





## The content

# Debt Advice Handbook 15th edition

## Description

With living costs and unemployment rising, budgets squeezed and problem debt on the increase, no adviser should be without this essential guide to the practice and process of giving money advice in England and Wales.

### Who's this book for?

It is essential for debt advisers, welfare rights advisers, lawyers, local authority and housing association staff, social workers and union official.

### What does it do?

The handbook provides the most comprehensive information needed by advisers on the key stages of money advice, including interviewing clients, establishing liability, prioritising debts, preparing a financial statement, negotiating with creditors and dealing with bailiffs. Fully indexed and cross-referenced to law, regulations and official guidance, and to court and tribunal decisions Includes tactical guidance and examples

### What's new?

Fully updated to cover all recent changes to legislation, caselaw and court procedure and practice Emphasis is placed on taking due care of vulnerable clients and making sure that any payment arrangements agreed are appropriate. There is a focus on sustainable credit arrangements that do not affect a client's abilities to pay essential living expenses and priority debts.

## Properties

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## 9. Implementing the chosen strategies

Although you may have done some work with the client to deal with emergencies and other issues requiring immediate action, it is only when all the information is available and decisions have been made that the major work of implementing a debt advice strategy begins. Unless the client has chosen a formal debt solution (see Chapter 10), this is done by communicating with creditors by letter, telephone, email or sometimes in person or via the courts.

If a strategy is rejected for no apparent reason, contact the creditor(s) and specifically request

the reason(s). Creditors usually reject clients' proposals for the following reasons.

- Insufficient information has been provided. Provide additional information/evidence to enable the creditor to understand the client's financial situation.
- The creditor has conflicting or different information. Clarify the position and point out that the creditor is incorrect – eg, because the client's circumstances have changed since the creditor obtained its information.
- The chosen strategy is inappropriate – eg, it is based on incorrect information. Consider the alternatives.
- The creditor's collection policies do not permit the proposal to be accepted. Either try to persuade the creditor to treat the client's situation 'with forbearance and due consideration' <sup>1</sup> on an individual basis or consider whether there might be a more specific challenge. For example, the Financial Conduct Authority's (FCA's) *Consumer Credit Sourcebook* requires creditors not to pressurise clients to pay a debt in a single payment or unreasonably large amounts if this would have an adverse impact on the client's financial circumstances, or to raise money to pay the debt by selling their property, borrowing money or increasing existing borrowing. <sup>2</sup>
- The creditor's collection system cannot deal with the proposal – eg, the case cannot be transferred to its debt recovery section until there are at least three months' arrears. Deal with a more senior person authorised to handle the proposal or transfer the case to someone who can.
- The client has a poor payment record or history of broken arrangements. Point out that previous payment arrangements were unrealistic (if this was the case) and that the current proposals are realistic and sustainable.
- Items on the financial statement are disputed. Either explain or justify them, and use supporting evidence where available.
- The creditor wants more money. Ask the creditor where the additional money will be found, given that other creditors are likely to object to reducing their payments. Also, highlight that creditors should allow the client reasonable time and opportunity to repay the debt. <sup>3</sup>
- The creditor is determined to take court action. Point out that parties are expected to act reasonably and to avoid unnecessary court proceedings. If the matter goes to court, the court, not the creditor, decides the rate of payment (see Chapter 12). In addition, creditors should not threaten court action to pressurise a client to pay more than they can reasonably afford. <sup>4</sup>
- The creditor will not deal with the agency. Point out that this is a breach of the FCA's guidelines and could be the subject of a complaint. <sup>5</sup>

Some reasons for rejection could also be a breach of a code of practice. If appropriate, you should find out what trade association a creditor belongs to (see here) and check with the relevant code of practice – eg, *The Standards of Lending Practice*. Familiarise yourself with the FCA's *Consumer Credit Sourcebook*. Complaints under a code or the FCA rules and/or guidance can be made to the Financial Ombudsman Service (see here) or to the FCA. See Appendix 1 for details of these organisations.

If a creditor rejects a client's proposal for repayment, the client should usually make the payments regardless. If they decide not to pay, you should be able to demonstrate a good reason for this and that it was in the client's best interests. **6**

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**1** 'with forbearance and due consideration' is used in *FCA Handbook*, CONC 7.3.4R. It replaces 'sympathetically and positively', which was used in various guidance but never defined. CONC 7.3.6G contains examples of what the FCA regards as treating clients with forbearance.

**2** *FCA Handbook*, CONC 7.3.10R

**3** *FCA Handbook*, CONC 7.3.6G

**4** *FCA Handbook*, CONC 7.3.18R

**5** *FCA Handbook*, CONC 7.12.2R

**6** *FCA Handbook*, CONC 8.6.1R

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Please be aware that welfare rights law and guidance change frequently. This page was printed on Friday, October 17, 2025 and may go out of date.