IPA Response to the Office of Fair Trading Debt Management Guidance Consultation

INTRODUCTION: ABOUT THE IPA

The Insolvency Practitioners Association (IPA) is a membership body recognised by the Secretary of State for Business, Innovation & Skills (BIS) for the purposes of authorising Insolvency Practitioners (IPs) under the Insolvency Act 1986. The IPA has approximately 2,000 members, of whom more than 500 are currently licensed insolvency practitioners (IPs).

In addition to its recognition under the Insolvency Act for the purpose of licensing IPs, the IPA is also a Competent Authority approved by the Official Receiver for the purpose of authorising intermediaries to assist with debtors' applications for Debt Relief Orders.

As the only one of the recognised bodies solely involved in insolvency, for fifty years the IPA is proud to have been at the forefront of a number of significant developments in the industry, including the establishment of the Joint Insolvency Examination Board and the formation of what is now R3, the profession's trade body.

The IPA has a longstanding and continuing commitment to improving standards in all areas of insolvency (and related) work. It was the first of the recognised bodies to introduce insolvency-specific ethics guidance for IPs, and the IPA continues to be a leading voice on insolvency matters such as the development of professional standards, widening access to insolvency knowledge and understanding, and encouraging those involved in insolvency case administration and insolvency-related work to acquire and maintain appropriate levels of competence and skills.

We have seen a steady growth in the number of insolvency appointment-takers licensed by the IPA, up around 40% since 2008. The IPA currently license nearly a third of UK insolvency appointment takers and actively monitor 34% of all appointment takers as a consequence of our contract to carry out inspection visits for the Law Society (Solicitors Regulation Authority), one of the other recognised professional bodies under the Insolvency Act.

The IPA also undertakes monitoring visit work for the Debt Resolution Forum which sets standards, of which the OFT's Debt Management Guidance is a large component, for its members involved in providing non-statutory debt solutions to insolvent individuals. These programmes extend regulatory rigour into insolvency related areas of activity not subject to regular statutory monitoring. In 2011, it was independently commissioned by a number of Debt Management Companies to produce audit reports in response to the OFT's review of their compliance with the existing Guidance.

IPA members are subject to a robust regulatory regime, applied by its own dedicated regulation teams carrying out complaints handling and monitoring functions. Our monitoring programme is focussed on substantive issues (i.e. those affecting end-users: quality, efficiency, value and outcomes), rather than pure technical compliance, and arguably as a consequence, has become better able to protect consumers' interests while at the same time genuinely adding value to the practices it serves.

Given its experience in both the statutory and non-statutory sectors of consumer debt solution provision, the IPA is uniquely positioned within the current debate about the regulation of the debt management sector.

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GENERAL COMMENTS AND REMARKS

There follows the response to the OFT Debt Management Guidance Consultation, as prepared by the Personal Insolvency Committee of the IPA, a Committee comprised of practitioner members with particular interest and expertise in field. This response is not intended to reflect the views of every member of the Association, who are themselves at liberty to submit their own responses, but rather to reflect the broadly agreed views of the Association and its Personal Insolvency Committee.

Given the IPA's regulatory function in connection with the activities of its Licensed Insolvency Practitioners, our response focuses primarily upon application of the Debt Management Guidance ("the Guidance") to Individual Voluntary Arrangements ("IVAs") and, where relevant, Protected Trust Deeds ("PTDs"). Where considered appropriate, we have commented upon the application of the Guidance to Debt Management Plans ("DMPs") and other non-statutory solutions.

Broadly, the IPA welcomes the OFT's efforts to enhance the regulation of the non-statutory debt solution sector. However, we remain firmly of the belief that improved regulation will require not only robust guidelines, but their consistent implementation and monitoring within coherent regulatory structures. [see the IPA's responses to the *BIS call for evidence in respect of Consumer Credit and Personal Insolvency ;* and the *Insolvency Service (TIS) consultation on reforms to the regulation of Insolvency Practitioners*]

We also recognise the considerable improvements made in recent years through the application of voluntary codes. A number of Debt Management companies have already made a significant effort to demonstrate compliance over and above the OFT guidelines, by signing up to regulation either by DRF or DEMSA. The compliance involves audits, annual independent audit of client accounts, mystery shopping and monthly questionnaires sent to clients.

