

INTRODUCTION

Primary Function

The primary purpose and function of the Debt Resolution Forum is to promote professional standards of resolving debtors' financial problems, focussed on the quality of advice provided to 'consumer' debtors by all DRF members across the range of solutions which is available to consumers and irrespective of the areas of solution specialisation of individual DRF members, (in this context 'Consumer' debtors are private individuals who have incurred unsecured indebtedness at a level which they are unable to service in full).

THE CODE & STANDARDS

General

This document details the standards to which DRF members are obliged to conduct their business.

DRF's members and debt resolution companies wishing to join DRF have to demonstrate, by inspection, that they comply with the standards and requirements set out in this Code, and undertake to comply with all of its aspects.

DRF monitors and audits compliance with the Code by annually inspecting its members. This inspection is carried out by the Insolvency Practitioners' Association - Debt Management Compliance Team. Members must agree that DRF has the power to discipline or sanction any of its members should they not adhere to this Code.

Conformity with this document is what will be measured during the course of the DRF annual monitoring visits by the monitoring and audit body. This document is subject to constant revision and members are responsible for ensuring they use current versions to guide their compliance activities in relation to DRF membership.

Compliance with Statutory Regulations - All Sections of Debt Resolution Forum Code & Standards

All members must be licensed appropriately and carry out their business in accordance with requirements of the Consumer Credit Act 1974.

- All members must take into account all of the reforms introduced by the Consumer Credit Act 2006.
- All members must also comply with any and all other regulations which may apply, including the Data Protection Act 1998, Consumer Protection Act 1987, Financial Services (Distance Marketing) Regulations 2004, Unfair Contract Terms Act 1977, Unfair Terms in Consumer Contracts Regulations 1999, Supply of Goods and Services Act 1982, Distance Selling Regulations 2000 and any further enactments that may be introduced at any time in the future that directly concerns the consumers' rights in connection with any form of Debt Resolution.

Compliance with OFT Debt Management Guidance

- All members of DRF must comply with all sections of DRFS.
- All members of DRF must comply with the OFT's "Debt Management Guidance Notes" and

any future issues, revisions or commentaries. Debt Management Guidance, September 2008 OFT 366.

- The Debt Management Guidance places important obligations on DRF members. The DRF Code & Standards is an extension of and is in addition to the OFT's guidelines.
- The Debt Management Guidance Notes can be found by following the link from the DRF's website, or by visiting any members website or the OFT website,

Administration and Monitoring of the DRF Code & Standards

The DRF Code & Standards are supervised and administered by the Code Administrator who is the Chairman, or another appointed director (who shall be chairman of the code sub committee), from time to time of the DRF. The Code Administrator shall:

- Take steps to be satisfied that members' trading practices and documentation comply with the DRF Code & Standards.
- Pass complaints and disciplinary matters to the appropriate committee and panel in accordance with the Procedures set out.
- Ensure that the appropriate committee and panel report any breach of the Code & Standards to the member and recommend any remedial action.
- Ensure any recommendations for remedial action are communicated to the monitoring and audit body and that compliance is investigated in an appropriate and timely manner.
- Report to the Board and/or disciplinary committee any failure by a member to act upon any recommendation.
- Review, with the Code & Standards sub-committee and the monitoring and audit body, the content of the Code & Standards on an annual basis in the light of changing statutory and practical circumstances and, from time to time, make recommendations for changes based on the outcomes of complaints, disciplinary hearings and IPA inspections.
- Provide an Annual Report on the operation of the Code & Standards and Procedures and ensure that this is circulated to the OFT and other interested parties.

This document is divided into the following sections:

- **Section A:** Standards applied by DRF members in their work with and on behalf of Debtors
- **Section B:** Standards applied by DRF members in their dealings with Creditors
- **Section C:** The training, qualification and continuing professional development of DRF members' management and staff
- **Section D:** Corporate standards of governance adopted by DRF members
- **Section E:** Client Funds
- **Section F:** Advertising and Publicity
- **Section G:** Fees and other charges
- **Section H:** Complaints
- **Section I:** Statements/reviews/information provided by the DRF
- **Section J:** Regulatory Framework
- **Section K:** Development of standards

A. Standards applied by DRF members in their work with and on behalf of Debtors

1. Introduction

DRF members provide advice which is:-

- consistent
- objective
- impartial
- free at the point when they are first contacted by the debtor (see also '**Fees and other charges**' in **Section G**, below)
- transparent as to the basis of fees and charges collected
- clear as to the risks arising in each of the options available
- based on full knowledge of the debtor's financial and personal situation as disclosed to the member by the debtor
- provided on a basis which is intended to lead ultimately to the financial rehabilitation of the debtor
- takes into account the attitude of the debtor to risk, where appropriate.

Members must:

- show that they act solely in their clients' best interests.
- help clients to clear their debts as quickly and efficiently as possible, and must not use high pressure selling tactics.
- exercise all due discretion, in the best interests of the debtor, in deciding whether or not to accept a debtor onto a debt management programme, and must bear in mind that debt management programmes are not suitable for all debtors.
- make a realistic assessment of the financial circumstances of the consumer before advice is given. Clients must be informed that verification of information given will be obtained in the form of pay slips, bank statements, credit card and loan statements, etc.
- keep confidential all information given to members by their clients (with the exception of the disclosure of relevant information, with the client's express consent, to relevant creditors or for the purpose of the independent investigation of a complaint).
- advise clients of the importance of paying secured loans and prioritising debts.
- must show that any advice given to the client to cancel direct debits and standing orders prior to a repayment plan being agreed with creditors must be demonstrably in the best interests of the client (members must clearly warn clients of the risks and consequences of this course of action if advised).
- must not lend money to clients for the purpose of debt consolidation.
- must ensure that, in every case, proper case records are kept and that adequate means of storage and retrieval are in place.
- provide, upon completion or termination of a programme, the client with a full statement of the history of the programme and return any important documentation e.g. pay slips or P60s
- retain all documentation, in any form, for an appropriate period in accordance with Data Protection Guidelines.
- only provide other services or products such as Payment Protection Insurance if clients "opt in" to the purchase of such products.

Clients should, at the outset, be given a statement to show how their money is being disbursed. This statement should include the balance owed (or the best estimate, when an accurate figure is not known) and the period of payment needed to clear the debts. The statement must include the fees charged by the member. Clients must be kept informed of any material changes to these arrangements when they occur.

Members should meet any request by a client for a statement of his or her position.

