fair telecoms campaign briefing

Legislation to prohibit cold calling in relation to Claims Management (PPI, Accidents etc.)

On the afternoon of **Tuesday, 24 October** the **House of Lords** will commence Report Stage of the Bill to transfer responsibility for the regulation of Claims Management Companies to the Financial Conduct Authority (FCA). **Amendment 42**, shown below as an extract from the Marshalled List, will be moved and debated when earlier numbered amendments have been dealt with.

The **fair telecoms campaign**, which supported and inspired the preparation of the amendment, believes that, if enacted and complied with by the **FCA**, it would produce a regulation that delivers effective prohibition of cold calling in relation to all Claims Management services.

The regulation would not only provide clarity to the licensed "Claims Management Companies", but also cut off the source of income to the, un-regulated and hard to catch, agencies responsible for most of the "***have you re-claimed your PPI?***" or "***you recently had an accident …***" calls.

This type of direct regulation acts against the cowboys, by holding their paymasters responsible, and places the Companies themselves at risk of losing their licence. **General regulation is unable to have so strong an impact**. We are seeking for this type of regulation to be applied wherever possible – most sectors that give rise to unsolicited telemarketing are regulated.

This Bill, amended or not, will continue for consideration in the **House of Commons**.

Financial Guidance and Claims Bill [HL]

MARSHALLED

LIST OF AMENDMENTS

TO BE MOVED

ON REPORT

After Clause 17 - *continued*

LORD SHARKEY
BARONESS ALTMANN
THE EARL OF KINNOULL

42★ Insert the following new Clause –

"Ban on unsolicited real-time direct approaches by, on behalf of, or for the benefit of companies carrying out claims management services and a ban on the use by claims management companies of data obtained by such methods

(1) The FCA must, within the period of six months beginning with the day on which this Act comes into force, introduce bans on –

(a) unsolicited real-time direct approaches to members of the public carried out by whatever means, digital or otherwise, by, on behalf of, or for the benefit of companies carrying out claims management services or their agents or representatives,

(b) the use for any purpose of any data by companies carrying out claims management services, their agents or representatives where they cannot demonstrate to the satisfaction of the FCA that this data does not arise from any unsolicited real-time direct approach to members of the public carried out by whatever means, digital or otherwise.

(2) The FCA must fix the appropriate penalties for breaches of subsection (1)(a) and (b) above."