



Gaining members – and Momentum

After a hectic start, Libertatem set to announce four significant partners

We are delighted to announce that four major players will be joining Libertatem's Partner's Scheme.

The news is a major boost for our fledgling trade association as we actively lobby MPs to look at the way the Financial Conduct Authority and the Financial Ombudsman Service are currently operating – and take steps to rectify the damage they are causing to our industry.

It is our aim to create a professional and democratic trade association which has the resources and the influence to determine the future of financial

services in the UK.

The next six months will be all about growth: Membership, political influence and business structure will all come under the spotlight as we push forward to achieve our objective of protecting, then expanding, the adviser community.

If you haven't already joined us, then please take the time to visit our website, download the application form and become part of the fastest growing trade association our industry has witnessed since the days of the IFA Association.

Alternatively, you can email membership@libertatem.org.uk

This is a significant step forward in the development of Libertatem and will allow us to see many more advisers in the coming months

Garry Heath
Director General, Libertatem

and we will send you the form.

With adviser membership fees starting at just £240 p.a. Libertatem is offering a low cost choice to advisers who want to change the status quo and give the future of financial services a future.

Remember – together, we are stronger, so join now.

Communication is key

We are pleased to announce that David Haines has joined Libertatem as our Communications Director. David has worked for the Institute of Financial Planning, IIB, Impartial Media and The IFA Association so he knows both the issues and the sector very well.

His appointment coincides with an initiative to get out amongst our advisers and talk to you about our new trade association and the efforts we will be making in order to take your business, and the industry as a whole, forward. Garry Heath will be making himself available for as many industry events as he can. If you would like Garry to come and address your firm and discuss your concerns, you can email him at dg@libertatem.org.uk. Don't be shy - Garry would love to hear from you!

In the pipeline

In addition to next week's meeting in Saffron Walden, we are also putting together two conferences.

The first, which will be held on May 27th at our offices in High Wycombe, will look at how you can improve the value of your business in a post FAMR world. Open to members and non-members, it will begin at 09.30am and the guest speaker will be Treasury Select Committee member Steve Baker MP. CPD points will be awarded to all attendees.

The second conference will be held in London. It will take place on July 4th and is appropriately called Independence Day. Both conferences will be sponsored by our partners, mostly fund managers, who are keen to see Libertatem progress.

If you would like to attend either conference, please email us at membership@libertatem.org.uk.



FAMR agrees it's all gone too far

Last Autumn's joint review between the Treasury and the FCA saw a Treasury Select Committee look at the way impartial financial advice is currently provided to the general public.

Using research and statistics from The Heath Report, Libertatem's Director General Garry Heath worked with the Financial Advice Market Review Team, advising on the role of the regulator on the problems advisers are currently facing. A vote of no confidence in the regulator failed to materialize, but did see over 70 MPs participate in a lively and positive debate.

The outcome saw the Treasury Select Committee agree with Libertatem that there are a large number of significant issues with the existing setup and many of Libertatem's recommendations featured in the final report.

We were unable, however, to expand the review into the structure and accountability of regulation - at least for now. But many of our arguments were accepted and January saw three parliamentary events take place which criticized both the current structure and the lack of accountability of the FCA and FOS. And last month Economic Secretary Harriett Baldwin announced "We will be looking at how to make financial advice more affordable and more available, and also at how to get the right kind of regulatory balance for smaller firms".

The process saw Libertatem gain the support of a large number of cross-party MPs who have promised to support us in our efforts to secure another review - this time concentrating on the way the FCA and FOS operate. We will, of course, let you know when this takes place. In the meantime, the more members we have and the more support we can garner across the industry, the more political pressure we can bring to bear.

