

Register of Partial Settlements

What is a partial settlement?

A partial settlement is simply where the creditor and debtor come to an arrangement where a partial payment of the debt is accepted. This may be in the form of a payment plan, or a one-off transaction.

Accepting a lesser payment in full and final settlement of a debt is a key feature of the debt collection process. Currently this is something of a black hole as there is no established process, formal or otherwise, to share information on partial settlements. This is the same across all British Isles courts including England and Wales.

This potentially impacts consumer credit records; the accuracy of their personal data; broader understanding of the economic picture in the UK, particularly when it relates to debt; and understanding of the value and economic benefits added by credit services organisations. It also impacts decision making within credit services, and the management of risk.

There are complexities to this picture – not least of all because organisations may not wish it to be made known how much money they have actually accepted as payment of a debt. And at the moment, all CRA records are set up around either a complete payment, or a complete non-payment. They do not show part payments as things stand.

So why do we want to set up a Partial Payment Register?

At the moment, it is not mandatory to update the courts once a debt has been paid. But we operate in a world where there are increasing external pressures - increasing media attention; increasing awareness of consumer rights; increasing focus on the usage and storage of data; increasing regulation in the form of GDPR and the FCA.

Benefits to acting now

By acting now, organisations have control of any changes needed – including the cost and pace of any change.

We'll see records become more usable – for the claimants own organisation; by other lenders and data users and for defendants where it creates opportunities for more informed future decisions and rehabilitated borrowers.

Acting now also demonstrates a real sense of consumer focus and pro-activity from the all those working in or affiliated to the wider credit services industry.

There should be a reduction in the volumes of heated calls, emails and letters to claimants own call centres, to credit services, to Registry Trust offices and to the courts.

And last but not least – there's a moral obligation here. We're quick to record when things go wrong – so we should also record when things go right.

To that end – we're forming a pilot group to explore the idea of a further register of short or partially settled payments and we are looking for stakeholders to join us in the initial pilot.



Registry Trust is a not-for-profit company which operates the Register of Judgments, Orders and Fines for England and Wales on behalf of the Ministry of Justice, as well as similar registers for Scotland, Republic of Ireland, Northern Ireland, the Isle of Man and Jersey.

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