

## The National Adult Literacy Agency's response to:

Consultation Paper 139

Review of the Standard Financial Statement:

Code of Conduct on Mortgage Arrears 2013 and Consumer Protection Code 2012

### About this part of our response

This is **Part 2** of our two-part response to the above consultation.

In this second part of our submission, we provide an **initial** plain English edit of the SFS form that we ask you to consider. We converted the SFS form from a PDF, so many formatting aspects are not perfect. Please review it in good faith and take points you think most relevant from it.

Finally, please also:

- recall the ideal form layout we showed you from the National Disability Authority in Part 1 of our submission; and
- remember that if this form is going online it should comply with accessibility guidelines such as having alt text and a clear order of headings, no split cells, and so on, for tables.

## Information to help you with the Standard Financial Statement

### Please read carefully

We at [name of regulated entity] are committed to working with customers who experience financial difficulties. To help you complete this Standard Financial Statement (SFS), we ask you to please read the notes below, fill in your details and sign on page X.

**Commented [SD1]:** Use size not underline to draw attention. Saying 'important information' is not descriptive enough.

**Commented [SD2]:** Avoid adverbs (fully) and try to make it concise

If you also have other loans or debts, we advise that you contact your mortgage provider(s) to discuss your options and prioritise your mortgage payments. You should also check your entitlement to any State supports, such as social welfare benefits.

**Commented [SD3]:** Tell me this earlier as good to know.

**Commented [SD4]:** Moved higher in doc as something I want to read earlier as it can help me

### What is this Standard Financial Statement?

This SFS helps you set out your financial situation. After you complete it, we will assess your information as part of the Mortgage Arrears Resolution Process (MARP). We will then explore what type of alternative repayment arrangement we can offer that is appropriate and sustainable for you. While it may look like a lot of information to provide, we only ask for what we need to assess your financial situation and find a suitable arrangement for you.

**Commented [SD5]:** The context will make it clear who this is and we say it above.

### Where can I find more information on the MARP?

- Our MARP booklet [insert link].
- The Central Bank's consumer explainer outlines your protections when experiencing difficulties with your mortgage [insert link].

**Commented [SD6]:** Using more sub-headings to better structure information

### What supports are available to help me compete the SFS?

Check our **website** for the range of the supports we provide: [insert link].

**Commented [SD7]:** Trying to be more concise to make the supports stand out. Using headings to make them pointed not buried in text.

The **Central Bank's Consumer Guide** to completing the SFS [insert link]

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This guide will explain each section of the SFS and includes a list of documents that may help you with filling in the information.

### **The Money Advice and Budgeting Service (MABS)**

MABS is a free, confidential and independent service which will help you to complete the SFS. They will talk you through the document and give advice about the supporting documents you may need to provide.

Call the MABS helpline on 076 107 2000

Visit *[insert link]*.

### **Other debt advisory services like a financial adviser**

If you decide that you want a MABS adviser or a lawyer, accountant or financial adviser to act for you, we ask that you agree in writing for us to contact them. We will then work with them directly and no longer contact you.

### **Who do I contact if I have a question?**

If you have any questions, please contact us at *[insert contact details]*. We have specially trained staff to deal with customers experiencing financial difficulties, and can help you with completing your SFS.

## What's in the SFS?

Please fill out all sections of the SFS fully and accurately and provide any documents that we may need to assess your circumstances. We list the sections in the table below along with key points for you to note.

Section	Title	Notes	Page
Section A	My details		
Section B	My mortgage		
Section C	My monthly income		
Section D	My monthly household expenditure		
Section E	My monthly debt payments		
Section F	My other properties		
Section G	My other assets		
Section H	Summary of your SFS		
Section I	Borrower declaration		

**Commented [SD8]:** Write your key point here on each section or the common error that people fall into.

Section A: My details			Borrower 1	Borrower 2
A1	Name			
A2	Correspondence address			
A3	Property address (if different to correspondence address)			
		Please ✓ how you would like us to contact you		
A4	Home telephone			
A5	Mobile			
A6	Email			
A7	Marital status			
A8	Date of birth		DD/MM/YYYY	DD/MM/YYYY
A9	Total number of people in household			
A10	Number and age of dependants	Dependant 1 Dependant 2 Dependant 3 Dependant 4		
A11	Are any of these dependants in third level education? [Yes / No] If Yes, please provide the number of expected years remaining for each dependant.			
A12	Are any of these dependants financially contributing to the household?  [Yes / No] If Yes, please include the monthly contribution in field C8 below.			
A13	Do any of these dependants have medical or care needs that have an impact on your financial situation? [Yes / No]			

**Commented [SD9]:** Use sentence case. Use 1.2-1.5 line spacing. Size 14 font for headings. Size 12 for body text

**Commented [SD10]:** Consider if using black is too distracting for the number system.

**Commented [SD11]:** This is a very small space to provide this information. Consider a different approach using more boxes. Should 'My dependants' be a subsection of this section. Just moved to the end so that it flows better?

