



### Victory in the House of Lords - Government agrees to ban cold calling for Claims Management and Pensions

The **fair telecoms campaign** has long been pressing for responsibility to prohibit cold calling to be accepted by the relevant sectoral regulators. The **Office of the Information Commissioner** (ICO) should be acting only as a “back stop”, to cover direct marketing by unregulated industries.

An ideal first opportunity to bring this into effect by legislation arises through the **Financial Guidance and Claims Bill**, which passes responsibility for “Claims Management” – the basis of the PPI recovery and “have you had an accident?” Nuisance Calls - to the **Financial Conduct Authority**.

We have long been calling for total prohibition of direct marketing calls in relation to this service, made either by the licensed Claims Management Company itself, or an agent acting on its behalf.

An amendment to this effect (see [our briefing](#)) is tabled for debate at Report Stage of the Bill. Peers have also tabled a further amendment (see [our briefing](#)) which could compel the **FCA** to apply a prohibition on cold calling in respect of other regulated services, e.g. Pensions.

When the more general amendment was debated today **TOTAL VICTORY WAS SECURED**.

For the government, Baroness Buscombe said:

**“I am pleased to say that the Government are working through the detail of a ban on cold calling by claims management companies ... and propose bringing forward a government amendment in the other place to meet the concerns of this House.**



**“Pensions cold calling is also a complex area which we want to get right. ... The Government will ... publish draft legislation for scrutiny in early 2018. Following this, we will legislate at the earliest opportunity. This gives us the opportunity to develop legislation which is more carefully targeted and allows us to make proper provision for enforcement.”**



The relevant (general) amendment was moved and passed by the House – defeating Government opposition to it. This defeat reflected concern about when “the earliest opportunity” may arise.

*(See Hansard, when published in full, for the full text of the debate)*

## Next Steps

When the amendment that has already been tabled to cover Claims Management (#42) is debated, next Tuesday, it is imperative that this be passed.

The terms of that amendment – notably the central role of the **FCA** as the body to impose and enforce the prohibition – may be set against any alternative proposed by the government when the Bill moves to the Commons.

On the wider issue, we will be compiling a list of those areas of Financial Services where it is already seen that a cold calling ban by the **FCA** may be demonstrated as being necessary.

Given that the will of parliament – for the **FCA** to prohibit cold calling in respect of many of the services that it regulates – is known, there is no good reason why the **FCA** could not proceed to apply such a prohibition itself, without needing to be explicitly kicked by a statutory provision.

If the **FCA** were to recognise this and respond accordingly - in respect of those areas which are already within its remit – then the specific amendment to enable the kicking could be seen to be redundant and potentially removed from the Bill in the Commons. We await **FCA** reaction.