2. Extent of indebtedness

DRF members advise/act on behalf of debtors in relation to debts including but not limited to:-

- credit card debt
- secured and unsecured debt
- student debt
- consolidation
- hire purchase and conditional sale agreements
- overdraft
- mortgage
- council tax
- gas and electricity bills
- fines
- income tax arrears and tax credit overpayments
- national insurance contributions
- rent
- business debts
- VAT
- water charges
- traffic penalties
- mail order
- the home credit industry

Where debt repayment is part of the service provided by the member full account must be taken of priority debts such as mortgage payments, rent, utility payments etc (including any arrears incurred in those debts) in setting monthly repayments.

3. Debt reduction

Where appropriate, DRF members also assist debtors to use legal remedies to mitigate or reduce liabilities for certain debts, such as:-

- Consumer Credit Act debts
- extortionate credit bargains
- how to respond to bankruptcy action or other actions to enforce payment, such as distress execution, attachment of earnings, charging orders

4. Creditor Action

Where appropriate, DRF members advise debtors:-

- on courses of action in relation to disputed debt
- how to respond to bankruptcy action or other actions to enforce payment, such as distress, execution, attachment of earnings, charging orders
- of ways in which creditors might be challenged in relation to unenforceable debt
- on strategies for dealing with mortgage or other property repossession

5. Income from benefits and tax credits

DRF members will, where appropriate, provide information in relation to income through benefits and tax credits to which the debtor might be entitled.

6. Debtor expectations

DRF members will not raise false expectations as to outcomes, for example by dismissing the significance of the threats which may be received from individual creditors. Where appropriate, members will be positive in their approach to such threats and assist the debtor to face them.

7. Verification of information

DRF members subject information and explanation provided by the debtor as to his/her financial circumstances to rigorous verification (inter alia by obtaining copies of payslips, mortgage statements, property valuations etc.) in the development of a strategy for addressing the debtor's circumstances.

8. Meeting the debtor

Where DRF members do not consider that they are able to obtain all of the information and explanations needed to ensure that the debtor properly understands the options available without a face-to-face meeting, it is strongly recommended that such a meeting be advised before proceeding further. If the debtor declines the offer a note should be included in the case records.

9. Objectivity and impartiality

The DRF advisor will always adopt an impartial and objective approach to debtor advice.

10. Debtor involvement/decision

DRF members involve the debtor in the process of exploring the solutions that may be available and ensure that the debtor understands the implications of each. Members provide sufficient verbal information to enable debtors to make an informed decision about whether or not they would benefit from the member's services - so that it is clear that in the final analysis the chosen route has been selected by the debtor and not by the advisor.

11. Debtor co-operation

DRF members attempt to ensure that individual debtors are open, honest and committed in their dealings with them.

In the event of non co-operation by debtors at any stage in the debt resolution process, DRF members reserve the right to withdraw from the process. It should be made clear to debtors from the outset of the member's involvement and that they may do so, in the event of non cooperation. Debtors are made aware of the potential consequences.

DRF members advise creditors promptly of any such withdrawal action and of the reasons for it.

12. Development of strategy

A clear explanation of the tasks to be undertaken by the DRF member and the part which the debtor is expected to play in the development of and adherence to the strategy is set out in writing and a copy provided to the debtor.

13. Adherence to strategy

DRF members will assist the debtor to adhere to the strategy which has been developed, for example in dealing with priority debts or in the face of harassment by telephone or face-to-face visits from individual creditors.

14. Nature of service agreement

DRF members enter into contractual arrangements with the debtors whom they represent which:

- are recorded in clear, plain and intelligible English (or in the language/format (e.g. Braille) most easily intelligible to the debtor)
- set out the nature, range, cost and expected duration of the service to be provided
- indicate the extent to which creditors will be bound by the solution to be put forward by the member on behalf of the debtor and the effect of it on the debtor's credit rating
- identify the consequences and risks to the debtor of the proposed solution and of the debtor failing to adhere to its terms
- make it clear that the member will not seek to prohibit the debtor from corresponding direct with creditors
- indicate, where appropriate, the terms on which the agreement may be terminated by the debtor
- confirm that funds held by the member on behalf of the debtor from time to time will be paid promptly to creditors and will be held in the interim in a client account which is not accessible for use in the member's own business or by parties to whom the debtor may be indebted
- provide for a 'cooling off' period of not less than seven days during which the contract may be cancelled by the debtor
- conform with the Consumer Protection (Distance Selling) Regulations 2000 as amended from time to time.

15. Correspondence/ communication

DRF members deal appropriately and promptly with any correspondence and communications which they receive from the debtor, from creditors and from other parties interested in and reasonably entitled to information about the debtor and the debtor's affairs.

16. Keeping the debtor informed

DRF members keep the debtor informed of the progress of the case throughout and provide the debtor with copies of significant documents and correspondence.

17. Regular case reviews

DRF members are committed to undertaking regular reviews of the debtor's circumstances on a proactive (i.e. DRF member driven) basis as well as in reaction to notification of changes in circumstance received from debtors and in any event undertake such reviews not less than annually.

18. Maintenance of records and confidentiality

DRF members maintain detailed records of the work done on each case and these are accessible on a systematic basis to the debtor and to the level required by the DRF regulatory body and by relevant legislation. Such records are maintained and stored on a secure and confidential basis. The agreement with the debtor contains a clear commitment to confidentiality in respect of all communications (whether written, electronic, aural or visual) on the part of the member subject to:

- access to the DRF regulatory body
- reports to creditors.

DRF members inform debtors how they plan to use the information provided by them before it is collected. They also make clear the circumstances (if any) in which such information may be shared with third parties and the extent to which they will obtain the prior consent of the debtor to its release.

19. Information to be provided to Consumers Pre Contract – Verbal

Members must provide consumers with sufficient verbal information to enable consumers to make an informed decision about whether or not they would benefit from the member's services. This will be confirmed by listening to calls, hearing call recordings during an inspection and by mystery shopping. Members will not be given notice of mystery shopping and their findings will be considered in the achieving of their inspection pass. Those members that do not have the facility to record calls will have their scripts inspected to ensure that they contain the agreed information and that it complies with all relevant legislation and regulations.

20. Pre Contractual In Writing

All members must provide in writing, within 5 working days, the terms of the agreement to the consumer. The agreement must be written clearly and simply.

It must contain:

- the administration and management fees that will be payable.
- that when a payment goes to the member company and not to the creditors, consumers must be warned that they will fall into arrears with their creditors.
- the circumstances in which costs will and will not be incurred and, if costs are incurred, what they will be.
- the consumer must be advised that he/she has the opportunity to withdraw from the agreement.
- the procedures for withdrawal from a debt management programme.
- the nature of the service to be provided by the Member.
- the total cost to the consumer of the service including any initial or fixed fee or deposit, the periodic management fee to be paid to the member multiplied by the estimated length of the agreement.

