

The title 'Debt Manifesto' is written in a large, white, serif font, centered within a semi-transparent white rectangular box. The background of the entire page is a photograph of the Houses of Parliament in London at dusk, with the building's spires and towers illuminated against a dark sky. A large, stylized white outline of a speech bubble or a similar shape is overlaid on the image, framing the title and the organization's name.

Debt Manifesto

**THE CREDIT SERVICES
ASSOCIATION (CSA)**

Incorporating the Debt Buyers & Sellers Group (DBSG)

“The Voice of the Credit Services Industry”

This document aims to enlighten, raise awareness, express concern and suggest proposals to alleviate problems caused by excessive debt; to consumers, UK Industry and the Public Sector

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Executive Summary

KEY POINTS OF THE MANIFESTO

This Manifesto is presented by the Credit Services Association (CSA) incorporating the Debt Buyers & Sellers Group (DBSG) and follows extensive research with Members of the Association and others.

There is increased recognition by creditors, Government departments and agencies, and Regulators of the high value of the debt service industry, in that it provides a safety net for the recovery of large sums of money which would otherwise be lost to the economy.

This Manifesto argues that there is a relationship between a regulatory culture which enables consumers to avoid their debts and the growing problem of overindebtedness.

OBJECTIVES

To establish a level playing field between Debtors and Creditors

Currently legislation and regulation concentrate heavily on the rights of the consumer and not on their **duties** to fulfil their financial obligations. A culture that ignores the rights of creditors, and encourages people to avoid paying their debts, can also encourage them to get into debt in the first place.

To improve access to information about people and their whereabouts

The largest problem in the recovery of debt is the lack of access to information about people, and their whereabouts. There is no legal requirement for people to register their address with their creditors making it easy for people to relocate or disappear to avoid their debt obligations.

To work more closely with Legislators & Regulators

The Industry aims to maintain and improve its relationship with Legislators and Regulators for the betterment of the economy, our industry, and to help provide solutions to the current problems of overindebtedness.

SECTION I: ABOUT US

1.1 The Credit Services Association (CSA) & Debt Buyers & Seller Group (DBSG)

The Credit Services Association (CSA), dating from 1902, is the only national association in the UK for companies offering credit support services to financial institutions, trade finance companies, utility companies, local authorities, educational establishments, health authorities, government agencies and a wide range of commercial and professional companies.

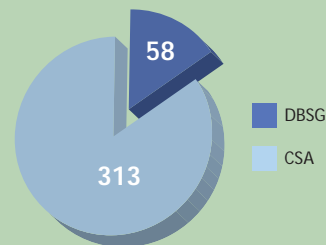
In 2004 the Association formed a new section - The Debt Buyers & Sellers Group (DBSG) - to serve the fast expanding debt sale market.

CSA and DBSG Members perform a vital function in supporting the UK economy by collecting large sums of unpaid credit accounts for their clients in finance, industry and the public sector. These sums would otherwise be lost and would have to be made up by increased interest charges.

- **Association Membership encompasses 95% of all creditor external collection**
- **The Credit Services Association has 313 Members**
- **The Debt Buyers & Sellers Group has 58 Members**
- **More than 20 million individual debt collection cases are handled by Association Members annually**
- **This represents some £15 billion in value terms**

Services offered by Members are principally those of debt recovery, debt purchase, debt management, tracing of absconded debtors, training on debt collection matters, credit investigation status enquiries, credit control expertise, credit insurance support and call centre and field support.

The CSA and DBSG, hereafter referred to as the Association, is the only Association of its kind in the UK servicing the credit industry - providing essential support, information, guidance and expertise to Members allowing them to carry out their business safe in the knowledge that their Association is at the forefront of Industry developments and changes that may affect their day to day activity.



Personal debt is increasing by £1 million every 4 minutes



SECTION 1: ABOUT US

1.2 The Association is BIG on...

Education • Fairness & Transparency • Driving Commerce • Consumer Liaison • Compliance

Education, education, education - this is the key and has long been 'the winner' for many a politician over the years. The Association is no exception. Members educate staff to City & Guilds Diploma level and the Association provides constant reviews of training needs and resources and updates Members continuously on legislative and regulatory changes.

The Association believes strongly in educating young people in schools about the 'pitfalls' of debt, the credit industry as a whole and the way it will affect them in adulthood. It therefore fully supports the launch of the Qualifications & Curriculum Authority (QCA) new curriculum which includes a programme of Economic Wellbeing & Financial Capability.

Fairness and transparency - the Association aims to achieve a fair balance between the needs of protecting consumers and the needs of providing the credit economy with the means to recover its debts.

Driving commerce - there are many misconceptions about the debt collection industry. Debt collection agencies perform a vital function in supporting the UK economy by collecting large sums of unpaid credit accounts for their clients in finance, industry and the public sector. These sums would otherwise be lost, with businesses making up the shortfall by increased interest charges.

The Department for Business, Enterprise & Regulatory Reform (formally DTI)¹ confirms that credit is an important tool that drives economic activity by giving consumers and businesses greater control and flexibility over finance management. Debt has become an essential and vital component to our lives.

Compliance - the Association is dedicated to upholding the highest professional ethics and standards in an industry that is so vital to the UK economy. It has a comprehensive Code of Practice, which has been in place since 1984, and has become an Industry benchmark. The Office of Fair Trading (OFT) Debt Collection Guidance closely mirrors the CSA Code of Practice.

Fairness and transparency - the Association aims to achieve a fair balance between the needs of protecting consumers and the needs of providing the credit economy with the means to recover its debts.

Consumer liaison - the Association strongly believes that good liaison between those representing the creditors and those representing the consumers is of utmost importance. The Association is therefore a member of the Money Advice Liaison Group (MALG) (see Appendix 1 for full list of members) which promotes a better understanding between creditors, their agents and consumer groups.

More than 80% of Britons admit to regularly overspending

