

"Preventing harm in the first place is better for consumers than taking enforcement action afterwards". OFT 2009

Compliance takes you there sooner



Members' Report
Debt Management
Review

JUNE 2010

Issue 3

DRF

.....compliance is about creating a positive, ethical and knowledgeable culture within a business that empowers and drives the business, and the people who work in it, to act with integrity and to compete vigorously and effectively within the law. DRF membership shows you the way....

Annual Report 2010

Debt Resolution Forum

Welcome

Welcome to the 2009-2010 Annual report for the Debt Resolution Forum.

This is really just a slightly larger, more formal, edition of our newsletter. The aim is to remind you of our achievements in the past year and to look ahead to likely developments in the remainder of 2010 and 2011 – and to tell you how we propose to address the industry's needs in this critical period.



David Mond

Chairman

DRF in 2009/2010

Our annual conference last November was standing room only, with 280 delegates (we have already booked a larger venue for the **2010 conference, which will be on 2 November at the Manchester Conference Centre**: a date for your diary. It was impressive that DRF could fill a room that big with people who, from the debate that took place and the comments we received afterwards, have a real commitment to improving standards in our industry.

And there is absolutely no doubt we need to do so, as was made clear by almost every speaker and, most forcefully, by Nigel Cates from the Office of Fair Trading.

We made some significant steps forward during the year – but there is absolutely no doubt that our biggest challenge to date is the OFT's push to measure our industry's performance against their debt management guidance and the likely emergence of a new version of the same.

But, we are in dialogue with the OFT, the Ministry of Justice and the Insolvency Service because of the things we have achieved for you. These include:

- Accreditation and launch of the Certificate in Debt Resolution (see below)

- Representation on the IVA protocol standing committee – leading to a revised protocol being issued in January. This work continues.
- Robust resistance to the proposed DMX initiative, leading to its abandonment.
- Negotiation with Northern Rock, leading to their improved acceptance of IVAs.
- Detailed development of a monitoring framework and agreement on funding of same, with the Insolvency Practitioners Association (IPA).
- Establishment of a complaints and dispute resolution panel, under the chairmanship of David Hawkes, Advice UK's Money Advice Co-ordinator.

We are going to continue to work to meet your needs in 2010 and 2011 and our campaigning zeal will be reflected in any new single body that may emerge for the industry in that time.

Misleading Statements

Neil Bowler: Gemstone Financial

As a result of ongoing Trading Standards visits to debt management providers, Trading Standards have produced a document known as Annex B, which contains a list of “misleading statements” that they deem to be unsuitable when used in financial promotions for debt management. This document is not universally available and many members may be unaware that there is guidance on what can be used in the wording of their adverts and websites. Trading Standards have told us that:

“Annex B of the Debt Management Guidance is a fluid document intended to guide enforcement authorities on what are likely to be considered misleading statements. Whilst not primarily intended for the trade, there is no objection to traders receiving a copy. The only caveat is that the guidance is likely to change frequently to react to market conditions.”

We are being measured but not allowed to know what we are being measured upon, and therefore we will be deemed to have failed the guidance.

CertDR

Chris Holmes: Bankruptcy Protection Fund

Proper, Professional and Relevant

In January 2010 DRF was proud to announce the full accreditation, to BTEC Advanced Certificate Level 3, of the Certificate in Debt Resolution. As the numbers of learners increase, the qualification is proving to be essential to the debt advice business, enhancing both credibility and productivity. More than 270 people have signed up for the qualification and, since launch in January, 48 have

successfully passed all three modules and are entitled to put CertDR after their names. Pass rates are, as planned, around 70%.

The pipeline of learners is accelerating and is proving popular with many related businesses actively involved, e.g. Insolvency Lawyers, IPs, Retail Banks, Credit Card Companies and Local Councils. The standing of the diploma has been further recognised as creditors and government bodies have praised the raising of standards by this professional qualification.