Whilst we are supportive of the ethos of the Guidance, as reflected in the "Overarching principles of fair business practice", we have identified the following aspects of the Guidance which we believed would benefit from clarification:

- The Guidance contains a number of instances where insolvency legislation is incorrectly explained and creates a number of expectations which potentially conflict with the requirements of the existing legislation. We believe that such instances should be remedied;

- There is a lack of differentiation between the treatment of IVA and DMP cases, leading to a clouding of the boundary between the application of the Guidance to advice provision and the statutory requirements placed upon a nominee once in office. Further, the Guidance does not make it clear that the supervision of IVAs is not a CCL licensable activity. We believe that such instances should be remedied and/or clarified;

- There is a lack of clarity as to the expectations on lead generators and introducers (certain sections of the guidance being stated to apply to them, whilst others not) and to the extent to which licensees may be responsible to consider generators'/introducers' compliance. Furthermore, a lesser standard of compliance appears to be required of creditors engaged in advice provision.
  We consider that these inconsistencies would benefit from clarification.

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CHAPTER 1 - INTRODUCTION (Q1-Q6)

Q1	Do the Foreword and Introduction (including Annexe A) set out the scope and purpose of the guidance sufficiently clearly?
	The Foreword and Introduction, when read in conjunction with Annexe A, are sufficiently clear, subject to the comments made below. However, much of the clarity comes from the Annexe, rather than the Foreword and Introduction themselves.
Q2	Is the definition of who the guidance applies to clear and adequate?
	The application of the Guidance to specific groups (for example insolvency practitioners, lead generators and claims management companies), which is clarified within the Annexe A, could usefully be stated within para 1.8.
Q3	Have we set out our approach to the assessment of fitness and potential risk sufficiently clearly?
	Yes
Q4	Are there any substantive aspects with which you disagree?
	It would also appear that creditors providing advice services to consumers are subject to lower standards, in that they must "have regard" [para 1.10] to the Guidance, rather than adhere to it. The rationale behind this lower standard is not immediately apparent and we consider that the Guidance should apply to *all* parties providing such advice.
Q5	Do you consider that there are any significant omissions?
	Only insofar as are noted above.
Q6	Do you have any other suggestions for improvement?
	No.

CHAPTER 2 - OVERARCHING PRINCIPLES OF FAIR BUSINESS PRACTICE (Q7–Q10)

Q7	Do you agree with the stated 'Overarching principles of fair business practice'?
	The Guidance emphasises that advice provision should be delivered in the best interests of the individual client. As noted in previous consultation responses, the client's best interest will vary significantly from case to case, and this is therefore an inherently subjective standard, requiring the professional acumen of the adviser to be brought to bear. For instance; the desire to avoid bankruptcy will be a more powerful motivator for

	some individuals than for others, depending upon many factors, including personal preference, cultural differences and the individual's comprehension of the bankruptcy process. Similarly, some individuals will have a strong desire to repay as much of their debts as they can, whilst others may wish to find arrangements whereby they reduce the amount they ultimately repay to a minimum. The introduction of an objective benchmark; for instance, that debts should usually be repaid where it is feasible for the client to do so, might facilitate the provision of consistent advice, rather than the mere identification of the individuals' personal preferences. There is a statutory requirement placed upon nominees in IVA cases to balance the interests of debtor and creditors, creating a potential conflict with the Guidance requirement that advice should always be in the best interest of the individual debtor alone. Furthermore, if the level of assessed disposable income is insufficient to render an IVA commercially viable, this requirement suggests that they may still be obliged to advise an IVA as being in the consumer's best interest, even if it is unlikely to be an available alternative. Finally, we could also envisage instances where the duty to provide advice in the best interests of the individual debtor could conflict with other statutory obligations placed upon an Insolvency Practitioner (such as Money Laundering Regulations), and it may, therefore, be appropriate to re-phrase this obligation as being generally subject to any statutory obligation to the contrary.
Q8	Are there any substantive aspects of this chapter with which you disagree?
	See response to Q7 above.
Q9	Do you consider that there are any significant omissions?
	Statement of Insolvency Practice 3 (Re: Voluntary Arrangements) places a regulatory requirement upon insolvency practitioners to advise debtors about all the options available to them, not solely those identified as "suitable" by the advice provider. Paragraph 2.5(b) has missed the opportunity to bring uniformity by extending similar provision.
Q10	Do you have any other suggestions for improvement?
	No.