An estimation of the amount to be repaid and the likely duration of the contract. Where it is not possible to establish the cost or duration of a contract, members will provide the customer with a best estimate of the total cost and duration of the service, based on the payment being made, the management fees charged and the amount of debt outstanding. Estimates must be realistic and must be accompanied by the assumptions on which the estimate is based, as well as a clear warning that this is an estimate.

If the service being provided is subject to the Financial Services (Distant Marketing) Regulations 2004 and/or the Distance Selling Regulations 2000, then the relevant information prescribed by that Act, including cancellation rights, must be advised to the consumer. This will include:-

- that creditors are not obliged to accept reduced payments or to freeze interest and/or

charges and fees and that, unless they do so, repaying the same debt over a longer period of time will increase the total amount to be repaid.

- that there is no guarantee that existing or threatened proceedings will be suspended or withdrawn. Collection actions, including default notices and litigation, can ensue or continue.
- The likely impact of the debt resolution solution on the consumer's credit rating that:
 - they might not be able to obtain credit in the short term
 - there is some likelihood that they will not be able to do so in the longer term
- That the debtor should prioritise debts such as mortgage, rent, council tax, utility payments and arrears, and ensure that an appropriate allowance is made for these payments within any debt resolution programme.
- The nature of those commitments that will, and those that will not be included within the repayment plan.
- The likelihood that existing bankers may not continue banking facilities and information and advice on basic bank accounts.
- The terms and conditions of any managed or other bank account or other banking service offered. Where a member or staff from a member recommends that, in the consumer's best interests, one of their options is a remortgage, or further advance, or consolidation loan, the member must disclose to the customer in writing the level of fee, commission or any other remuneration they will receive from the third party who arranges this service, if not already disclosed by the third party. Any such advice will be given with the requisite degree of care and, if it is in the consumer's best interests at that time, based on the information made available by the consumer and that the consumer must make full disclosure about his financial circumstances.

21. The Service Agreement - In Writing

The terms and conditions should be fair, written in plain language, easily legible, and must:

- Detail the nature of services being provided, i.e. the debts which are included, and those that will not be included in the programme.
- Specify a period within which payments received from clients will normally be passed on (as specified under "Client Account" below).

22. Cancellation or Withdrawal by the consumer

Members must comply with the Financial Services (Distance Marketing) Regulations 2004 (regulations 9 & 10) regarding consumers' cancellation rights, which include the right to cancel, in certain circumstances, even if written information has been received by the consumer. DRF members' contracts must not include any term which states or implies that there are any circumstances in which a client is not entitled to a refund.

A refund may be due to a client if:

- The member has promised more than it can deliver.

- The member has failed to conduct negotiations with the reasonable care and skill required by section 13 of the Supply of Goods and Services Act.
- There has been a total failure of consideration.

Clients in debt resolution schemes must not be prevented from corresponding with, or responding to creditors or their agents. It is reasonable for members to request that they be informed of all contact or correspondence with creditors and to receive copies of correspondence.

Members must deal with all correspondence promptly, and must keep the client informed of relevant communications. The agreement should allow the client to withdraw from the contract where, following signing of the contract or agreement, the total fee differs significantly from the estimate given prior to the contract (for example, because investigation of the client's circumstances reveal that the monthly payment must be larger than first estimated).

23. Specific requirements relating to Individual Voluntary Arrangements

The DRF Code & Standards addresses issues which arise prior to approval of an Individual Voluntary Arrangement (IVA) by creditors.

An IVA is a formal scheme where a debtor proposes a full or partial repayment of their debts to creditors, with the assistance and support of a licensed Insolvency Practitioner.

The requirements of the DRF Code & Standards do not apply to the operation of IVAs, which are governed by the Insolvency Act 1986. The DRF Code & Standards, however, must at all times be observed by members when setting up an IVA and where the members relationship with the client is not governed by and under the Insolvency Act 1986.

When advertising; marketing and giving pre-contractual advice on IVAs, DRF members must never:

- use statements such as "free of charge" or "at no cost to you because your creditors cover the costs". These statements imply all money paid by the consumer goes towards paying off their debt, whereas a proportion of the initial payments is paid towards the licensed insolvency practitioner's fees.
- Claim consumers will be debt free in five years (or whatever the period the arrangement is for), without explaining that although they become debt free, the effect on their credit rating will last for six years.
- Use statements claiming any debt write-off percentage that cannot be substantiated by the members own figures, on inspection or on demand from the DRF.
- Claim they can guarantee a favourable outcome to negotiations with creditors.

DRF members must not fail to inform a home-owner seeking an IVA that they may be required to remortgage their property during the term or obtain a re-mortgage to realise equity to pay off some or all of the payments agreed under the IVA.

When providing pre-contractual advice and information the consumer must always be given advice that is in their best interests and should include:

- A clear explanation of all available options open to them.
- A clear explanation of the fees payable to the nominee and supervisor of the IVA.

Members must make debtors fully aware of the implications of entering into an IVA, namely: -

- If the debtor is a homeowner with sufficient equity they may be required to re-mortgage their home to release the equity to repay some or all of the remaining debt.
- If the IVA fails, this could lead to bankruptcy.
- A debtor's credit rating will be affected for six years.
- That the decision to accept an IVA proposal is entirely in the hands of creditors.

DRF members providing advice and assistance with IVA's should abide by and keep up to date with all industry and professional standards (SIP's), guidelines and protocols, including OFT debt management guidance.

24. Extreme hardship

Where it appears that an applicant cannot pay any management fees due to the severity of their financial position, members should, either elect to take the case on a pro bono basis, without charging a fee unless the client's circumstances change (at which point fees must be fully explained and the client given the opportunity to terminate the programme without charge) or recommend such clients to non-profit advice centre's.

25. Fees and other charges - see Section G

26. Complaints - see Section H

B. Standards applied by DRF members in their dealings with Creditors

1. Balance of interests

DRF members approach debt resolution on the basis of identifying the solution and the outcome which is most compatible with the financial and personal position of the debtor, while taking into account the interests of the creditors of the debtor and demonstrating to them that the proposal made on behalf of the debtor is reasonable in the circumstances and is achievable.

2. Information for creditors

DRF members seek to use a common form and standard of financial statement (or such other formula as may be generally recognised) for presentation to creditors.

Expenditure items falling outside agreed trigger levels will be explained. Members will indicate the level of settlement offers which will normally be accepted. Accounts transferable to third parties for collection remain subject to DRF principles.

Members must provide lenders with clear payment proposals. Payment proposals must ensure, other than very small payments, pro rata distribution of funds is made to all creditors.

DRF members must take all necessary and appropriate steps to provide accurate income and expenditure assessments concerning their clients, to allow creditors to make informed judgments about repayment proposals. If requested verification of information must be provided.

