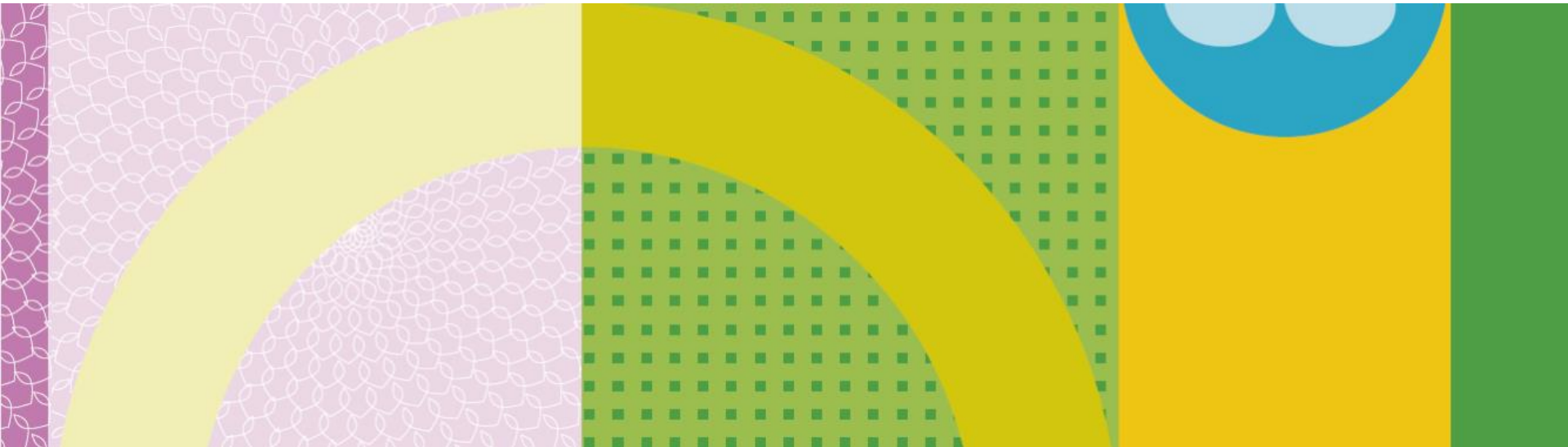




# Institute of Money Advisers Virtual Annual Conference 2021



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# How does the Just Judgment Affect Debt Advice?

[Just Digital Marketplace Ltd v High Court Enforcement Officers Association \[2021\]](#)

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# The Court Decided that:



- A CGA **can** be entered into without a physical visit
- Only compliance stage fee can currently be charged for a virtual CGA
- No automatic right to force entry where a virtual CGA is breached

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# Can Bailiffs Force Entry if a virtual GCA is breached?



- Only 're-entry' by force is allowed for breach of a CGA, not 'entry' for the first time
- However, it may be possible to apply back to court for specific permission to force entry
- The position on fees and on forced entry could change in future just by altering the regs

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# How Does this affect Debt Advice?



Clients now potentially have more options including:

- Don't engage with bailiffs at all
- Enter a virtual CGA
- Enter a 'traditional' in-person CGA

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<b>Client Option</b>	<b>Compliance Fee?</b>	<b>Enforcement Fee?</b>	<b>Pros and Cons</b>
<b>No engagement</b>	No*	No	<ul style="list-style-type: none"> <li>- Client ability to stand their ground</li> <li>- 12 months before account has to be returned to creditor</li> <li>- Vehicles still at risk</li> </ul>
<b>Informal agreement</b>	Yes	No	<ul style="list-style-type: none"> <li>- Needs creditor consent</li> </ul>
<b>Virtual CGA</b>	Yes	Not initially	<ul style="list-style-type: none"> <li>- Less intrusive than visit</li> <li>- Cheaper than traditional CGA</li> <li>- Choice over what is taken into control</li> <li>- But CGA still survives DRO</li> </ul>
<b>'Traditional' CGA</b>	Yes	Yes	<ul style="list-style-type: none"> <li>- Stress of in-person visit</li> <li>- Most expensive option</li> <li>- Immediate right to re-entry by force if agreement is breached</li> <li>- CGA survives DRO</li> </ul>

\*Any fees incurred will be cancelled when account is returned

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# Is Virtual CGA always an Option?



- Not if the bailiff firm in question doesn't offer them
- Not if the client doesn't have access to the necessary video equipment (e.g. laptop/iphone)
- If client is unable to use this method due to disability then there may be need to make reasonable adjustments e.g. large text or subtitles
- Providing the firm is one that offers Virtual agreements in the first place, it could potentially be argued that it would be discriminatory to only offer more expensive in-person visit for clients unable to engage virtually due to a disability

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# What has not changed?



- Bailiffs should immediately contact the creditor if client is vulnerable - creditor may take the account back
- A CGA must always be signed (electronically or in person)
- Still not possible to take control of goods just by looking through a window

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