

# Financial Guidance and Claims Bill [HL]

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AMENDMENTS  
TO BE MOVED  
IN COMMITTEE OF THE WHOLE HOUSE

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**Clause 2**

BARONESS ALTMANN

Page 2, line 11, leave out “advice” and insert “counselling”

LORD STEVENSON OF BALMACARA

Page 2, line 22, leave out subsection (5) and insert –

“( ) The debt advice function is to commission the provision of sufficient debt advice services, which are to be free at the point of use, to meet the needs of people in financial crisis in England.”

Page 2, line 23, at end insert –

“( ) The single financial guidance body must commission the provision of debt advice services on the basis of consultation with relevant bodies involved in the provision of information, guidance and advice on personal debt.”

BARONESS ALTMANN

Page 2, line 32, leave out “young people” and insert “adults”

LORD MCKENZIE OF LUTON

Page 2, line 32, at end insert –

“( ) the awareness of scams and frauds relating to financial products,”

BARONESS ALTMANN

Page 2, line 32, at end insert –

“( ) public understanding of how to access information and guidance,  
( ) public recognition of the distinctions in personal finance terms between “education”, “information”, “guidance”, “counselling” and “individualised independent financial advice”,”

**Clause 2 - continued**

LORD MCKENZIE OF LUTON

Page 2, line 34, at end insert –

- “( ) As part of undertaking its strategic function to improve the financial capability of members of the public, the single financial guidance body must carry out research on a periodic basis, in collaboration with other bodies with an interest in debt issues, to determine –
- (a) the level of unmanageable debt across England, Wales, Scotland and Northern Ireland,
  - (b) the causes of unmanageable debt, and
  - (c) ways to prevent unmanageable debt.

*Re-tabled from amendment sheet HL Bill 1(f)*

Page 2, line 34, at end insert –

- “( ) In seeking to improve financial inclusion, the single financial guidance body must, as part of a national strategy –
- (a) produce a separate annual report on the progress of addressing financial exclusion across the United Kingdom, in conjunction with the devolved administrations;
  - (b) work with banks, financial organisations and technology companies to ensure that hard-to-reach groups are able to access financial advice, guidance and products online;
  - (c) work with banks, financial organisations, consumer groups and technology companies to ensure that customers suffering from mental ill health have more options to control their financial conduct;
  - (d) conduct an annual review of the impact of the Welfare Reform Act 2012 on financial exclusion;
  - (e) consult as to whether responsibility for financial inclusion should be vested with Government Ministers, and if so, whether this should be done within or across departments.”

Page 2, line 34, at end insert –

- “( ) In seeking to improve the provision of financial education to children and young people, the single financial guidance body may advise the Secretary of State that –
- (a) Ofsted should take into account the financial education provided by schools when carrying out inspections; and
  - (b) financial education should be added to the primary school education curriculum.”

**Clause 2 - continued**

LORD MCKENZIE OF LUTON  
LORD STEVENSON OF BALMACARA

Page 3, line 5, at end insert –

- “( ) The Secretary of State must undertake periodic reviews in conjunction with Scottish Ministers and the Department for Communities in Northern Ireland to determine the effectiveness of the single financial guidance body in Scotland and Northern Ireland.”

LORD MCKENZIE OF LUTON

Page 3, line 9, at end insert –

- “( ) In this section, “unmanageable debt” means when an individual is –
- (a) making minimum repayments on credit commitments for three months or more;
  - (b) falling behind on essential bills;
  - (c) using credit to pay essential bills;
  - (d) using credit to service credit commitments;
  - (e) using credit to make essential day-to-day payments until payday; or
  - (f) receiving overdraft or late payment charges on a regular basis.”

**After Clause 2**

LORD STEVENSON OF BALMACARA

Insert the following new Clause –

**“Review into the creation of a breathing space scheme**

- (1) As part of its strategic function, the single financial guidance body must conduct a review into the desirability of creating a scheme which makes provision for financial respite for members of the public in debt (“a breathing space scheme”) and may make recommendations to the Secretary of State.
- (2) In undertaking its review, the single financial guidance body must consider –
  - (a) the eligibility criteria for members of the public to join such a scheme;
  - (b) the protections from creditors afforded by such a scheme;
  - (c) the requirements on members to comply with a debt repayment plan;
  - (d) the role of debt advisers in administering such a scheme;
  - (e) what would happen in the event that members did not comply with a debt repayment plan or were no longer eligible to remain members of such a scheme;
  - (f) how appeals and challenges to such a scheme would be handled;
  - (g) how different types of debt would be handled by such a scheme; and
  - (h) the appropriate length of time for which a person may claim protection under such a scheme.
- (3) The single financial guidance body must publish its review and make any recommendations to the Secretary of State by the end of the period of six months beginning with the day on which this section comes into force.