CHAPTER 3 - UNFAIR OR IMPROPER BUSINESS PRACTICES (Q11–Q55)
Lead generation, direct marketing and personal visits (Q11–Q14)

Q11	Are the draft guidelines on lead generation, direct marketing and personal visits sufficiently clear?
	The Guidance is somewhat confusing as to which elements apply to lead generators and which do not, and similarly, what a CCL licence holder's obligations are with

	regard to their lead generators' compliance with the Guidance. For example: • Certain sections of the Guidance, such as section 3, make specific reference to the Guidance's application to lead generators, whilst others do not, which would imply non-application of those sections; • It is unclear whether para 3.6(b) applies to the services of the lead generator or the end supplier; • It is unclear whether para 3.6(g) places a positive obligation upon the Licensee to check the lead generators' compliance. Further, this section appears to be limited in application to advertising and direct marketing (rather than personal visits). The rationale for this limitation is not apparent; • Annexe A para A.4 appears to suggests that not all of the Guidance will be applicable to non-CCL licensed lead generators, and implies that it refers to debt management leads, rather than those resulting in an IVA or PTD; • Annexe B paras B1 & B.2 appear to suggest that licensees should 'police' CCL licensed lead generators' compliance with the terms of their licences, which we would comment is more appropriately the role of a regulator. • Para B.3 appears to suggest a lower standard of care is required when using non-CCL licensed lead generators, the rational for which is not immediately apparent and we would suggest that the contrary should apply; We are of the view that these ambiguities could be resolved in order that licensees can be certain of their obligations vis-à-vis any lead generators they may employ, whether CCL licensed or otherwise. It may further be appropriate, in the interests of clarity, to address licensees' obligations in this regard within the general principle.
Q12	Are there any substantive aspects of this section with which you disagree?
	No.
Q13	Do you consider that there are any significant omissions?
	Only insofar as are noted above.
Q14	Do you have any other suggestions for improvement to this section?
	Paragraph 3.8 refers to a 7-day cooling off period during which consumers may cancel the contract. Annexe C mentions the 14-day cooling off period required by the Financial Services (Distance Marketing) Regs 2004. Whilst we appreciate that both Regulations have relevance, we believe it would be most helpful to licensees to highlight the maximum relevant period. Additionally, we would suggest that neither can be of application in instances where an insolvency practitioner is instructed to assist in make an application to Court for an Interim Order under section 252 of the Insolvency Act 1986.

CHAPTER 3 – UNFAIR OR IMPROPER BUSINESS PRACTICES (Cont)
Advertising and other communications (Q15–Q18)