Developments

Due to the continued success of the CertDR qualification, a number of key developments are being launched to streamline the process and increase the potential of the qualification, and in turn DRF. We have brought the administration of the qualification in-house and are pleased to announce a new member to the team, **Gaynor Loughnane**. From Monday 7 June 2010, Gaynor is your point of contact regarding CertDR. She can be reached via the email or telephone number below.

We would like to say thank you to the team at DSW for their diligence and hard work. We would especially like to thank Tim Hattersley, Mike Pawley & Tricia Lewis, who have all played a key role in making the CertDR qualification such a success.

certdr@debtresolutionforum.org.uk

Tel: 0161 905 8372

Mon, Wed & Fri 09.30 - 15.00

Future Strategy

DRF believes the time has come for our industry to, if at all possible, be represented by a single strong voice.

It is that end that we have opened merger discussions with DEMSA. But, we cannot assume what the outcome will be, despite the undoubted commitment from all parties.

We have made arrangements to ensure you get value for your subscription, whatever happens.

We intend to continue to engage fully with the OFT in the development of their future policy towards our industry and intend to put in place a monitoring regime that inspires trust by outside organisations; giving us the freedom to thrive, allowing government agencies to concentrate on the real cowboys that crowd the margins of our industry.

DRF Governance 2009-2010

Objectives

DRF has three key aims:

- To represent the interests of fee-charging debt resolution providers and to explain and gain support for what we do amongst the public, media, creditors, government and regulators
- To provide qualifications and training for client-facing staff in the debt resolution industry – to ensure the quality of advice our members give is second to none.
- To provide appropriate standards for the debt resolution industry and to help members meet or exceed those standards through the provision of compliance advice, codes of conduct, monitoring and accreditation services and complaints and disciplinary procedures.

Final Note

DRF has, on very limited resources and with much unpaid work by members of your board, achieved much in creating a voice for this industry. The challenge now is to create public trust – this is our aim for the coming 12-24 months.

Help us. Renew your membership today and get involved.

DRF 24.5.2010

Chairman

David Mond

Board Members

David Mond (Chair) – ClearDebt Group

Neil Bowler – Gemstone Financial
Beverly Budsworth – The Debt Advisor
Diane Dunion – Money Guiders
Andrew Graveson – Bright Oak
John Hall – Invocas
John Hedger – Money Debt & Credit

Chris Holmes – Bankruptcy Protection Fund
Derek Oakley – Debt Free Direct
David Rankin – Harrington Brooks
Antoinette Thorpe – Paymex Group
Suzanna Walker
Gill Wrigley - Tenon

Members

Abacus (Financial Consultants) Limited
Action Today
The Amadeus Partnership
Ashley Park Debt Solutions
Baines and Ernst
Blair Endersby
Bright Oak Limited
Byrom and Keeley Financial Solutions Ltd
Churchwood Financial Services
ClearDebt Group Plc
ClearDebt Limited
ClearStart
Debt Advice Foundation
Debt Advice Link
The Debt Advisor
Debt Advisory Line
The Debt Advisory Portal
Debt Free Direct Limited
DebtFreeMe Financial Solutions
Debt Resolution Centre Ltd
Debt Release Direct
Debt Stop Direct Limited
Dissolve Debt Limited

Fair Deal on Debt
Fairpoint Group plc
Gemstone Financial Management Limited
Harrington Brooks
Invocas Group plc
Kensington Financial Management Limited
Key Finance
Lawrence Charlton
Money Advice Group
Money Debt and Credit
Money Guilders Ltd
Money Tailor
My Debt Lifeline
Netchwood Networks Ltd
Paymex Group
Personal Touch Debt Solutions
Reverse Financial Solutions Ltd
Silverline Finance Ltd
Smooth Financial Consultants Limited
Tandem Financial Solutions Ltd
Tenon Group
Ventures in Finance
Zebra Money Management