

Press Release

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CCCS welcomes new powers for OFT to immediately revoke consumer credit licences

Debt charity Consumer Credit Counselling Service (CCCS) has welcomed the announcement by consumer affairs minister Norman Lamb and financial secretary to the Treasury Mark Hoban of new powers for the Office of Fair Trading (OFT) that will mean that decisions to suspend the consumer credit licences of rogue firms will come into effect immediately.

At present, the suspension of a consumer credit licence cannot come into effect until the end of any appeal by the firm to the OFT, which can last as long as two years – allowing the company to continue to engage in the business practices deemed to be unfair to consumers. The Department of Business Innovation and Skills (BIS) announced the new powers this morning to address fears that firms will be able to take advantage of the two-year transition period to the new Financial Conduct Authority (FCA) regulatory regime to effectively ignore action by the OFT.

CCCS director of external affairs Delroy Corinaldi said: “This is extremely good news for the consumer. Firms that the OFT have ruled to be unfit to hold a licence will now not be able to take advantage of the two-year transition to the new regulatory regime to simply ‘get away with it’ while appealing the decision.

“We hope that this will be a shot across the bows of rogue debt management companies, payday lenders and brokers. There need now be no hesitation in immediately suspending the consumer credit licence of any firm acting in an unfair way, to ensure that consumers are protected.”

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Notes to editors:

1. CCCS's ethos is to help the "can't pays", not the "won't pays", and does not condone debt avoidance. CCCS always aims to help its clients pay back what they owe, in a realistic timescale and manner that is suited to each individual's situation.
2. CCCS is self-funding. Lenders share with the charity the benefit they receive from its operation, making a donation from the money repaid to them. This allows CCCS to retain its independence and ensure that its advice is always in the best interest of the client.
3. The CCCS free phone helpline 0800 138 1111 is open 8am to 8pm, Monday to Friday.
4. *CCCS Debt Remedy* is available at www.cccs.co.uk
5. Follow us on Twitter: @CCCSPressOffice

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