



Total Money Management legal obligations factsheet

The following factsheet is to ensure Providers of Total Money Management (TMM) services understand:

- What TMM is
- That TMM is not a service that MSD currently funds
- Where to go to get information about delivering TMM safely

For the safety of the provider and client, the provider should understand all their obligations when delivering TMM. This fact sheet provides a starting point for a provider to understand their obligations.

TMM is not currently a MSD funded service, however MSD recognises that many MSD funded providers do deliver TMM-type services to clients. This factsheet is to support providers who are delivering TMM to understand where to get information about delivering TMM safely.

What is TMM?

MSD considers TMM as an intensive financial service, where a provider takes full or partial responsibility for a client's finances to assist them in managing their debts, budgeting, paying bills. This is often used as a last resort to support people in complex situations that are affecting their financial stability.

TMM can vary in scope depending on the needs of the client. TMM clients often present with complex needs which may include addiction (substance and gambling), disability, high debt, health concerns, abuse, homelessness, and unemployment.

TMM is distinct from financial mentoring. Although clients may also receive financial mentoring alongside TMM, these are two separate services, and this, along with the fact that MSD does not fund the TMM service, should be made clear to the client. Refer to the [BFC Core Service Guidelines](#) for a full definition of financial mentoring.

Where to go to get information about delivering TMM safely

To deliver TMM safely, providers should be aware that legislative compliance is complex and requires expert advice. TMM may involve providing 'financial services' that are regulated under financial markets legislation including the Financial Service Providers (Registration and Dispute Resolution) Act 2008 and Financial Markets Conduct Act 2013.

Depending on the nature of the service and circumstances, providers may need to be registered on the Financial Services Providers Register and belong to an approved Dispute Resolution Scheme. They may also be required to obtain a market services licence. Ongoing obligations may apply under that legislation depending on the nature of the service. However, statutory exclusions might be available in some circumstances.

The Financial Markets Authority licences, regulates and supervises financial market participants. You can find general guidance and information on financial markets legislation and how to comply with obligations on [FMA's website](#). You will also find information on financial service provider registration on the New Zealand [Financial Service Providers register website](#).

There are a number of service types set out in the FMA guidance which may be relevant to TMM, including:

[Services | Financial Markets Authority \(fma.govt.nz\)](#)

[Client money or property services provider | Financial Markets Authority \(fma.govt.nz\)](#)

[Financial Adviser | Financial Markets Authority \(fma.govt.nz\)](#)

Further advice

MSD cannot advise on the obligations that providers may have under this legislation and strongly advises all providers involved in TMM to seek independent legal advice on their specific situation.

For queries relating to this fact sheet you may contact Financial_Capability@msd.govt.nz

All queries relating to a provider's legal obligations regarding TMM should be directed to their lawyer or the relevant regulatory body.