If requested, members must provide creditors with their terms of business and an explanation of member's methods of operation.

If a client withdraws formally, from a repayment programme, members must inform the relevant lenders, in writing, within seven working days of the client withdrawing.

3. Fund transfers

DRF members transfer funds received from debtors to the accounts designated by creditors promptly and by such payment mechanisms as may be agreed with individual creditors from time to time or as required by statute or as indicated by OFT guidelines.

4. Creditor approval criteria and debtor motivation

Individual DRF members seek to communicate regularly with creditors in order to understand their criteria for considering the various categories of debt resolution proposal from time to time.

DRF members will not act for debtors seeking debt compromise in circumstances where they could reasonably maintain their debts on a fully performing basis.

5. Communications

DRF members communicate regularly and openly with individual creditors when a solution has been put in place on behalf of a debtor and deal promptly with enquiries received from creditors.

6. Creditor representative bodies

The DRF seeks to engage with creditor representative bodies and with other stakeholder bodies on a regular basis.

7. Outcomes achieved

DRF members are committed to transparency in relation to outcomes achieved in areas such as returns to creditors, the level of acceptance of proposals by creditors, fees charged, failure rates etc. DRF members recognise that this is an important aspect of enabling the debtor to make an informed choice and to obtain creditor acceptance.

8. Client funds - see Section E

9. Fees and other charges - see Section G

10. Complaints - see Section H

C. The training, qualification and continuing professional development of DRF Members' management and staff

The DRF requires members to train all client-facing staff to the standards contained within the Certificate in Debt Resolution (CertDR) – to either the Award or Certificate standard as the member deems appropriate, or to a standard that can be demonstrated is similar to these qualifications. In summary, DRF members are obliged to meet the following standards:

- All members must demonstrate that they provide their staff with appropriate training to enable them to carry out their work with knowledge and skill, efficiently and to the high standards required by DRF's Code.
- All staff employed by members must be aware of the existence of the DRF Code & Standards and the OFT Debt Management Guidance Notes.
- All staff of members must be made aware of their specific responsibilities in ensuring that the Code & Standards and OFT Debt Management Guidance Notes are adhered to.
- The training provided must ensure members' staff understands the Code & Standards requirements and their own legal obligations to consumers.
- Members must ensure that all staff are fully trained before they deal with consumers. Where staff are giving specific advice the training should be CertDR, CPPI or any such in-house training that has been previously agreed by DRF as being of the same high standard.
- DRF members must offer equality of service to any person, regardless of their race, creed, sex, disability or nationality.
- Members must have in place satisfactory provisions for dealing with vulnerable consumers. This may include and not be limited to those who are:
 - Disabled
 - Disadvantaged
 - Have difficulty with reading or writing
 - Have difficulty understanding basic mathematics
 - Have a lack of knowledge about a complex product or service
 - Those whose first language may not be English

The DRF is committed to the development of a comprehensive system of training, qualification and continuing development for the staff of its members in the following disciplines:-

1. Types of Debt

HP and conditional sale agreements - Credit card debts Secured or unsecured debts – Consolidations – Loans – Overdrafts – Mortgages – Leases - Guarantees given to banks or other third parties - Voluntary charging orders - Council tax – Maintenance - Domestic rates - Tax and national insurance debts - Traffic tickets/fines - Priority of debts - Dealing with continuing debt responsibilities, such as rent, mortgage and utilities payments

2. Consumer Credit Act

Scope - Agreements covered by the Act. Hire purchase agreements. Conditional sale agreements. Procedure. Action by creditors to recover money/goods.

3. Types of Court action; Magistrate/County Court

Bailiffs - powers and seizure of goods. Financial penalties for non-compliance with Court Orders. Compensation orders. Council tax and community charge. Maintenance Orders. Domestic rates. Tax debts and their treatment (for example in the consolidation of loans). Traffic tickets/fines. Other fines. Action by creditors to recover money/goods (Consumer Credit Act). Charging Orders. Repossession Orders. Attachment of earnings Orders

4. Dealing with harassment

Debtor's rights and remedies (Legal and Ombudsman). Legal constraints on creditors .Debtors' options. Relevance of prior claims

5. Debt consolidation

Methodology of debt consolidation - mathematics, legal, practical issues. Display an understanding of the debt consolidation market. Consolidation options with existing lenders. Early repayment costs/ interest/ fees/ penalties. Re-mortgage options. Contrast analysis for best option for the debtor. Security / asset ratio. Penalties for default .Comparison with other 'options' in financial terms and personal implications

6. Debt management plans

Methodology. Circumstances in which appropriate. Period of operation. Extent of creditor commitment. Level of debtor disclosure of circumstances. Contrast with other 'options'. Assets which may be included/ excluded from proposals. Determining asset values. Maintaining asset values (eg. home and car insurance). Comparison with other 'options' in financial terms and personal implications

7. Individual Voluntary Arrangements

Role of the IP as Nominee and Supervisor- Powers and duties; Comparisons with bankruptcy Contents of proposal; Requirements to bind creditors; Procedures for obtaining an interim Order; documentation to be prepared, sworn, etc; Modifications to proposal, rights of creditors to challenge; Ability to vary during course of IVA; Voting rights - approval and effect of approval; Position of secured and unsecured creditors; Priority creditors; Default of debtor and failure of proposal; Completion; Record of IVA and publicity; Comparison with other 'options' in financial terms and personal implications.

8. Bankruptcy orders

Bankruptcy petition (creditors).Debtor's petition. Interim Order. Respective positions, functions, powers and duties of Official Receiver and Trustee. Duty to cooperate with the Official Receiver and Trustee in Bankruptcy. Position of secured creditors. Priority debts. Non priority debts. Credit agreements covered by the Consumer Credit Act. Bank overdrafts - guarantees given to a bank or any other third party. Bailiffs - powers and seizure of goods. Assets forming part of the estate and exempt items /funds. Hire purchase agreements/ conditional sale agreements. After acquired property. Matrimonial homes; partner's interest and rights. Re-mortgage. Charging Orders. Repossession Orders. Powers of sale. Income Payments Order. Disposition of Assets before and after Bankruptcy Petition. Public and private examination. Bankruptcy offences and disabilities. Restrictions on un-discharged bankrupts. Bankruptcy Restrictions Orders. Record of bankruptcy and publicity. Discharge or annulment of bankruptcy. Marshalling claims in joint and several estates. Comparison with other 'options' in financial terms and personal implications.

