

# money.co.uk Response to Provisional Decision on Remedies



3rd November 2014

We welcome the CMA's further recommendations to improve competition within the payday loan industry, in particular those relating to the introduction of an accreditation scheme for comparison websites.

In this regard we would like to raise the following points for consideration by the CMA and FCA when setting the criteria for accreditation:

- 1) We feel the regulator should stipulate the information that lenders should supply to PCWs, and in turn, the minimum level of information that should be displayed within each PCW's payday loan comparison. Only in doing this will the regulator ensure that all accredited comparisons are fair and useful to the consumer.
- 2) We feel it would be beneficial for the regulator to establish a more useful metric than Representative APR for use in PCW comparisons. This could incorporate the average interest rate applied over (for instance) a 30 day period inclusive of all fees. This metric would not only be more meaningful for users but also provide PCWs a means of ordering comparison tables before a user enters their specific requirements.
- 3) We feel that it would also be beneficial for the regulator to clarify how products within a PCW's payday loan comparison should be ordered before they know the user's specific requirements.