Q15	Are the draft guidelines on advertising and other communications sufficiently clear?
	We do not consider that there is sufficient differentiation between the provisions as they relate to statutory and non-statutory debt solutions, given that the former generally provide an element of statutory debt forgiveness. There are a number of inaccuracies in the description of IVA/PTD processes (see below).
Q16	Are there any substantive aspects of this section with which you disagree?
	Para 3.12(b) - Suggests that the OFT would consider any claim that advice is provided free of charge to be false where the provider subsequently charges for their services. We understand that fee-charging providers, including licensed insolvency practitioners, typically provide their initial advice free of charge and on a 'without obligation' basis. In so doing, they are collectively providing professional advice as a 'loss leader' to many thousands of personal debtors who otherwise would not have access to that assistance. We understand that solicitors and accountants similarly will often provide initial free consultations to potential clients. We would expect (and monitor), that the advice provided by our members is provided in accordance with both prevailing statutory and regulatory requirements and current profession standards. We would suggest, therefore, that providers should be able to claim that the advice they provide is "free" in instances where it is so provided, subject to it being made clear that fees will apply to any services subsequently provided. Para 3.12(m)vi - Suggests, incorrectly, that an IVA/PTD will not "write-off" a consumer's debts, where a successfully concluded arrangement will have that effect. This is one of the principal advantages of these processes when compared to DMPs and we are concerned that this should be made clear to debtors. We would suggest that it is a guarantee that creditors will agree to the proposed arrangement which should not be claimed or implied, not that a successfully concluded arrangement will not "write-off" debts. Para 3.12(o)vi-vii - Contains incorrect explanations of the voting/object rights as apply to IVAs/PTDs in that these majorities only apply to creditors who actively participate, not to all creditors.
Q17	Do you consider that there are any significant omissions?
	This section does not appear to be of direct application to lead generators, unlike that above. The reasons for this omission were not immediately apparent.
Q18	Do you have any other suggestions for improvement to this section?
	Para 3.12(b) - A complete reference to the "committees of advertising practice"

	guidance on the use of the word free would be helpful. Para 3.12(h) – As noted above, Statement of Insolvency Practice 3 requires insolvency practitioners to explain all of the options to debtors. We would question whether bankruptcy can appropriately be described as a "debt management option". Para 3.12(j) & 3.12(u) – Both bankruptcy and DROs release the debtor from the requirement to repay their debts (subject to the application of their available assets and income, in the case of the former). A successfully concluded IVA or PTD will similarly result in the statutory unenforceability of the majority of liabilities. Therefore, we consider that these provisions are potentially misleading and could conflict with the requirement to provide "best advice" about the likely outcome of the processes available. We would suggest that they should either be clarified, or re-worded as only being of application to non-statutory solutions only. 3.12(o)ii – The IVA Protocol For Straightforward Consumer Cases (now used in the majority of consumer IVAs) provides for the release of 85% of the loan-to-value equity. To state "any" equity will need to released is not, therefore, typically correct. 3.12(o)iv – Protocol IVA cases will allow for an extension for 12 months in lieu of releasing the equity, often at a significant advantage to the debtor. This will, however, vary, according to the terms of the proposal. We consider that this should be stated as "may" be extended for 12 months.

CHAPTER 3 - UNFAIR OR IMPROPER BUSINESS PRACTICES (Cont)
Advice (Q19–Q22)

Q19	Are the draft guidelines on advertising and other communications sufficiently clear?
	Broadly, yes. However, we would suggest that the section ought reasonably to apply to all providers of advice, whether fee charging, not-for-profit or indeed, creditors. We are unclear as to the rationale behind the apparent exemption of both creditors and the not-for-profit sector from these requirements to verify their clients' identities, income and expenditure prior to the provision of advice. We are of the view that the Guidelines should be consistently applied to anyone providing debt advice services to consumers.
Q20	Are there any substantive aspects of this section with which you disagree?
	It should be noted that the concept of "priority debts" is not recognised within the insolvency legislation, and a number of the provisions contained in this section (paras 3.21(c), 3.23(d) & (e)) advocate practices which are contrary to the statutory expectation that all unsecured creditors must necessarily be included within the statutory insolvency scheme and that distribution to them must be made on a pari passu basis. We consider that these provisions should either be clarified, or re-stated as being of application solely to non-statutory debt solutions.
Q21	Do you consider that there are any significant omissions?

	Only insofar as are noted above.
Q22	Do you have any other suggestions for improvement to this section?
	The use of the term "registered bankrupts" within footnote 49 is potentially confusing as it does not reflect the terminology of the insolvency legislation. This should be amended to read "undischarged". The restrictions of bankruptcy are generally removed after 12 months, upon the debtor's discharge, whilst the "registration" of the bankruptcy will last considerably longer.