9. The Debtor's Property Interests (such as the Matrimonial Home)

Partner's and other parties' interests and rights. Relevance in IVA and bankruptcy. Identifying charges holders and dealing with future payments. Ascertaining debtor's share of value .Realisation of debtor's share of value

10. Miscellaneous

Doing nothing/ debtors in denial. Income maximisation of debtor, including the qualifying rules and means testing principles for:

- Income Support
- Income based Job Seekers Allowance
- Pension Credit
- Working Tax Credit
- Council Tax Benefit
- Housing Benefit
- Disability Living Allowance
- Statutory Sick Pay
- Incapacity Benefit
- Savings and investments.

Different forms of insurance (life, redundancy, sickness or assets) - Tax coding - Pensions.
Establishing the full trust and co-operation of debtors. What creditors can realistically be expected to be paid/ likely to accept.

11. Scotland and Northern Ireland

Parallel training, qualification and continuing development arrangements will be made in Scotland and Northern Ireland.

12. Continuing Professional Development

DRF members are committed to ensuring that adequate opportunities are available to support the continuing professional development of key staff members, as well as:

- Putting arrangements in place to monitor, record and check CPD undertaken by staff
- assuring the quality of CPD available, the accreditation of trainers and course providers.
- Where members of staff are undergoing training, members must ensure they are adequately supervised by fully-trained staff.

D. Corporate standards of governance adopted by DRF members

1. Statement of Compliance

The directors, partners or proprietors of all applicants for membership complete a statement of compliance with the standards of the DRF and re-affirm that statement annually thereafter as a condition of continuing membership. Compliance of members with DRF standards is normally subject to monitoring and inspection by the regulatory body within six months of admission to membership and on a continuing, risk-assessed basis thereafter, but normally at least annually.

2. Member commitments

DRF members will, at all times:

- comply with all legislative requirements, with debt management guidance issued by the Office of Fair Trading, or any other body with statutory responsibility for the activities undertaken by members from time to time
- comply with directives issued by the board of the DRF in relation to the conduct of business
- ensure that they do not act in such a way as to, or which might be seen to, bring the DRF into disrepute
- not condone, actively or tacitly, unprofessional, improper or illegal activity (or activity un-compliant with statutory guidelines or regulations) within their own organisations or agents and third parties with which they deal
- act transparently in their dealings with potential and actual clients and provide full and early disclosure of all contract terms and conditions
- not misrepresent, whether by implication or omission, any term or condition of their arrangements for dealing with clients
- act at all times in the interest of their clients while taking into account the interests of their creditors
- use their best endeavours to ensure that clients fully understand the terms and conditions of the arrangements made on their behalf and the consequences in the event of default
- encourage debtors to read documentation carefully and allow them sufficient time to consider any agreement or proposal to be made on their behalf and to obtain independent advice where appropriate
- not discourage debtors from seeking impartial advice or from "shopping around"
- not employ or permit their staff or agents to employ any high pressure selling techniques or other techniques which the DRF may notify members to be unacceptable from time to time
- provide prospective clients (both verbally and in writing) with full and comprehensive details of all fees and costs to be paid by them prior to any commitment being entered into, including all payments to be made to any supporting or third party involved in the transaction
- advise the client whether, in regard to the proposal, they are to be remunerated by the client alone or by a third party or by a combination of the two
- ensure that debtors are treated equally and that the needs of specific groups or individuals are recognised
- maintain full records of their dealings with debtors and creditors
- ensure that their advertisements and publicity issued comply with all legislative requirements and the DRF Code on advertising/publicity (Section F)

3. Protection of client data

DRF members respect the confidentiality of client information (ie debtors' and creditors') and are compliant with the provisions of the Data Protection Act 1998. Individual members explain to their clients the arrangements made to protect client data and to grant them access to it on request.

4. Internal compliance checks

DRF members undertake internal compliance checks on a regular and systematic basis, monitoring in particular the standards of advice provision. This process is designed to maintain and improve standards of performance, to prevent error, to assist in planning and to take disciplinary action where necessary. Staff of DRF members are committed to the compliance process.

5. Dealings with providers of introductions to debtors

DRF members use their best endeavours to ensure that providers of introductions to debtors with whom they transact adhere to standards in their dealings with debtors which are no less rigorous than those applicable to DRF members, mutatis mutandis, and will cease to transact with such providers if they do not so adhere. DRF members respect the provisions of section 154 of the Consumer Credit Act 1974 (re cold calling/ canvassing) and do not accept referrals from credit brokers or lenders without obtaining evidence that the debtor has given informed prior consent to such referral.

6. Staff training and development

DRF members are committed to a continuing process of staff supervision, training, appraisal and development (see C above. Compliance by staff with these requirements is subject to monitoring in accordance with the internal arrangements made by DRF members (and are audited by the regulatory body).

7. Senior management

DRF members make available to the regulatory body for audit:

- the identity and relevant experience of management
- their line responsibilities
- management development and CPD requirements
- internal audit procedures and arrangements
- the arrangements in place to assess risk at the corporate level
- the arrangements in place to ensure effective case management i.e: -
 - competence of staff
 - adequacy of management support and
 - capacity of systems
- the arrangements in place to identify and deal with conflicts of interest
- procedures in place for the supervision of advice staff, file review and advice staff appraisal
- money laundering/proceeds of crime checking procedures

8. Debtor vulnerability

DRF members support debtors where appropriate and possible, recognising the vulnerability of many debtors. DRF members refer cases, where none of the debt resolution solutions appear to be suitable in the debtor's circumstances, to appropriate alternative agencies (e.g. in the not for profit sector).

9. Regular reviews

DMP members undertake reviews of individual debtor files at least twice each year throughout the life of the financial plan with a view to ensuring, inter alia, that the solution being pursued on behalf of the debtor remains optimal from the point of view of both the debtor and creditors and ensure that any significant findings arising from such reviews are communicated promptly to the debtor.

10. Professional Indemnity Insurance

Individual DRF members carry professional indemnity insurance, the adequacy of which is subject to monitoring by the regulatory body.

11. Complaints – see section H

12. Publicity/ Marketing - see section F

E. Client Funds

1. Client Funds, general responsibilities:

- All members must maintain accurate, up to date records that detail all client payments and all contact with clients and their creditors.
- Clients' monies must not be accepted, post-dated or otherwise, before clients have received and acknowledged receipt of the member's written terms of business.
- Any interest earned on client monies should accrue to the benefit of the client, not the company.
- Members must pay clients' monies to creditors within five working days of clearance.
- If a client withdraws from a debt management programme, members must refund any monies held for disbursement, where the monies have not yet been distributed, excluding any reasonable administration fee.

2. Protection of client funds.

DRF members have arrangements in place to ensure that funds held by them on behalf of the debtor from time to time are placed in a client account which is not accessible for use in the member's own business or by parties to whom the debtor may be indebted. These arrangements are subject to annual audit by the monitoring and audit body.

