)

Care About Money does not directly provide debt solutions, it ...



[Self Help Debt Solutions UK](#)

Explore self help debt solutions in the UK. Learn practical ways to ...



[Debt Consolidation Help UK](#)

Every single person I dealt with has so much compassion and ...



About Money Limited

Registered Office: The Granary 50 Barton Road, Worsley, Manchester, England, M28 2EB. Registered in England and Wales Registration number 13444035. ICO registration number ZB723901.

Care about money Ltd FRN 962287 is an appointed representative of Promethean Finance Limited FRN 662425.

Care About Money does not directly provide debt solutions, it will provide advice and refer you to one of it's trusted debt solution providers should you choose a solution that suits your requirements. We will receive a fee if you enter into an agreement with one of our partners. Adele Cardoso is licenced as an Insolvency Practitioner in the UK by the Insolvency Practitioners Association.

All work undertaken by Arkle Insolvency Limited and Adele Cardoso (IP number 30710) is subject to the Insolvency Code of Ethics. Subject to eligibility and acceptance. Fees Payable.

This is an appointed representative of FCA authorised Promethean Finance.

Payment of a fee is not allowed under the FCA debt packager rules.



ivaspecialistsuk.co.uk
<https://www.ivaspecialistsuk.co.uk> › apply :

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Sponsored Try Our Online IVA Checker To See If You Qualify. Have One Affordable Payment & Reduce your Debt With An IVA

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 Check if You Qualify

www.ivaspecialistsuk.co.uk is a trading style of Lawson Fox Debt Solutions Ltd. 3rd Floor, Falcon Mill, Handel St, Bolton BL1 8BL. Tel: 01204 804 000
 Registered in England & Wales Company Number 07319288.

We provide Insolvency solutions to individuals throughout the UK; specialising in Individual Voluntary Arrangements which comply with the IVA protocol

Gerard Nicholas Ratcliffe is authorised by the institute of Chartered Accountants in England & Wales to act as a Licensed Insolvency Practitioner. IP Number 8666

ICO Number: Z3070317

Lawson Fox Debt Solutions Ltd does not generate leads for resale.

Lawson Fox Debt Solutions Ltd is in fact authorised by the FCA for “debt counselling and debt adjusting with no debt management plans”. The website implies it offers IVAs only.

There is no complaints page, no mention of FOS or the Insolvency Service complaints gateway, or an “about us” page.



The Debt Advice Service
<https://thedebtadvice.service.co.uk> :

The Debt Advice Service® - Write Off Unaffordable Debts

Sponsored Find out what debt solutions you qualify for. Free advice also available at MoneyHelper. Struggling with unaffordable debt? A debt solution could help write off part of your debt.

[Debt Advice](#)

[Debt Relier Order Advice](#)

[Bankruptcy](#)

[IVA Debt Help & Support.](#)

The Debt Advice Service is the trading style of Pacific Financial Solutions Ltd which is authorised and regulated by the Financial Conduct Authority FRN 688034 and is registered in England & Wales, Registered Office: Ram Mill, Gordon Street, Chadderton, Oldham, England, OL9 9RH. Company number 09404359. ICO registration number ZA207735.

This is an FCA authorised firm. It says it will receive remuneration for passing information to third parties. **Payment of a fee is not allowed under the FCA debt packager rules.**

It is unclear what form of advice this service provides. It is not authorised for DMPs by the FCA but has an inhouse insolvency practitioner.



ivaadvicepeople.co.uk
<https://www.ivaadvicepeople.co.uk/ivachecker> :

Apply For An IVA Online - Confidential Advice

Sponsored Owe At Least £7,000 & Afford At Least £100 A Month? You May Qualify For IVA. Check Online.
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Complete Quick Online Form
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Check If You Qualify For An IVA
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This is an FCA authorised firm. Its authorisation is it is "limited to debt adjusting and no debt management plans".

It appears to be a hybrid firm, and labels itself as an IVA provider. Lawson Fox has 18 trading names mainly relating to IVAs.

The disclaimer on all three websites suggest that they may be paid a fee for referring on to another provider, in contravention of the debt packager rules.

Payment of a fee is not allowed under the FCA debt packager rules.