**My details**  
**My dependants' details**

Section A: My details			
A14	Are you currently employed? [Yes / No] If you are self-employed, please provide details.		
A15	What is your current occupation? If you are unemployed, please include your previous occupation.		
A16	Are you in permanent employment? [Yes / No]		
A17	Name of current employer and your length of service		
A18	<p>For what reason(s) are you having difficulty meeting your mortgage and/or other debt repayments?</p> <p>Please select all that apply.</p>	<input type="checkbox"/> Unemployment <input type="checkbox"/> Reduced Income <input type="checkbox"/> Illness <input type="checkbox"/> Divorce or Separation <input type="checkbox"/> Bereavement <input type="checkbox"/> School or University Fees <input type="checkbox"/> Household bills Other (please specify)	<input type="checkbox"/> Unemployment <input type="checkbox"/> Reduced Income <input type="checkbox"/> Illness <input type="checkbox"/> Divorce or Separation <input type="checkbox"/> Bereavement <input type="checkbox"/> School or University Fees <input type="checkbox"/> Household bills Other (please specify)
A19	How long do you expect these difficulties to continue? (Ignore this question if you have a bereavement and/or divorce/separation.)	<input type="checkbox"/> 0-3 months <input type="checkbox"/> 3-6 months <input type="checkbox"/> 6-12 months	<input type="checkbox"/> 0-3 months <input type="checkbox"/> 3-6 months <input type="checkbox"/> 6-12 months

**Commented [SD9]:** Use sentence case. Use 1.2-1.5 line spacing. Size 14 font for headings. Size 12 for body text

**Commented [SD12]:** This covers both situations as it's continuous.

**Commented [SD13]:** Converting to Word has made this formatting difficult to read. Move to the left and have each on its own line as in original.

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Section A: My details			
		<input type="checkbox"/> 12+ months	<input type="checkbox"/> 12+ months

**Commented [SD9]:** Use sentence case.  
Use 1.2-1.5 line spacing  
Size 14 font for headings. Size 12 for  
body text

Section B: My mortgage		
<p><i>This section is about the mortgage on your primary residence. This means the residential property you live in as your primary residence, or the only residential property you own.</i></p>		
B1	Mortgage provider	
B2	Mortgage Account Reference Number(s) (Include reference number(s) for all mortgage accounts for your primary residence. This can include a top-up account)	
B3	Total outstanding mortgage balance (€)	
B4	Estimated current value of primary residence (€)	
B5	Monthly mortgage repayments due (€)	
B6	Monthly mortgage repayments being paid (€)	
B7	Remaining term of mortgage	
B8	<p>Current interest rate (%)</p> <p>Is this rate fixed, or variable? (For tracker, tick variable)</p>	<p>┆ Fixed</p> <p>┆ Variable</p> <p>┆ Part fixed and part variable</p>
B9	Arrears balance (€) (if applicable)	
B10	<p>Is your mortgage currently restructured<sup>24</sup>? [Yes / No]</p> <p>(Please select Yes if you have previously agreed with your mortgage provider to change (restructure) the terms and conditions of your mortgage due to financial difficulties. For example, changing the monthly repayment.)</p>	
B11	Do you have a Payment Protection Insurance policy? [Y/N]	

**Commented [SD14]:** Avoid italics

**Commented [SD15]:**

**Commented [SD16]:** This doesn't mean anything now as we have not explained it. To people familiar with the SFS or conventions of financial forms, but not with regular folk. Suggest we explain the summary methodology in the guide or at the top of this form.



Section C: My monthly income				
		Borrower	Borrower 2	Total €
C1	Gross monthly salary (before tax and any other deductions at source)			
C2	Net monthly salary (after tax and any other deductions at source) <sup>25</sup>			
C3	Monthly social welfare benefits Please list			
C3 (a)	Benefit (please specify)			
C3 (b)	Benefit (please specify)			
C3 (c)	Benefit (please specify)			
C4	Child Benefit			
C5	Mortgage Interest Supplement <sup>26</sup>			
C6	Working Family Payment			
C7	Maintenance received			
C8	Other (please specify) e.g. pension, room rent (for primary residence), grants, financial contribution from dependants.			
C9	Monthly rental income (from other properties) (see F5)			
C10	Monthly income from non-property assets (see G7)			
C11	<b>Total monthly income (sum of C2 to C10)</b>			

**Commented [SD17]:** Use title case, avoid italics.

**Commented [SD18]:** Add € sign here

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25 You should not include any deductions made from your salary at source (e.g., pension contribution, health insurance etc.) anywhere else on this form.

26 If you were previously eligible for and receiving this payment under the Mortgage Interest Supplement scheme, you should now receive it as part of the Supplementary Welfare Scheme.]

**Commented [SD19]:** Does our above technique work with putting notes in the table itself? Can you consider it?


### How to complete Section D

Please make sure that the figures you include in the table below are based on your household's circumstances. When working out the 'average monthly cost' for each of the expenses, use the examples listed below to help you. Only include costs that are relevant to your household.