3. Failure of DRF member

The DRF is committed to ensuring that adequate arrangements are in place to ensure the prompt and efficient transfer of debtor relationships and finance plans to an appropriate DRF member or members as determined by the regulatory body in the event of the insolvency or termination of business of a DRF member (other than in the event of an orderly and solvent winding up).

Members will, if asked by creditors and or clients and or the DRF, assist the clients of a failed debt management company by arranging an acceptable programme, and will administer future disbursements without charging any up-front fee.

DRF members will meet the costs associated with such transfer action.

F. Advertising and Publicity

General

- All members must ensure that all their advertising or promotional material, however published, is clear, accurate and truthful, and does not mislead expressly, or by implication or omission.
- Advertising or promotional material must comply with all regulations and guidelines in force at all times.
- Advertising or promotional material must contain reference to members' membership of the DRF and their adherence to the DRF Code & Standards, by use of the DRF logo and the Renewal Code logo showing the year they were last satisfactorily inspected by the DRF (Only members that have been inspected satisfactorily will be allowed to display these logos).
- All literature must give details of how consumers may obtain a copy of the DRF Code. All members' websites must link to this Code or hold a copy within its pages.

1. *Freedom to promote members' services*

Subject to the guidance which follows, DRF members may seek publicity for and/or advertise their services, achievements and products in any way consistent with the DRF code of practice (including internet advertising) but should not project an image inconsistent with that of an organisation bound to high ethical and technical standards.

2. *Advertising & promotion – legal obligations*

Advertisements must comply with the law and should conform as appropriate with requirements of the Advertising Standards Authority and the Independent Television Commission and Radio Authority Code of Advertising Standards and Practice, particularly as to legality, decency, honesty, clarity and truthfulness.

3. *Advertising and promotion by lead introducers*

DRF members ensure that any providers of introductions to debtors ("leads") with whom they have dealings are aware of and understand the standards to which DRF members are committed. DRF members will use their best endeavours to ensure that lead providers' advertising and marketing materials are produced to similar standards to those prescribed in (2) above and will cease to transact with such providers if they do not so adhere. See also D.5 above.

4. *Representation of Advertising*

An advertisement should be clearly distinguishable as such.

5. *Other materials*

The preceding considerations apply equally to websites, emails, brochures and other marketing material, including letterheads.

6. *Accuracy*

A DRF member may be required to support or justify the accuracy of any statements made in any promotional material issued by the member or on the member's behalf.

7. Consultation with appropriate bodies

The DRF seeks to engage and consult on a regular basis with the bodies and authorities who are responsible for setting and applying advertising and promotional standards, with a view to ensuring as far as practicable that they have a good understanding of the services which DRF members provide and of the social and commercial environment in which they operate.

8. Communication with stakeholders

The DRF is committed to communicating with stakeholders (creditors and other financial advice bodies) in relation to the development and application of marketing, sales and advertising practices and standards among its members.

9. Failure of DRF member to comply with external advertising or promotional standards

The regulatory body will monitor and deal with complaints in relation to advertising/ marketing standards (not limited to complaints to DRF but including complaints to advertising and marketing regulatory bodies), breach of which will, if upheld, lead to disciplinary action.

G. Fees and other charges

1. General obligations

DRF members:-

1. Provide advice to debtors at the point when they are first contacted by them which is free of charge, impartial and designed to enable the debtor to make an informed choice as to the solution which is best suited to his/her financial and personal circumstances, irrespective of the area or areas of solution specialisation of the DRF member providing the advice.
2. Ensure that, in cases where a debtor chooses to engage a DRF member to act on his/her behalf in order to implement the chosen solution:-
 - a. full disclosure is made of all fees and charges levied by the member from the point of engagement through to completion of the member's work on behalf of the debtor and of the service provided to which individual fees and charges relate (whether the service is provided before, during or after implementation of the solution); and
 - b. the financial plan drawn up by the member includes the amount and timing of payment of all fees and charges due, as well as the source of their payment (i.e. whether payment is made direct by the debtor, deducted from funds paid by the debtor or funded by a contribution from creditors) and:
 - c. any commission/ bonus/ incentive payments made to staff providing advice to the debtor are not materially affected by the solution selected by the debtor.

2. Transparency (fees and charges)

DRF members are transparent as to the basis and quantum of fees charged, publishing full details of terms and conditions on their websites and in other media convenient to debtors, creditors and to other stakeholders. The basis and quantum of fees and charges made by DRF members in their area or areas of solution specialisation and in individual cases will be subject to audit by the regulatory body in relation to, inter alia, the level and quality of service provided.

3. Fees for second or subsequent solutions

DRF members ensure (and provide full disclosure to demonstrate) that any additional fee and charges made in circumstances where an existing solution (e.g. DMP) is converted into another (e.g. IVA) for the same debtor reflect lower costs associated with the provision of the second solution (for example, where the second solution is based largely on information already obtained from the debtor in the arrangement and regular review of the first solution).

4. Costs of modifications to proposals by debtors

DRF members ensure that debtors and creditors are made aware of the extent to which fees and charges reflect the additional cost of dealing with modifications to proposals put forward by members on behalf of debtors.

5. Reducing the cost of transactions

DRF members seek to engage further with creditors, regulators and other stakeholders in order to establish the extent to which creditors can assist in reducing the cost of transactions (e.g. by agreeing to electronic transfers of funds, of information and of acknowledgement of receipt of proposals put forward on behalf of debtors and by working to reduce paperwork, postage costs, etc.)

H. Complaints

1. *Procedures operated by DRF members*

All members of the DRF must have a written procedure that is readily available to all their clients and to anyone wishing to make a complaint. This must:

- Be accessible, user friendly, fair and open and readily available to all clients and to anyone wishing to make a complaint.
- Detail the steps the member will take to investigate complaints.
- Identify the person responsible for investigating complaints.
- Ensure a fair response is made within ten working days. accountable
- conducted within a framework which is adequately resourced
- courteous and expeditious
- responsive and adaptable to reflect actions taken in response to complaints received or to trends identified
- adequately publicised and in a manner designed to encourage feedback from stakeholders
- complies with the requirements of the DRF complaints procedure and panel (qv)
- complies with the requirements of the Financial Ombudsman Service.

Members are required to record details of customers' complaints, the member's findings and any action taken in response.

Members must co-operate with any intermediary consulted or engaged by the client in the event of a dispute.

2. *Compliance with the DRF complaints and disciplinary procedures*

The DRF is committed to providing a fair and independent procedure for dealing with all complaints. Members must inform all clients and creditors that they are DRF members and draw prominent attention to the DRF Code & Standards and DRF Complaints Procedure, to enable clients and creditors to be aware of their rights and remedies if they believe the Code & Standards has been breached.

