

Debt management guidance

Complaint evidence checklist

DEBT MANAGEMENT CONSUMER COMPLAINTS

MA Complaints notified to OFT	Details OFT would find helpful
<p>1. Complaints generally</p>	<ul style="list-style-type: none"> • Evidence tells chronological story from start to finish (similar to skeleton witness statement) • Copies of all MA (Money Advisor)/ client correspondence with debt collector/ debt management company (DMC) or credit information services company (CISC), including client's signed authorisation for MA to deal with complaint on their behalf. • Signed permission of client (not MA) - with complaint- for OFT to disclose their details & complaint to trader. (This will speed up our investigation and avoid the need to seek such permission subsequently.) • MA summary (if possible) of likely DCG/DMG breaches, with evidence of contended DCG/DMG breach. • Any evidence of unfair business practices generally, for example, non-compliance with other codes of practice (for example, NSEA re bailiffs, CSA, DEMSA, IVA Protocol, DRF Standards) as well as any breaches of OFT's DCG/DMG. • Supply updates on complaints, (Issue resolved? Debt written off? Situation changed significantly?) particularly where OFT has requested permission to disclose. • MA's appreciation that OFT cannot provide legal advice or help individual complainants.

2. DEBT MANAGEMENT GUIDANCE

MA Complaints notified to OFT	Details OFT would find helpful
Advertising, marketing and promotion - 18	<ul style="list-style-type: none"> • How did client find out about DMC/IVA Provider (for example, newspaper, internet, etc) • What did DMC/IVA Provider claim to do? • Copy of advertisement/ other promotional material
Contact with consumers (for example, if consumer has been 'cold-called' or if debt adjusting/counselling services have been canvassed during visits to consumers homes without visit being requested – 19	<ul style="list-style-type: none"> • Date and time of day visit took place • Duration of the visit • Detail of what was said to client and their response • Copies of any literature left with client
Information to be provided before contract is signed – 20	<ul style="list-style-type: none"> • Did client phone for more information? • Did someone visit client's home? If so, name of person who visited, position in company. • Detail of what was said about service on offer, cost of service including details of any initial, fixed or periodic management fees payable, amount to be repaid and likely duration of contract, effect on credit rating? • Any other advice that was given.
Contract terms – 21	<ul style="list-style-type: none"> • Was client provided with a contract? • Did it provide detail of how much service would cost, what client should expect from the DMC, what the client was required to do? • Did it give a period within which payments would be passed onto creditors? • What was client told about contact with their creditors?
Advice – 22	<ul style="list-style-type: none"> • Details of advice given to client. Was it in their best interests? Were all the options explained? • What information was requested about client's financial position, and how their income was verified. <p>What DMC/IVA Provider told client about risks and consequences of cancelling direct debits/standing</p>

	orders/stopping contractual payments to creditors/on credit rating.
Service provided - 23	<ul style="list-style-type: none"> • Was client regularly informed by DMC of outcome of negotiations with creditors and whether or not desired result was achieved? • Whether payment plan was reassessed at any time and if client was informed of reassessment outcome. • Was client provided with statement of how their money was to be disbursed and where repayment plan was agreed the balance owed, payment period needed to clear debts and fees charged. • Was client informed of any material changes to agreed arrangements? • Whether client complained to DMC, what they said, DMC's response, was response prompt and fair? • Did client request return of paperwork? Was it returned? <p>Was the complaint dealt with in line with FOS's complaint handling requirements?</p>
Credit Information Services, including the provision of credit repair 24	<ul style="list-style-type: none"> • How did the client find out about the CISC (internet, newspaper etc)? • What did the CISC claim it would/could do? • Did the CISC deliver the service as advertised? • Was the client asked to pay an up front fee? • Was the client offered a refund if they were not satisfied? • Did the CISC claim to be able to remove County Court Judgments (CCJs)? • Did the CISC make clear that CCJs can only be removed from credit files where the information is incorrectly recorded or the matter to which the information relates has been discharged? • Did the CISC persuade/influence your client to provide false information?