



Specialist Debt Advice Service
Monthly Ebulletin
October 2019 Edition

Shelter

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News & legal updates

DRO Newsletter September – October 2019

The DRO Team has released their September – October 2019 newsletter, which should have been sent to DRO Intermediaries by their competent authorities.

The newsletter includes an update on how to correctly input creditors using the dropdown menu, an update on Thomas Cook, inputting income and expenditure details, creditor addresses update and more.

New Debt and Mental Health Evident Form (DMHEF) version launched

On 1 October 2019, the [DMHEF Version Four](#) was launched. It is now shorter and easier to complete the form. It is also welcome news that GPs in England will not be charging a fee for the DMHEF to be completed. The website also has a [guide](#) for debt advisers.

Barclays to end free Post Office cash withdrawals

Barclays originally [announced](#) that from 8 January 2020, customers will not be able to withdraw cash over the counter at a Post Office, but that customers can use other banking services, such as PIN and debit card to withdraw cash.

However, it has now been [reported](#) that Barclays have made a U-turn and will not be implementing the above policy due to public and political pressure, and therefore, customers will be able to continue to withdraw cash from Post Office branches going forward.

FCA sets out potential remedies to tackle concerns about general insurance pricing

The FCA has [announced](#) that it has published an interim report of its study into the pricing of home and motor insurance. Amongst other things, the FCA found that:

- Insurers often sell policies at a discount to new customers and increase premiums when customers renew, targeting increases at those less likely to switch.
- Longstanding customers pay more on average, but even some people who switch pay higher prices.
- 1 in 3 consumers who paid high premiums showed at least one characteristic of vulnerability, such as having lower financial capability. For consumers who bought combined contents and building insurance, lower income consumers (below £30,000) pay higher margins than those with higher incomes.
- Switch or pay an increased price. This is not made clear to the customer.
- Firms engage in a range of practices to raise barriers to switching.

The FCA is undertaking a range of activities in order to address the problems it has identified and is intending to publish a final report and consultation on remedies in the first quarter of 2020.

Enquiry of the month

Bankruptcy and benefit overpayments

We occasionally deal with enquiries where the client has gone bankrupt and the local authority / DWP decides to pursue the client for an outstanding benefit overpayment after the bankruptcy. The creditor might claim that where the overpayment period ends after the bankruptcy that the entire overpayment is not a provable debt in bankruptcy.

[Read more...](#)

Spotlight

In this month's Spotlight we will cover Persons at Risk of Violence (PARV) applications for debt relief orders, in particular, the process of applying for a PARV Order and potential issues in making a PARV application.

[Read more...](#)

For our previous 3 spotlight article topics here:

- Sep 2019 - [Direct Earnings Attachment](#)
- Aug 2019 - [Council Tax liability when tenants move out](#)
- Jul 2019 - [Contingent liabilities and insolvency](#)

To see our other Spotlight articles please go to our [website](#).

Case law

Court held that new arguments can be raised on appeal or set aside application after a possession order is granted

In the case of *Notting Hill Finance Ltd v Sheikh* [\[2019\] EWCA Civ 1337](#), the Court of Appeal considered when a defendant borrower may raise new arguments on an appeal of a possession order under [CPR 55](#).

[Read more...](#)

LGSCO ordered council to annul debtor's bankruptcy due to failing to follow their own policy

In the decision of *London Borough of Haringey* [\(reference number: 18 004 520\) \(17 September 2019\)](#), the Local Government and Social Care Ombudsman (LGSCO) decided that London Borough of Haringey (Haringey) failed to follow its own bankruptcy policy properly and made recommendations to Haringey to apply to annul Ms. B's bankruptcy along with the court fees and trustee costs.

[Read more...](#)

Court considers whether issuing a winding up petition was an appropriate debt collection method

In the case of *Sell Your Car With Us Limited v Sareen* [\[2019\] EWHC 2332 \(Ch\)](#), the court held that a creditor owed an undisputed debt has a right to petition for winding up.

[Read more...](#)

Networking & information sharing project

As part of our Networking and Information Sharing (NIS) partnership with the Institute of Money Advisers (IMA), the IMA and the Specialist Debt Advice Team have produced a range of resources which are available to free sector money and debt advisers.

IMA membership is not required, and you can sign up or log in to access these resources via a dedicated area of the IMA website. Under the 'Shelter Specialist Debt Resources' section you will find a variety of resources produced by the team.

September's ebulletin included our first **enquiry of the month** which covered '**challenging a transfer of a CCA regulated debt to the High Court for enforcement**'. Enquiries of the month will now sit online as a standalone resource on the IMA's website, where you will also find:

- The Q3 Debt Briefing video by Rachel Curry and Aadal Shafiq, covering **preferences and transactions at an undervalue within a DRO and other news from the quarter**
- Our Quarterly Debt Update, a 19 page document summarising the most relevant news and case law for Q3
- Our 20 minute Q2 Debt Briefing video where Alexa Walker and Steve Wilcox discuss the **Doyle v PRA Group case, contingent liabilities and other highlights from Q2**

Reading the Specialist Debt Advice Service ebulletin and Spotlight articles can count towards your **CPD points for reading**. Points for general reading are capped, please refer to your CPD guidance for further details.

The Networking & Information Sharing Project is funded by the Money and Pensions Service.

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Please remember to add specialistdebtbulletin@shelter.org.uk to your email address book to ensure that our emails are not placed in your junk mailbox.

Archived newsletters & spotlight articles

On [this page](#), you will be able to access our library of monthly e-bulletins and Spotlight articles.

Who we are

We offer support to those offering free debt advice in England & Wales.

This includes:

- assisting advisers with their complex cases, including comprehensive referencing
- clarification on new laws
- answers to technical queries
- a second opinion
- assistance with file reviews



Web enquiries can be made 24 hours a day, 7 days a week.

Click on [this link](#) to submit a web enquiry



Our telephone service is open 9am – 5pm Monday to Friday.

Call us now on **03300 580 404**.

Find us at www.shelter.org.uk/debtadvice/service

Thank you for reading.

The Specialist Debt Advice team