Members must accept that the terms of the DRF Complaints Procedure and the DRF Disciplinary Procedures are binding upon them. Members shall not refuse to allow a complaint to be dealt with under the DRF Complaints Procedure, the DRF Disciplinary Procedure or to the Financial Ombudsman Service if a client so chooses.

In addition to complaints lodged by clients and/or lenders, any action committed by a member which may be construed as bringing the DRF into disrepute will be considered as a disciplinary matter and dealt with in accordance with the DRF Disciplinary Procedures.

Members of the DRF are obliged to inform all clients of their membership of the DRF and the existence of the DRF Code & Standards prior to arranging a programme. In the event that the complainant is not satisfied with the member's response the member should inform the DRF and invite the complainant to take the issue through the DRF's Complaints Procedure.

3. Compensation and Redress

Individual DRF members provide apology/restitution/compensation/redress to complainants in cases where their procedures identify errors or omissions in their handling of cases on a basis and at a level determined by each member (but subject to audit and approval by the regulatory body of the DRF) and as required by the Annex B of the Rules under the Consumer Credit Act 2006 or by either the DRF's complaints procedure or that of the Financial Ombudsman Service.

4. Transparency

DRF members publish on their websites and in other relevant media information about their individual complaints handling procedures and the standards to which they are committed.

5. Further recourse available to complainants

Complainants who are dissatisfied with the outcome of complaints made to DRF members may:-

- a) have recourse to the regulatory body of the DRF with a view to investigation of the conduct of the member in relation to the subject matter of the complaint; disciplinary action may be taken against the member in the event of an adverse finding by the regulatory body –as detailed in DRF's complaint's procedure (qv)
- b) seek adjudication by the Financial Ombudsman Service under the Alternative Disputes Resolution Scheme under section 2.6.2 of Annex B of the Consumer Credit Act 2006 Rules (which is available only after the complaints procedure operated by the DRF members has been completed).
- c) Complainants are to be encouraged to take advantage of DRF's complaints' procedure before referral to the Financial Ombudsman Service but are under no obligation to do so.

6. DRF's Complaints Handling Process

Any complaint about a member's alleged breach of the DRF Code & Standards will be investigated fairly, promptly and efficiently. The DRF is committed to reaching an equitable solution and prompt redress for any complaint.

If a debtor or creditor wishes to make a complaint about a member, they should in the first instance address their complaint directly to the member concerned.

The DRF will be happy to discuss general matters on the telephone with consumers. But, any complaint must be made in writing, either by post or electronically.

The DRF is only able to rule on complaints about breaches of the Code & Standards by members but it will investigate complaints on other matters and, where appropriate, direct the complaint accordingly.

7. Complaints Committee

The DRF Complaints Committee is appointed by the Board of the DRF and is responsible for the investigation and adjudication of the DRF Code & Standards.

The Complaints Committee consists of a chairman and two members who are fully independent from the debt resolution industry. The Chairman of the DRF and one other member of the DRF's Board may also sit on this committee, but it is quorate as long as all lay members are present. It is a condition of DRF membership that members accept the binding nature of any decisions reached by the Complaints Committee.

The Complaints' Committee's independent members reserve the right to resign if DRF's Board refuses to ratify an adjudication, decision or recommendations without due cause.

The DRF Complaints Committee can be convened as a consequence of acquiring information from a variety of sources including consumer complaints, complaints from creditors, complaints from other members, annual reviews, mystery shopping, customer satisfaction surveys, or any other source. Disciplinary action may be recommended by the Complaints Committee and ratified by the DRF's board in the event of the following:

- material and/or persistent breach of the DRF Code and Standards.
- failure by a member to respond to complaints and/or decisions or recommendations within the time scale specified.
- bringing the DRF into disrepute, or conduct which is prejudicial to the reputation, membership and/or objectives of the DRF.

8. Financial Ombudsman Service

All DRF members hold a valid Consumer Credit License and, their clients are eligible to refer unsatisfied complaints to the Financial Ombudsman Service.

9. DRF Complaints Procedure

The DRF Complaints Committee will consider whether any complaint received relates to a breach of the DRF Code & Standards. If a complaint is considered not to relate to a breach of the Code & Standards the complainant will be notified in writing. Notwithstanding that it may not be Code & Standards related, the Complaints Committee may take it upon itself to investigate the matter or to recommend that the complainant take up the matter with another body.

At this stage the member will be contacted and asked to provide a report to the DRF giving full details of the alleged breach and how it has been or will be investigated by the member. On receipt of the completed report from the member, the Complaints Committee will investigate and, adjudicate on the matter and communicate it's findings, decision and recommendations to all parties. The Complaint's Committee's decisions and recommendations are binding on the member.

If the adjudication finds that a material breach of the Code & Standards has occurred the Complaints Committee will, at that time, take any necessary action as outlined in the section "Compliance and Disciplinary Procedures".

The decision of the Complaints Committee, when communicated to the complainant will make it clear on what grounds the decision has been reached, what further action may be taken, and will set out the procedure to be taken, and the timescale, should the complainant not accept the decision.

If the complainant, after considering the decision, is not prepared to accept the decision, they may refer the matter to the Financial Ombudsman Service. The decision of the Financial Ombudsman is binding on all parties. Upon receipt of the decision of the Ombudsman, both parties will be advised accordingly and the Complaints Committee may, take any necessary action in respect of any compliance or disciplinary findings upheld against the member.

All costs relating to the Complaints Handling and Independent Redress Procedures, or case fee charged by the Financial Ombudsman Service, will be borne by the member.

10. Timetable for Complaints Handling

- The Complaints Committee will acknowledge receipt of the complaint within 5 working days.
- The Complaints Committee will pass details of the complaint to the member concerned and require a report from them within 10 working days.
- The member will respond within 10 working days from receiving the request from the Complaints Committee.
- The Complaints Committee will issue their written findings within 20 working days.
- The complainant will be made aware of his right to access the Financial Ombudsman Service should he/she not accept the findings.

If the complainant does not accept the findings of the Complaints Committee, the complainant has the right to pass the complaint for consideration to the Financial Ombudsman Service. The DRF will issue a final response letter giving the reasons for rejection of the complaint.

It is in the interests of all parties to ensure that complaints are dealt with in a timely manner. Any referral to the Financial Ombudsman Service has to be made within 6 months of the issue of the final response letter, as required by the Financial Ombudsman Service from either the member or the DRF.

I. Regulatory Framework: disciplinary procedures and issues.

By way of illustration/background to consideration of the level and quantum of the DRF code & standards, set out below is DRF's regulatory approach and disciplinary code.

