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Make provision for the restriction of advertisements for high-cost credit agreements at certain times of day.

BE IT ENACTED by the Queen’s most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follows:—

1 Meaning of “advertising”

For the purposes of this Act, a person advertises high-cost credit agreements if he or she, for commercial remuneration as a result of high-cost credit agreements—

- (a) does anything to encourage one or more persons to make a high-cost credit agreement; or 5
- (b) participates in or facilitates an activity knowing or believing that it is designed to—
 - (i) encourage one or more persons to make a high-cost credit agreement, or 10
 - (ii) increase the number of high-cost credit agreements by bringing them or information about them to the attention of one or more persons.

2 Broadcasting

- (1) The Office of Communications shall make rules concerning advertising high-cost credit agreements under section 319 of the Communications Act 2003 (OFCOM’s standards code). 15
- (2) Under subsection (1), the Office of Communications shall set, review and revise standards in respect of advertisements for high-cost credit agreements.
- (3) In complying with subsection (2), the Office of Communications shall— 20
 - (a) consult Citizens Advice and other relevant consumer and child support organisations;
 - (b) ensure that the standards reflect the provisions of regulations under section 3 of this Act; and

- (c) ensure high-cost credit agreement advertisements are not broadcast other than between the hours of 9pm and 5.30am.

3 Regulations

- (1) The Secretary of State must introduce regulations to limit the advertising of high-cost credit agreements. 5
- (2) A “high-cost credit agreement” means a regulated credit agreement as defined by section 137C of the Financial Services and Markets Act 2000 (FCA general rules: cost of credit and duration of credit agreements).
- (3) Regulations under subsection (1) may, in particular, make provision about the— 10
- (a) form;
 - (b) content;
 - (c) timing; and
 - (d) location;
- of advertisements for high-cost credit agreements. 15
- (4) In making regulations under this section, the Secretary of State shall have regard to the need to protect children and other vulnerable persons from being harmed or exploited by high-cost credit agreements.
- (5) These regulations must come into force no later than six months after the passing of this Act. 20

4 Commencement, extent and short title

- (1) The provisions of this Act shall come into force on the day on which it is passed.
- (2) This Act extends to England and Wales, Scotland and Northern Ireland.
- (3) This Act may be cited as the High-cost Credit Agreements (Advertising Restrictions) Act 2014. 25

High-cost Credit Agreements (Advertising Restrictions) Bill [HL]

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Lord Mitchell

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