

The Institute of Money Advisers

MONEY ADVICE STATEMENT OF GOOD PRACTICE A Statement of Good Practice for Money Advice Organisations

1. THE OUTLINE

- 1.1 This document aims to be a statement of what is generally held to be good money advice practice by the members of the Institute of Money Advisers (IMA).
- 1.2 It recognises that advisers are operating in a variety of organisations and that the organisations prescribe the tasks they will and will not carry out and the manner in which they will be completed. The IMA has neither the desire nor the ability to interfere in this relationship.
- 1.3 The Statement covers the relationships between adviser and client, and adviser and creditor. It aims to offer all parties a clear ethical framework within which to operate.

2. THE SERVICE PROVIDER

The service provider will:

- 2.1 Be licensed by the Financial Conduct Authority under the appropriate category to provide unless exempt.
- 2.2 Have professional indemnity and public liability insurance or other appropriate arrangements in place.
- 2.3 Provide the service free of charge to the client at the point of delivery. Clients will not be charged for any part of the advice or service
- 2.4 Process all data held in line with Data Protection and Freedom of Information legislation as appropriate.
- 2.5 Comply with all Health & Safety, Equal Opportunities and Human Rights legislation.
- 2.6 Ensure, except where a service exists specifically to meet the needs of a particular community, the adviser will not discriminate between clients on the grounds of sex, marriage, race, colour, nationality, ethnic or national origin, disability, age, sexual orientation or religion.
- 2.7 Ensure the remit, boundaries and limitations of the service are identified in writing to the client.
- 2.8 Ensure that a written complaints procedure is in place and all service users are made aware of the process.
- 2.9 Provide unbiased independent confidential advice and take up issues with appropriate authorities or organisations on behalf of individuals or groups.

3. THE ADVISER

The adviser will:

- 3.1 Offer clients the full range of options for resolving their debt problems according to their individual circumstances; explain the consequences of each option to enable clients to make informed choices and ensure that all advice given is in the best interest of the individual client.
- 3.2 Provide impartial advice and not seek to favour any particular creditor or group of creditors; except insofar as different methods of enforcement laid down by statute for different types of debt will be reflected in the priorities and repayments negotiated by advisers.
- 3.3 Explain clearly the potential consequences of non-payment of any particular debt.
- 3.4 Be non-judgmental, and give advice and assistance regardless of how debts have arisen.
- 3.5 Not knowingly aid or abet the continuance of fraudulent activity by a client, taking cognisance of current legislation and any protocol produced by the adviser's agency or organisation in this regard
- 3.6 Ensure that priorities in dealing with debts are those of the informed choice of the client, not those of the adviser.
- 3.7 Reserve the right to withdraw their service from any client who wishes to pursue courses of action which could be detrimental to the credibility of their organisation and advise of the consequences of such courses of action.
- 3.8 Attempt to empower the client to take control of her/his own financial affairs and avoid unnecessary dependency upon the adviser and/or the agency.
- 3.9 Regularly update the client and her/his creditors of any significant developments in the case and record details in accordance with the adviser's agency or organisation's recording system.
- 3.10 Develop and agree with the client a course of action, which clearly specifies the methods, time scales and responsibilities for delivering the client's chosen course of action and record this clearly in the client's case notes.
- 3.11 Carry out all actions in line with their agency/organisation's service delivery standards.
- 3.12 Refer/signpost the client to an appropriate agency, where issues fall beyond the boundaries of the adviser's agency or organisation's service, with the permission of the client.

- 3.13 Inform the client where her/his case has been closed and warn her/him that s/he might now be contacted directly by creditors but that s/he can seek further advice and/or assistance from the adviser as necessary
- 3.14 Advise of the level of advocacy and support available and offer representation before appropriate bodies, e.g. the County Court where resources are sufficient to allow this.
- 3.15 Ensure that all correspondence is written in plain language taking account of the need to comply with any legal formalities.
- 3.16 Ensure that they keep up to date with changes in relevant legislation, practice and policies which may affect their work.

4. THE CREDITOR

The service provider offers the creditor the following assurances: -

The adviser will:

- 4.1 Treat all creditors impartially at all times and not seek to give any creditor priority over any other in a similar position.
- 4.2 Take reasonable steps to verify clients' income and outgoings in order to authenticate the client's circumstances in accordance with the FCA's Handbook of Rules and Guidance, the relevant section for debt advice is CONC 8, wherever possible.
- 4.3 Not discuss opinions or judgements of the client's behaviour with creditors.
- 4.4 Carry out all agreed actions in line with the adviser's agency/organisation's service delivery standards.
- 4.5 Inform the creditor when the client's case has been closed in the following circumstances: (i) the adviser has been unable to obtain instructions from the client for dealing with her/his case or (ii) the client has specifically informed the adviser that s/he wishes to carry on dealing with the case in person.

5. GENERAL

The adviser will:

- 6.1 Provide the appropriate level of support to enable the client to report examples of unfair or illegal practices to Trade Associations, the Financial Conduct Authority, local Trading Standards Departments, the Financial Ombudsman or other Regulators where appropriate.

Transfer/copy papers relating to the case only with the client's written consent, when they choose to use another service