DRF members are required to confirm, annually, that they are aware of and understand the entirety of the DRF Code & Standards and that they agree to adhere to, and be bound by, the DRF Code & Standards.

DRF will:-

- In consultation with members and through a Code & Standards Sub-Committee, ensure standards are regularly reviewed and updated and incorporate them into the DRF Code & Standards,
- monitor, through annual inspections and evaluation of complaints heard, members adherence to the Code & Standards, and
- investigate alleged breaches of the Code & Standards brought to its attention by any client of a member or any other interested party either by way of a formal complaint, invoking the DRF's disciplinary provisions or an informal complaint.

1. Independent monitoring and audit body

The Insolvency Practitioners Association (IPA) has been exclusively contracted by the DRF, to provide an independent monitoring and audit function to evaluate members' compliance with the DRF code & standards and the OFT debt management guidance and codes. This body, and the associated complaints panel, is independent from the DRF.

The IPA will undertake triennial 5 day (3 days on site) and annual 3 day (1 day on site) reviews of members' compliance with the DRF Code & Standards and the OFT Debt Management Guidance Notes. A five day review is mandatory in the first year of membership.

The matters covered by and extent of the review is covered by the DRF Independent Inspection Framework.

2. Staff – monitoring and audit body.

Monitoring and audit body personnel will demonstrate expert knowledge, relevant experience, impartiality and independence from DRF and its members.

3. Regulatory tools

Regulatory tools employed include:-

- peer review
- mystery shopping
- ongoing customer satisfaction surveys
- spot checks on members
- routine audit
- self-certification/appraisal
- desk-top monitoring
- an independent inspection team
- complaints investigation capability

- (review of) internal audit

4. Risk and proportionality

The monitoring and audit function and the DRF is adequately funded/guaranteed/insured in order to avoid the risk of "regulatory capture" in relation to legal challenges by member firms against whom disciplinary action is taken. At the same time, the regulatory process to be established must be proportionate, relevant and targeted at the areas of greatest risk and be cost effective, recognising that the cost of regulation is borne ultimately by the debtors and creditors in the process and that unnecessary/over-regulation and bureaucracy can stifle innovation and competition.

5. Avoiding Duplication

The monitoring and audit body will be careful to avoid overlap and duplication in relation to those areas of activity of DRF members which are already subject to regulation and oversight by other bodies. At the same time, the regulatory body will seek to engage with those bodies where appropriate and disciplinary action taken by any of them against DRF members or their staff may give rise to action against the member by the DRF or by the regulatory body in appropriate circumstances.

6. Publication of upheld complaints/disciplinary action taken.

The regulatory/ disciplinary process includes a commitment to the prompt publication and transparency of outcomes i.e. disciplinary action taken against DRF members would be publicised on the DRF website and in the media.

7. Appeal – and due process

The disciplinary process, arising from an upheld complaint or a negative finding unaddressed by a member in the course of an inspection or audit would be subject to rights of appeal and a commitment to the provision of a full explanation (to the member firm and to any third party complainant) of action taken by the DRF.

8. Complaints

The DRF has a clearly identified complaints procedure and panel. The DRF's website provides an explanation of how to complain about a DRF member, including a commitment to keep complainants informed of the progress of their complaint.

The complaints procedure includes full disclosure of the complaint to the member as part of the investigation process designed to establish whether the member has been guilty of misconduct in relation to a breach of any of the standards applied to DRF members from time to time in connection with the matter which gave rise to the original complaint or to the member's handling of the complaint.

The procedure includes powers to take disciplinary action against the member (see below) and rights of appeal by the member.

In addition to reactive investigation, the monitoring and audit body's arrangements for establishing the effectiveness of the complaints procedures operated by members and of establishing confidence in them among stakeholders will include routine surveys of complainants.

9. Disciplinary action

Sanctions against a DRF member may be imposed by the DRF Board, following adjudication by the Complaints Committee.

Sanctions may take the form of: -

- Written warnings as to the member's future conduct.
- Undertakings to be given by members to improve or change procedures, documentation or behavior.
- Follow up and/or targeted IPA inspections and audits of members, at member's cost.
- Fines levied for repeated serious breaches.
- Suspension of DRF membership until the Board is satisfied that the Code and Standards are being properly observed.
- Expulsion from DRF. Expulsion will be notified to members, creditors, by press notice, in a statement on the DRF's website, and to any regulatory bodies and other interested parties.

10. Disciplinary actions – timescales

The DRF undertakes that breaches of the Code & Standards will be investigated and, if required rectified as quickly as possible allowing for fair and due process.

On receiving evidence of a likely breach DRF will:

- Contact the member within 5 working days to request full details of the alleged breach.
- The member must respond within 10 working days of the request.
- The member will have 10 working days from any instruction from the Code & Standards Administrator to rectify the breach.

In the event of a member failing to comply with decisions and recommendations by the DRF the member or the DRF may elect to call upon the independent Complaints Committee to consider the matter and make adjudications, decisions and recommendations - Failure to implement decisions or recommendations within the timescale set will lead to the imposition of sanctions against the member as set out above.

J. Statements/reviews/information provided by the DRF

1) DRF mission statement and objectives

DRF will publish a mission statement/set of objectives on its formation/hard launch in conjunction with publication of the code & standards to which its members are committed.

2) Impact assessment

DRF will publish an annual report and impact assessment indicating, *inter alia*, its relevance within the industry and its achievements against its mission statement/objectives.

3) Annual report by monitoring and audit body

The IPA will issue an annual report containing statistics and descriptions of its monitoring, inspection and complaints handling during the period as well as details of any disciplinary action taken against DRF members.

4) Debtor solutions

The DRF should publish and keep updated a summary of the circumstance in which debt management plans, consolidation loans, IVAs and bankruptcy respectively are recommended to debtors by DRF members (i.e. a description of each of the available 'solutions' which would enable the reader to differentiate between them as to flexibility, the extent to which creditors are bound in, period, cost, disclosure, downsides, current failure rates, returns to creditors etc).

5) Research into industry performance

The DRF is committed to publishing a survey of the different ways and forms in which payments are made for the provision of solutions, whether by the debtor or the creditor, when and how such payments are made and the nature of the services provided in exchange for them. The DRF will publish a description of the services offered by its members and indicate outcomes achieved by them in areas such as returns to creditors, the level of acceptance of proposals by creditors, fees charged, failure rates, etc.

6) Harassment

Publish in consultation with other bodies overseeing standards in the provision of advice to debtors (such as the Money Advice Liaison Group), a summary of harassment and how to deal with it.

K. Development of standards

The DRF is committed to stakeholder consultation in the development of the DRF code & standards, including consultation with creditors, the not for profit sector and other interested parties.

DRF Code & Standards

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