CHAPTER 3 - UNFAIR OR IMPROPER BUSINESS PRACTICES (Cont)
Charging for debt management services (Q23–Q26)

Q23	Are the draft guidelines on charging for debt management services sufficiently clear?
	Yes.
Q24	Are there any substantive aspects of this section with which you disagree?
	No.
Q25	Do you consider that there are any significant omissions?
	No.
Q26	Do you have any other suggestions for improvement to this section?
	No.

CHAPTER 3 - UNFAIR OR IMPROPER BUSINESS PRACTICES (Cont)
Pre-contract information (Q27–Q30)

Q27	Are the draft guidelines on pre-contract information sufficiently clear?
	Yes.
Q28	Are there any substantive aspects of this section with which you disagree?
	Para 3.33(s)iv – Misrepresents the legislation as relates to IVAs, where a majority of *75% of those creditors who vote* is required for the IVA to be accepted. In practice, this is seldom 75% of the total body of creditors and an IVA may be validly accepted by the vote of a single creditor, irrespective of what % of the debts they represent. Para 3.34(s)v – Incorrectly states that creditor approval is required for a PTD to be accepted. The process is one of creditor objection and no positive approval is required.
Q29	Do you consider that there are any significant omissions?

	No.
Q30	Do you have any other suggestions for improvement to this section?
	We are of the view that the following paragraphs would benefit from clarification: Para 3.33(c)iii – suggests that the contract should contain details of fees which may be payable under alternative debt solutions. We are unconvinced that this will add to the clarity of the contract and would suggest that it should detail only those fees payable under the solution provided by the contract (perhaps whilst noting that additional fees may be payable where an alternative solution is subsequently selected). Para 3.33(e) – Places an obligation upon the Licensee to advise the consumer of the implications on their credit rating. In this respect we would comment that we are aware of some ambiguity as to the length of time credit reference agencies retain information, particularly in connection with IVAs, where we are aware (anecdotally) of some divergence in practice as to whether the period runs from the commencement or the conclusion of the arrangement. Para 3.33(f) – We would suggest that this should be preceded by "where relevant", as public registers are not currently maintained in respect of non-statutory solutions. Para 3.33(j) – In the cases of IVA, bankruptcy or DRO, debts may not be “excluded at the discretion of the licensee”. We would suggest that this section should be expressed to be of application only to non-statutory solutions. Para 3.33(o) – Implies that the OFT is accepting what we consider to be an unacceptable practice on the part of some creditors. Paras 3.33(p) & (q) – Fail to adequately differentiate between the position with regard to statutory and non-statutory solutions. There are significant differences in this regard between IVAs and DMPs which are not noted. Para 3.33(s) – as noted above, it in unlikely that “any” equity will need to be released in an IVA. 85% is the typically applied percentage.

CHAPTER 3 - UNFAIR OR IMPROPER BUSINESS PRACTICES (Cont)
Contracts (Q31–Q34)

Q31	Are the draft guidelines on contracts sufficiently clear?
	Yes
Q32	Are there any substantive aspects of this section with which you disagree?
	Parra 3.36(a) of the Guidance prohibits the contracts from containing statements to the effect that the debtor understands the requirements of the contract. We are concerned that this may conflict with the statutory requirements of the insolvency legislation and the consequent regulatory requirements placed upon insolvency practitioners in IVA cases. The principle contractual document in an IVA is the arrangement proposal. Section

	262A of the Insolvency Act 1986 provides that a debtor commits an offence punishable with a fine or imprisonment if they make any false representation or fraudulently does or omits to do anything for the purpose of obtaining the approval of his creditors to a proposal for a voluntary arrangement and Rule 5.5 of the Insolvency Rules 1986 requires the debtor to provide the nominee with a statement of his affairs , which must be certified as being true to the best of his knowledge an belief. As a consequence of the seriousness of entering a voluntary arrangement, Statement of Insolvency Practice 3 places a mandatory requirement upon insolvency practitioners to obtain confirmation from the debtor that they understand and accept the course of action being proposed. We would suggest, therefore, that this section should be clarified to the effect that the debtor may be required to confirm his understanding of the IVA process.
Q33	Do you consider that there are any significant omissions?
	Only insofar as are noted above.
Q34	Do you have any other suggestions for improvement to this section?
	No.

