

Note: Clauses 1, 2 and 4 apply to all business transacted by members. Clause 3 applies only to members dealing with consumers.

In this code 'client' means a single trader, partnership, company, Local Authority or Government Department for whom a member has agreed to act.

In this code 'consumer' means an individual whose dealings with a client have been referred to a member for attention.

All transactions

- 1 Each member shall conduct its business lawfully, comply with all relevant legislation and judicial decisions and trade fairly and responsibly.
- 2 Each member shall:
 - a. Behave at all times with integrity.
 - b. Act responsibly and with care in the day to day conduct of its business.
 - c. Provide adequate training for members of its staff, bringing to their attention the principles of this Code and requiring them to carry out their duties in accordance with it.
 - d. Follow where appropriate any requests conveyed to the members by the Council of the Association from the enforcement authorities.
 - e. Follow where appropriate any guidance notes issued by the Council of the Association.
 - f. Notify the Association of any matters which might adversely affect the reputation of the industry or of the Association.

Consumer transactions

- 3 Each member shall:
 - a. Comply with all relevant legislation benefiting consumers including:
 - The Administration of Justice Act 1970 Section 40.
 - The Consumer Credit Act 1974 (and Regulations made thereunder).
 - The Sex Discrimination Act 1975.
 - The Disability Discrimination Act.
 - The Race Relations Act 1976.
 - The Data Protection Act 1998.
 - The Criminal Justice Act 1995.
 - Unfair Terms in Consumer contracts Regulations 1994.
 - b. Use plain English in all communications with the consumer.
 - c. In correspondence, use notepaper showing the full business address to which the consumer can reply.
 - d. In all contacts by its staff or agents with consumers, ensure that the member's identity is clearly disclosed.
 - e. Comply where possible with all statutory and other reasonable requests by consumers for information about their agreements and accounts, by arranging to be supplied where necessary copies of documentation and statements of account and assist consumers seeking advice and guidance.
 - f. Give prior written notice to the consumer of any intention to levy collection charges and ensure that such charges are fair and reasonable in accordance with CSA guidelines.

Confidentiality

- g. Keep in strict confidence any information supplied to it by the consumer or others in relation to the consumer, except where disclosure is authorised by the consumer or permitted or required by law.

Debt collection and defaults

- h. Ensure by continuously examining its debt collection procedures and those of any third parties it employs that they conform to the highest ethical standards and allow for proper consideration of the consumer's circumstances and in particular:
 - i. Encourage consumers in financial difficulties to inform members of their difficulties and endeavour to respond sympathetically.
 - ii. Provide in all relevant correspondence the name or designation of a specially trained member of staff who may be contacted regarding financial difficulties.
 - iii. Take into consideration before determining whether to enforce repayment all information supplied by the consumer or otherwise in relation to the reason for non payment or the consumer's future ability to repay; if the consumer has disclosed multiple debt problems, inform the consumer of the availability of advisory services.
 - iv. Not bring unreasonable pressure to bear on the consumer in default of payment.
 - v. Comply with the Association's guidelines on collections contained in the Annex to the Code of Practice.

General conduct

- 4 Each member shall:
 - a. Safeguard the security of their clients' monies.
 - b. Account to their clients at least once a month or as otherwise agreed by their client.
 - c. Inform their clients of the true rates of charges for services rendered.
 - d. Ensure that by prior arrangement clients are able to visit their premises for the purpose of auditing and checking their accounts.
 - e. Conduct its business under a name, title or style which will not confuse or mislead clients, creditors, consumers or members of the public or which will not imply any association with other organisations or persons which do not exist.
 - f. Not approach, induce or persuade staff in the employment of a client to join the member's organisation, although nothing in this clause will prohibit the engagement by a member of such an employee where a bona fide application is made.

Complaints

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 - a. Members shall deal promptly and at an appropriate management level with complaints.
 - b. If a consumer makes a complaint to the Association in relation to their dealings with a member of the Association, the Association will in the first instance refer the complaint to the Chief Executive of the member for consideration.
 - c. If the complaint is not then resolved to the consumer's satisfaction, the Association shall endeavour to conciliate between the consumer and the member. If necessary the consumer can be directed to the local Trading Standards Department, Consumer Advice Centre or Citizen's Advice Bureau.
 - d. If a client or a client's customer makes a complaint to the Association in relation to its dealings with a member, the complaint will be referred in the first instance to the Chief Executive of the member for explanation.
 - e. If the complaint is not then settled to the client's satisfaction, or it refers to a breach of the Code of Practice or Articles of Association, then the complaint will be referred to a specially convened Disciplinary Committee of the Council whose powers are clearly embodied in the Articles of Association (copies of which may be obtained from the Secretary).

The Association

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 - a. Each member shall provide to the Council, on request, references and proof of financial solvency.
 - i. Members who are not required to file annual returns or accounts must provide the Association annually with a Certificate of Solvency based on their last available audited accounts and signed by their Auditor.
 - ii. Notwithstanding the above, each member shall have their accounts audited by a firm of qualified accountants.
 - b. The Association shall monitor the compliance of members with the Code and shall each year publish a report on its findings.
 - c. Any instance of non compliance shall be drawn to the attention of the member concerned. In the event of continued non compliance or of a serious breach, the Disciplinary Committee will take such action as it deems appropriate, including a warning or recommendation of expulsion of the member concerned from membership. In the event of expulsion the Association will send a report to the Office of Fair Trading.
 - d. Membership of the Association entitles the member to display an approved trade association symbol thereby indicating their adherence to this Code of Practice.

The Credit Services Association Guidelines on collection procedures

The following list of guidelines is intended as an indication of procedures to be adopted by members. It is not intended as an exhaustive directive to members.

Moreover the effectiveness of collection techniques and procedures depends on the circumstances applying at the time collection is attempted and so cannot be regulated in an absolute manner. Nevertheless, the Association expects compliance with the guidelines and any member not so complying will have to give a justifiable reason for non compliance in the event of a complaint being received by the Association.

Guidelines

In attempting to carry out collection from a consumer in default of payment, members of the Credit Services Association should:

- 1 Not use oppressive or intrusive collection procedures.
- 2 Not act in a manner in public intended to embarrass the debtor
- 3 Be circumspect and discreet when attempting to contact the debtor whether by telephone or by personal visit.
- 4 Ensure that all attempted contacts with debtors are made at reasonable times and at reasonable intervals.
- 5 Unless instructed otherwise, accept all reasonable offers by debtors to pay by instalments.
- 6 Unless otherwise instructed by the debtor, not discuss with or disclose to any third parties especially neighbours, relatives or employers, the consumer's indebtedness.
- 7 Not use improper means to obtain the telephone number or address of a debtor.
- 8 Not pressurise debtors to sell property or to raise funds by further borrowing.
- 9 Not falsely imply that criminal proceedings will be brought nor that civil action has been instituted in default of payment nor should members falsely state or imply that a judgement has been obtained against the debtor.
- 10 Ensure that collectors who use pseudonyms can be identified within the member's organisation.
- 11 Take all possible steps to verify that the person being pursued is, in fact, the debtor.
- 12 When charging consumers for collection costs, ensure that the cost represents no more than the sum of the cost incurred in reaching repayment agreement with the consumer and the cost of accounting for such repayment.

Such costs to include for example:

- Refer to Drawer Cheques
- Doorstep Collection Calls
- Solicitors Letters
- Creditor Authorised Charges

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Further Guidance is available to CSA Members (only) on the [Guidance & Guidance Notes](#) page.