FCA's latest plans mean more financial stress for advisers

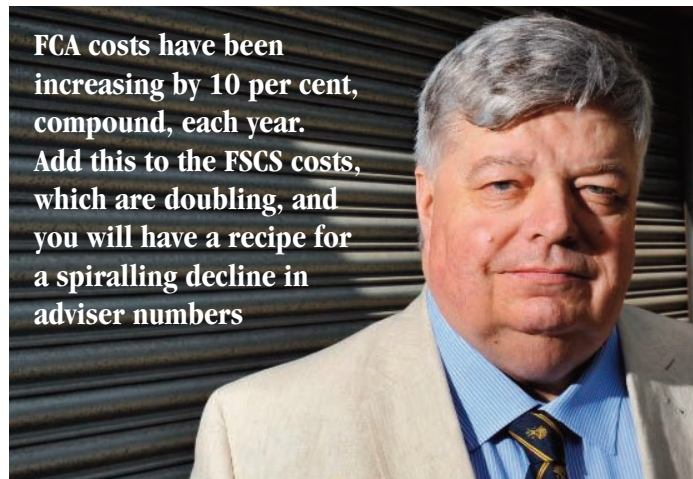
The news that advisers are to pay a greater share towards the FCA's costs will not have been a great surprise to advisers. But the figure of £133 million will have caused many to raise their eyes skywards in wonder.

The amount exceeds the predicted £91 million quoted in The Heath Report and doesn't include fees payable to the Financial Ombudsman Service and the Financial Services Compensation Scheme.

Alpha Investments and Financial Planning director Alan Solomons responded by calling for the FCA's upcoming review of FSCS funding to also look at the effectiveness of the regulator.

Garry Heath, Director General at Libertatem, added "The FCA costs have been increasing by 10 per cent, compound per year. Add this to FSCS costs which are doubling each year, and you have a recipe for a spiralling decline in adviser numbers in the medium term. Advisers need to unite to ensure that their regulatory costs are commensurate with the small risk that they present to the consumer.

Banks and mortgage lenders will also be badly hit. They will be expected to pay about £128 million, while insurers will be landed with a bill for just £60 million as their contribution to the FCA coffers.



We need your support

Libertatem has received a lot of support from both the adviser community and in political circles... but the hard work is only just beginning

Since Libertatem has been launched we have received phenomenal support from the adviser community and a lot of coverage in the media. There are undoubtedly some in Westminster who wish they'd never heard of us. The regulator was bruised and bloodied after his encounter with the Treasury Select Committee, thanks in main to the information and lines of questioning we provided.

But effective campaigning is an expensive business and we really need to build on the membership numbers in order to be totally effective.

To those of you who have already joined us, we thank you and hope we can rely on your continued support, both financially and amongst your peers.

To those who are still thinking about it we ask that you

The FCA also outlined a number of new reviews for the pensions industry. These include the impact of pension reforms on competition and switching and a review of the effectiveness of Independent Governance Committees. Disclosures to existing customers about enhanced annuities



Apathy is running a close second to the regulator as the biggest threat to our industry. It is imperative that we take positive steps to protect and develop the financial services sector in our country.

through non-advised sales processes will also fall under the spotlight.

The announcement further fuels the need for a strong trade association to represent the interests of advisers operating in the financial services sector. If this cost trend continues to increase, we will see a number of small advisers leaving the market. The levy will then be spread across a reduced number of companies, increasing their financial burden to intolerable levels. We simply must do all we can to prevent this from happening.

commit – if only for one year – in order to see if we can become the trade association you deserve.

Apathy is running a close second to the regulator as the biggest threat to our industry and it is imperative that you take positive steps to protect and develop the financial services sector in our country. By joining Libertatem you will be making the right choice.

For more information on Libertatem and what we have achieved so far, visit www.libertatem.org.uk.

If you have any questions please email Garry Heath at dg@libertatem.org.uk – he will be delighted to hear from you and will discuss any concerns you may have.

If you would like to receive an application form, email membership@libertatem.org.uk.

Together, we are stronger.

Libertatem Ltd
The Clare Charity Centre
Wycombe Road | Saunderton
Buckinghamshire HP14 4BF
www.libertatem.org.uk
membership@libertatem.org.uk


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