CHAPTER 3 – UNFAIR OR IMPROPER BUSINESS PRACTICES (Cont)
Handling clients' money (Q35–Q38)

Q35	Are the draft guidelines on handling clients' money sufficiently clear?
	Yes.
Q36	Are there any substantive aspects of this section with which you disagree?
	Para 3.38(a) of the Guidance appears to apply equally to IVAs and DMPs. However, we do not consider that this term is entirely appropriate in connection with IVAs. Dividends to creditors in IVA cases are payable in accordance with the agreed arrangement proposal and subject to the proving and agreeing of creditor claims. We are not aware of a current expectation on the part of creditors that dividends be paid on a monthly basis (the frequency with which income contributions to the arrangement will generally be received), and we would suggest that such a requirement is unduly onerous, particularly for smaller practitioners. Practitioners are required to hold estate funds in accordance Statement of Insolvency Practice 11 and given that creditors are unable to claim interest as from the date of commencement of the arrangement (subject to its ultimately successful conclusion), we do not consider there to be any detriment to the debtor in dividends being paid with lesser than monthly frequency. The requirement to provide the debtor with a refund of undistributed funds contained in para 3.38(i) of the Guidance will not be possible where a debtor elects to withdraw from an IVA as it would be contrary to the terms of proposals and we

	would suggest that this section should be stated to apply exclusively to non-statutory solutions.
Q37	Do you consider that there are any significant omissions?
	Only insofar as are noted above.
Q38	Do you have any other suggestions for improvement to this section?
	No.

CHAPTER 3 – UNFAIR OR IMPROPER BUSINESS PRACTICES (Cont)
Debt management services (Q39–Q42)

Q39	Are the draft guidelines on debt management services sufficiently clear?
	It is unclear if this section is intended to apply exclusively to non-statutory solutions, especially given that para 1.9 states *"when we refer to debt management 'options' in this guidance, this includes... IVAs, PTDs, BKY".* We consider that the provisions of this section are of no application to statutory debt solutions, as these are subject to their own regulatory regimes and believe that this should be clarified accordingly.
Q40	Are there any substantive aspects of this section with which you disagree?
	Only insofar as are noted above.
Q41	Do you consider that there are any significant omissions?
	Only insofar as are noted above.
Q42	Do you have any other suggestions for improvement to this section?
	No.

CHAPTER 3 – UNFAIR OR IMPROPER BUSINESS PRACTICES (Cont)
Credit information services (Q43–Q46)

Q43	Are the draft guidelines on credit information services sufficiently clear?
	Yes.
Q44	Are there any substantive aspects of this section with which you disagree?
	No.
Q45	Do you consider that there are any significant omissions?

	No.
Q46	Do you have any other suggestions for improvement to this section?
	As noted above at Q30, we are aware (anecdotally) of some divergence of opinion (and practice) as to whether the credit referencing period runs from the commencement or the conclusion of an IVA. Perhaps this could be clarified.

CHAPTER 3 – UNFAIR OR IMPROPER BUSINESS PRACTICES (Cont)
Creditors' responsibilities (Q47–Q50)

Q47	Are the draft guidelines on creditors' responsibilities sufficiently clear?
	We consider the requirement that creditors "have regard" to the Guidance is potentially ambiguous.
Q48	Are there any substantive aspects of this section with which you disagree?
	We do not consider that this section places a sufficient requirement upon creditors to comply with it.
Q49	Do you consider that there are any significant omissions?
	We are unclear as to the rationale behind the apparently lower standards being applied to creditors who provide advice to debtors and consider that the Guildelines should apply equally to *all* parties acting in this capacity.
Q50	Do you have any other suggestions for improvement to this section?
	Only insofar as are noted above.
Q51	Do you have any comments about the structure or format of this guidance document?
	Given the length of the document, we consider that it would be clearer if the principles were stated within the main body and examples of unfair/improper practices were contained in a separate appendix, rather than interspersed within the substantive provisions.

