

Fresh Start UK Debt Management Limited

Continuous Payment Authority (CPA) Policy

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1 POLICY STATEMENT

Fresh Start UK Debt Management Limited (*hereafter referred to as the “Company”*) are committed to using Continuous Payment Authorities (CPA) lawfully and within the customers best interest. We will therefore only exercise our rights under a CPA in a manner which is reasonable, proportionate and not excessive.

2 PURPOSE

This purpose of this policy is to provide clear understanding of and guidance on the Company’s use of Continuous Payment Authority to ensure we maintain a fair and transparent approach to our compliance standards throughout our business.

As a service provider in in the Debt Management sector we offer our customers the option to use Continuous Payment Authority– it is therefore vital that we have provisions in place to govern the facility.

3 SCOPE

The policy relates to all staff (*meaning permanent, fixed term, and temporary staff, any third-party representatives or sub-contractors, agency workers, volunteers, interns and agents engaged with the Company in the UK or overseas*) within the organisation and has been created to ensure that staff deal with the area that this policy relates to in accordance with legal, regulatory, contractual and business expectations and requirements.

4 INTRODUCTION

The Company Continuous Payment Authority (CPA) Policy takes account of situations where an existing DMP client with a Debt Management Agreement has agreed to a recurring payment method (also known as ‘a continuous payment authority’ or CPA) as the means of paying their Debt Management Plan.

5 EXERCISING A CPA

The Company will use a CPA only in circumstances wherein the customer has received a full explanation of the way in which it will be used as well as shown in our Terms of Business. The Company are committed to full transparency with all CPA’s and as such Customers will always be made aware of the amounts taken under CPA and the dates on which they will be acquired. The Company will only exercise a CPA by debit card.

Should we need to make a change to any terms covering a CPA all customers will be provided with adequate and timely explanation and asked to provide their consent to the changes.

Consent for the CPA is vital and is collected verbally, in a recorded call and noted on file and retained on the systems.

Should at any point we be made aware that the customer is experiencing actual or potential financial difficulties the CPA will be reviewed with the client.

6 PAYMENT FAILURES

All contact in regard to CPA is recorded on the debt management system (DebtSolv).

Payments are attempted to be collected up to three times on the agreed date of payment. The first two payments are automated at approximately 2am and 8am and third is a manual attempt at approximately 10am.

Payments are only attempted on the days agreed, with the exclusion of bank holidays where payments can be attempted at the closest working day. Lesser payment amounts are never attempted, unless agreed by the client in advance. All payment attempts are recorded on the payment system and client contact or attempts recorded on the systems.

Wherein the Company are unable to recover the whole amount due by the end of the next working day after the date on which it was due, we will take it as an indication that the customer may be experiencing financial difficulties.

The Company will attempt contact with the customer to discuss the situation and either make alternative arrangements, make further attempts where requested directly by the customer or seek to terminate the plan if either requested or applicable under our Termination Policy.

Where a payment is attempted but fails a notification is sent to the client in a [durable medium](#). This communication lets the client know clearly the payment is missed and highlights the consequences of missed payments. It also links to this CPA policy which clearly shows how the client can cancel the CPA if they wish. In addition to an email or letter, the client is contacted by SMS or WhatsApp to make them aware a payment has been missed.

The importance of maintaining payments to their creditors is identified to clients when payments are delayed. No further requests will be made under the CPA after 24 hours from the agreed date, for the specific missed payment, without customer contact having been achieved.

If reasonable efforts to contact the Customer are unsuccessful and there is no further evidence of financial difficulties, the Company may continue to exercise its rights under the CPA. If so, any attempts made will be reasonable and not excessive, having regard to the possibility that an unresponsive Customer may nevertheless be in financial difficulties and that a Customer who was not in financial difficulties at the time of contact may subsequently be in financial difficulties.

The Company has regard for the customers situation and understands that there may be detriment to the customer when missing a payment, such as creditor contact and potential legal action.

7 CANCELLING A CPA

A CPA can be cancelled at any time by the client contacting either The Company or their bank and informing them / us that they have removed permission for the recurring payment. The recurring payment will then be terminated.

Customers wishing to cancel their CPA are asked to contact us directly in the first instance. We will complete any CPA cancellation promptly, by phone immediately, by sms or email within two working days and by writing within 5 working days.

If there are circumstances where payment has been taken by The Company after we have recorded a request to cancel a CPA, then we will promptly refund any cleared funds.

8 NOTIFICATION REQUIREMENTS

Where a CPA payment failure occurs then this will be notified to the Accounts Manager. Payment failures will be monitored as part of the on-going client review, TCF and risk monitoring programmes.

The Company policy is one of being firm but fair, in line with our TCF objectives statement. It has been increasingly recognised that where a Debt Management Plan is not operating properly that both the creditors and the customer needs to be aware of this, minimising the business risk to The Company where the customer is not meeting their obligations under the Debt Management Agreement and prevailing Terms of Business.

9 MONITORING

Ongoing monitoring will take place in the form of a statement from Realex, highlighting the number of failed payments within the period and reviewed by managers with the intention of informing review of this policy.

END