**After Clause 2 - continued**

- (4) The single financial guidance body must provide information and guidance to members of the public about any future breathing space scheme if it, or a similar scheme, were to be created.”

Insert the following new Clause –

**“Review into insolvency regimes**

- (1) As part of its strategic function, the single financial guidance body must review current insolvency regimes for members of the public in debt in England (“the regimes”) and may make recommendations to the Secretary of State.
- (2) In undertaking its review, the single finance guidance body must consider –
- (a) the eligibility criteria for members of the public to participate in insolvency regimes;
  - (b) the cost of the regimes;
  - (c) the protections offered by the regimes from creditors;
  - (d) the role of debt advisers in administering the regimes and the costs they bear;
  - (e) the treatment of different types of debt by the regimes; and
  - (f) the appropriate length of time for which a person may claim protection under different regimes.
- (3) The single financial guidance body must publish its review and make any recommendations to the Secretary of State by the end of the period of six months beginning with the day on which this section comes into force.
- (4) The single financial guidance body must provide information and guidance to members of the public about any insolvency regimes it considers appropriate.”

**Clause 4**

LORD STEVENSON OF BALMACARA

Page 3, line 45, leave out paragraph (b)

**Clause 8**

LORD STEVENSON OF BALMACARA

Page 5, line 16, leave out from “to” to end of line 18 and insert “consultation on the single financial guidance body’s funding settlement and such arrangements with SFGB delivery partners as the Secretary of State thinks appropriate (including conditions as to any loan repayments).”

Page 5, line 18, at end insert –

- “( ) The single financial guidance body must monitor its use of financial assistance in order to inform the consultation under subsection (3).
- ( ) The single financial guidance body must publish the results of its monitoring under subsection (4).”

**Clause 11**

LORD STEVENSON OF BALMACARA

Page 7, leave out lines 31 to 35 and insert—

“( ) The Treasury may, following consultation with relevant bodies involved in the provision of information, guidance and advice, notify the FCA of the amount of the expenses incurred, or expected to be incurred, by the devolved authorities in connection with the provision of information and advice on debt to members of the public in Scotland, Wales and Northern Ireland.”

**Schedule 3**

BARONESS ALTMANN

Page 27, line 5, leave out paragraph 33

**After Clause 17**

BARONESS ALTMANN

Insert the following new Clause—

**“Prohibition on making unsolicited approaches for claims**

- (1) A person must—
- (a) not use, nor instigate the use of a public electronic communications service for the purpose of making unsolicited telephone calls for direct marketing; and
  - (b) not transmit, nor instigate the transmission of, unsolicited communications for the purpose of direct marketing by means of electronic mail or otherwise,

where—

- (i) the person making or instigating the call or transmitting or instigating the use of electronic mail is acting on behalf of a claims management service, or does so with a view to providing information to a claims management service, and
- (ii) the purpose of the call or the electronic mail is to engage a consumer in commencing a claim.

- (2) In this section—

“call” means a connection established by means of a telephone service available to the public allowing two-way communication in real time;

“claim” means proceedings in which there is a claim for damages or compensation;

“claims management service” has the meaning given by section 419A of the Financial Services and Markets Act 2000;

“direct marketing” has the meaning given by section 11(3) of the Data Protection Act 1998;

**After Clause 17 - *continued***

“electronic mail” means any text, voice, sound or image message sent over a public electronic communications network which can be stored in the network or in the recipient’s terminal equipment until it is collected by the recipient and includes messages sent using a short message service;

“public electronic communications service” has the meaning given by section 151 of the Communications Act 2003;

“unsolicited” means an approach which has not been specifically requested, even if a person has asked to receive marketing information.”

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*14 July 2017*

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