

## **CR Code Variation Consultation**

Financial Rights Legal Centre – 10 December 2018, 10am to 11am

### **Attendees:**

- Karen Cox, Holly Brooke, Financial Rights Legal Centre
- Elsa Markula, ARCA

### **Discussion:**

#### **Paragraph 24.3 – review**

- FRLC agree a 3 year review period is appropriate – there is so much change in this space, and CCR is barely off the ground.
- FRLC also questioned why the review period is not set in the CR Code as ‘every x years’ – rather than requiring new provision following each independent review.

#### **Paragraph 19 – direct marketing**

- FRLC disagree that APP7 deals with direct marketing in this context. CR Code is entitled to build on law in a specific context.
- FRLC note when considering whether marketing is permitted the question is what would reasonably be expected – it is not reasonable to expect a pre-ticked consent box.
- It would also be good if it was made explicit that a pre-ticked box doesn’t mean opting in.
- Regarding explaining the difference between a paid and free credit report, FRLC note that this could simply provide an opportunity for a CRB to upsell its paid service. Need to consider what the purpose was of this provision – and note FRLC’s concern.

#### **Paragraph 11 – writ & summons**

- FRLC consider the inclusion of this information on a credit report is not appropriate, and it should be clarified that it is not relevant to an individual’s creditworthiness.

#### **Paragraph 17 – protection for victims of fraud**

- FRLC note concerns raised by other stakeholders about blanket notifications. Question whether this could be managed by having the individual provide the CRB with a list of CPs to notify, and identify what information they dispute.
- ARCA queried whether this could be achieved using the existing first responder provisions – rather than making a change to the CR Code. FRLC to consider further.
- FRLC supportive of proposal for CRBs to co-ordinate ban periods.

#### **Paragraph 6.2(a) – account open date**

- ARCA explained the variation was looking at greater consistency across CPs as to how account open date is defined, and FRLC agree with the underlying purpose of these variations.

#### **Paragraph 8 – RHI assessment**

- ARCA explained the two different methods of RHI assessment – being a ‘worst case scenario’, and ‘point in time’ assessment. FRLC would prefer the single method being the point in time assessment.

#### **Paragraph 21 – ISO references**

- FRLC note it would be good to set out some of the relevant provisions from the ISO standards in the CR Code itself, so anyone reading the CR Code is not required to cross-reference. A brief explainer would suffice.

**Paragraph 20 & 21 – corrections and complaints**

- ARCA noted feedback from Members about corrections/complaints processes – generally that there was no substantive evidence which indicated that these provisions were not working.
- From ARCA’s perspective, it would be good to understand how making drafting changes will result in an improvement to practice – or is this more a case of the provisions being adequate, but perhaps not well-understood or well-applied by all organisations? FRLC to provide more information to ARCA.