Subject: Consultation on Consumer Credit Act Reform – Phase 1

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Representation: The CCUA has drawn upon the views of the CCUA membership including those of the Policy and Reform Committee. See further detail under "introduction" below.

Introduction

The Civil Court Users Association ("CCUA") welcomes the opportunity to contribute to this consultation by HM Treasury.

The CCUA seeks to work with other stakeholders in a constructive and balanced manner, to achieve an efficient and cost-effective court service which is fair and proportionate for all court users.

Our members participate in around 85% of all money claims in the County Court in England and Wales, as well as being involved in a wide range of other litigation including, for example, repossession and return of goods claims. They include businesses operating within the financial services sector, utilities, legal firms, insolvency practitioners, enforcement agents, plus many others representing both Claimants and Defendants.

Overall thoughts

The CCUA is largely supportive of the modernisation of the rules around Consumer Credit requirements and expectations.

However, any changes will carry a degree of risk and uncertainty. We are very mindful of the amount of previous argument and litigation regarding interpretation of requirements, which took place in the years up to around 2010. This uncertainty and confusion was detrimental to the interests of both customers and creditors alike. Ultimately that situation was largely resolved by clear judicial decisions in cases such as Rankine and anor vs American Express Services Europe Limited and ors [2009] EWCA Civ 1539 and Carey and others vs HSBC and others [2009] EWCA 3417 (QB), but it was very unwelcome and disruptive period.

In order to avoid a similar situation again, it is imperative that any requirements are completely clear and unambiguous.

Response to questions

1). Do you agree with our vision for a reformed regime?

Yes, subject to our concerns and expressed above.

It is often felt that the Financial Conduct Authority sets vague expectations which it then interprets after the event. In the interests of certainty, under these proposals it is important that clear expectations and requirements are set from the outset.

This is important to avoid any uncertainty or confusion. It is also necessary to prevent the possibility of exploitation of customers via the internet, such as being lured into spurious claims and litigation by third parties, ultimately to the detriment of that customer. Not to mention the damage this could cause to the credit industry.

2). Do you agree with our preferred approach to legislation?

Yes, no concerns.

3). Do you think the challenges in relation to the transitional provisions have been captured and what further thoughts do you have on possible appropriate transitional provisions?

Yes, no further concerns.

4). Do you agree with our proposal to repeal the information provisions from the legislation and for these to be recast, as appropriate, into FCA rules?

Yes, we support these proposals.

5). Do you agree with our conclusion that the FCA regime without sanctions provides a robust consumer protection?

Absolutely and wholeheartedly.

6). What are your views on the following approaches for criminal offences? Officials would need to review these options in the context of the wider CCA Reform proposals.

(a) Repealing all the criminal offences in the CCA, allowing the FCA to take enforcement action where possible;

For the reasons set out in the paper, this seems proportionate and sufficient.

(b) Keeping all the criminal offences in the CCA;

This does not appear to be necessary. There is no point in retaining provisions which are unnecessary, do not add any value and where adequate safeguards are in place by other methods.

Retaining unnecessary provisions also risks diluting the overall message and diverting attention from those areas of real relevance and importance.

(c) Repealing all criminal offences (allowing the FCA to take enforcement action where possible) except those that relate to minors and canvassing off trade premises where criminal offences would remain.

There does not seem to be any justification for keeping these either, so we repeat our answer to (b) above.

7). a: Has this paper captured the key issues and barriers for each of the cross-cutting themes of:
- **Green Finance: [Yes/No]** Yes
- **Islamic Finance: [Yes/No]** Yes
- **Technology: [Yes/No]** Yes

b: Is there anything else you think needs to be considered in our Phase 2 policy work? [free text] Not particularly, we await to see the proposals.

8). Do you agree with the provisional assessment that, on balance, the Government's proposed proportionate approach to reform mitigates the negative impacts on those sharing particular protected characteristics and retain the positive equalities impacts of the products?

Yes.

9). Do you have any further data you can provide on the potential impacts on persons sharing any of the protected characteristics?

No.

Rob Thompson
CCUA Chair

21st July 2025