

**Claims Management firms support obeying the law -
but go further by stopping 'legal' cold calling**

The **fair telecoms campaign** has long been pressing the **Claims Management Regulator** (part of the **Ministry of Justice**) to change its rules so as to prohibit Claims Management companies from making unsolicited telephone calls, and handling leads generated in this way by agents.

We call on **Lord Fawkes**, the relevant minister, to **justify his tolerance of this practice**, and to **accept responsibility for the appalling level of public nuisance** which is a direct consequence of this failure to properly regulate this particular business sector.

The **Office of the Information Commissioner (ICO)** has to sweep up all those who are not covered by sector specific regulation, using its necessarily broad and loose powers. Claims Management is one of a number of areas where a powerful specific regulatory regime is in place, and could be used to effectively stamp out improper use of the telephone.

Other examples where the most complained about topics are covered by specific regulation are: Debt Management (**FCA**), "Green Deal" (**DECC**), Telecoms (**Ofcom**), Energy (**Ofgem**). In all of these areas cold calling is permitted by the terms of strict regulations, and the **ICO** has to try to pick up the pieces, using its wider rules and more limited powers of investigation and penalty.

The Good News

We are delighted to hear that some in the Claims Management industry have recognised that the **"political will"** to eradicate many bad practices is missing. As a result they have decided to launch their own initiative - an [Ethical Marketing Charter](#).

This mostly covers complying with various existing regulations, which are widely breached and inadequately enforced. The Commitment to **"never cold call or send spam texts or spam emails"** is however different, because this practice is essentially permitted, at present.

It is only natural to welcome a commitment to obey the law as it is, but we are especially pleased to note that some practitioners are ready to anticipate a forthcoming ban on cold calling.

The website - <http://ethicalmarketing.org.uk/> - offers supportive comments from **Helen Goodman MP**, **Phillip Hollobone MP**, **Tom Brake MP**, **APIL** and the **Motor Accidents Solicitors Society**. We hope that they would also support the Ministry of Justice in extending the current regulations to require **all** Claims Management companies to obey the law and also to cease cold calling.

We also note a comment on the launch of the Charter from **Kevin Rousell, Head of Claims Management Regulation at the Ministry of Justice**:

"The Claims Management Regulator has been working hard to ensure that CMCs behave in an ethical and responsible manner. Any steps by the industry itself that may help improve practices and raise standards are to be welcomed. Bad conduct plagues the reputation of the claims management sector and all CMCs should commit to stamping out bad practice."

The **fair telecoms campaign** responds, ***"If Lord Fawkes and the government believes that the same standards should not be demanded of every company that operates in a sector charged with delivering justice for all, then let them now explain why not. Those who permit cold calling, when they have the power to stop it, must stand accountable for the consequences."***