CHAPTER 3 – UNFAIR OR IMPROPER BUSINESS PRACTICES (Cont)
Complaints handling (Q52–Q50)

Q52	Are the draft guidelines on complaints handling sufficiently clear?
	Yes.
Q53	Are there any substantive aspects of this section with which you disagree?

	No.
Q54	Do you consider that there are any significant omissions?
	No.
Q55	Do you have any other suggestions for improvement to this section?
	No.

CHAPTER 4: REGULATORY COMPLIANCE AND ENFORCEMENT (Q56–Q63)

Q56	Are these draft guidelines on regulatory compliance and enforcement sufficiently clear?
	Para 4.16 – We would question whether the definition of third parties *"instructing them or acting on their behalf"* would cover purchased leads, as it suggests that this section applies only to an agency type relationships. Was this the intention? Furthermore, we are unsure as to what action would constitute taking *"reasonable steps to satisfy themselves that such third parties are correctly licensed"* would amount to in practice, other than asking the third party for confirmation that they hold a CCL? We would also suggested that whether a third party should hold a CCL licence in respect of their business activities is ultimately a matter between them and the OFT, and it is not appropriate to place an obligation upon other licensees to act in a quasi-regulatory capacity. We would suggest that this principle could more clearly be expressed that Licensees should not contract with third parties who operate, or ought reasonably to be known to operate, unfair/improper or practices, irrespective of whether the third party is a CCL license holder themselves.
Q57	Does the section 'Licence holders' responsibilities for third parties' clearly convey our expectations?
	See Q56 above.
Q58	Are there any substantive aspects with which you disagree?
	See Q56 above.
Q59	Do you consider that there are any significant omissions?
	See Q56 above.
Q60	Do you have any other suggestions for improvement?
	Para 4.6 - We consider that it could be made clearer that some form of independent monitoring regime is *"considered good business practice"* (and not mandatory), and then presumably only where the licensee is not already subject to regular monitoring

	by a third party (such as their regulator, in the case of licensed insolvency practitioners). Para 4.17 – We are of the view that it ought not to be responsibility of the a licensee to check that other licensees' complaints handling processes are complaint with the Guidance and would question a licensee's ability to do so in a meaningful way. We consider this to be the role of the regulator. Furthermore, we are also unclear as to the rationale behind stipulating this single area of Guidance compliance as being within the remit of licensee to make enquiries?

Q61	Do you have any other comments about the Annexes (A-D) contained in the guidance document?
	See our introductory remarks and Q1 and 2 above. We consider that it would be preferable to be clear about the extent of application of the Guidance to lead generators/introducers in the introduction and perhaps consider more detailed explanation within an appendix rather than referring to them intermittently at various points within the Guidance.
Q62	Do you have any other comments about this guidance document?
	We consider that the Guidance should be made clearer as to which elements apply to the statutory solutions of IVA, PTD, bankruptcy and DRO and which apply exclusively to non-statutory solutions, such as DMPs. In some instances, as noted above, qualification is required in order that the Guidance is consistent with existing statutory provision. The non-application of the Guidance once a statutory debt solution is in place should also be noted.
Q63	Do you consider that a shortened (executive summary) version of the guidance might be useful? If so, which aspects of this document do you consider should be included/omitted?
	See our introductory remarks and responses to Q 51. Whilst an executive summary may be useful, we do not consider that it would be entirely necessary, were the examples of "unfair/improper business practices" contained in an appendix, rather than interspersed throughout the Guidance.

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