	Expense	Examples of items to include in average monthly cost figure
D1	Food	Groceries and eating out (restaurants, cafés, canteens)
D2	Clothing	Clothes and footwear
D3	Personal care	Personal hygiene and grooming items
D4	Health	Medicines and medical visits and appointments
D5	Household goods	Furniture, appliances, cleaning products
D6	Household services	Bin charges, household repairs and maintenance, local property tax, management fees, TV licence, TV channels and streaming services, bank charges or fees
D7	Communications	Phone (mobile and landline) and internet
D8	Education	Uniforms, books, school/college/course fees and contributions, extracurricular activities
D9	Transport	Petrol, motor tax, NCT, vehicle repairs and maintenance, parking and tolls, public transport costs (including school transport), taxis, rental costs
D10	Household energy	Electricity and home heating
D11	Insurance and pension	Any type of insurance, including motor, home, health, mortgage protection, payment protection, income protection, life assurance. Pension contribution, where not deducted from salary at source.
D12	Savings	
D13	Social participation	Social events, sports and hobbies, special occasions such as Christmas and birthdays, and other events or activities
D14	Childcare	
D15	Other	Any other expenses not already captured. May include maintenance paid to spouse/child, rent, costs associated with another property, elderly care, nursing home fees, carer fees, legal costs.

**Section D: My monthly household expenditure**

Please read the guidance above before you fill in this section.

		Average Monthly cost €	Arrears (where they apply) €
D1	Food		
D2	Clothing		
D3	Personal Care		
D4	Health		
D5	Household Goods		
D6	Household Services		
D7	Communications		
D8	Education		
D9	Transport		
D10	Household energy		
D11	Insurance and Pension		
D12	Savings		
D13	Social inclusion and participation		
D14	Childcare		
D15	Other (please specify)		
D16	<b>Total monthly expenditure (Add D1 to D15 to get this)</b>		<b>H2</b> 

If there is any extra information that may affect your expenditure, please include here.

Section E: My monthly debt payments										
	Debt Type	Monthly repayments		Remaini ng term	Total outstandi ng balance €	Arrear s balance €	Provider	Purpose of Loan	Is this debt secured 27? [Y/N]	Is this debt currently restructured 28? [Y/N]
		Due €	Being paid €							
E1	Court mandated debt (Please Specify) <sup>29</sup>									
E2	Credit union loan									
E3	Personal loan									
E4	Moneylending loan									
E5	Loans from family/friends									
E6	Hire purchase/Personal contract plan agreement									
E7	Credit card <sup>30</sup>									
E8	Mortgage repayments on other properties (see F5)									
E9	Other debt (please specify) <sup>31</sup>									
E10	Other debt (please specify)									
E11	Other debt (please specify)									
E12	Other debt (please specify)									
E13	<b>Total (Add E1 to E12 to get this)</b>		H5							

Commented [SD20]: Could you make this two pages rather than one as very small and tight?

Commented [SD21]: Avoid italics.

Notes on Section E:

27 If there is security attached to the debt, please select Yes. Security might include a property, a vehicle or other asset, or a guarantee.

28 Please select Yes if you have previously agreed with your provider to change the terms and conditions of your debt (restructure) due to financial difficulties. For example, changing the monthly repayment.

29 For example, fines, instalment orders, judgements

30 Including credit cards linked to shops

31 Please include here any other debt not already included, for example, additional loans or credit cards, overdrafts, payment of arrears on utilities, or shop credit.

**Commented [SD22]:** Changing the order of this sentence as the pay-off is too far at the end.

See if you can include in table. It may not work with this example as it's very tight on space.

**Section F: My other properties**

This section is about properties you may own which are not your primary residence. When completing this section, please ensure the following:

- The figures for monthly rental income and monthly expenditure should also be included in Sections C (My Monthly Income) and D (My Monthly Expenditure)
- The figures for monthly mortgage repayments due and being paid should also be included in Section E (My Monthly Debt Payments)

	Property (include details below)	Property Type (Example: property rented out)	Ownership Type <sup>32</sup>	Estimated Current Value €	Loan Balance €	Arrears Balance €	Monthly Rental Income €	Monthly Expenditure (e.g., upkeep, maintenance)	Is this debt currently re-structured? <sup>33</sup> Y/N	Monthly Mortgage Repayments		Mortgage Provider	Is this property currently for sale? [Y/N]
										Due €	Being Paid €		
F1	1												
F2	2												
F3	3												
F4	4												
F5	Total							C9			E16		

**Commented [SD23]:** Could you make this two pages rather than one as very small and tight?

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My other properties (other than primary residence)		
Property	Address	Date of purchase
1		
2		
3		
4		

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32 For example, sole or joint ownership. Where you do not 100% own a property, please write the percentage amount that you own.

33 Please select Yes, if you have previously agreed with your mortgage provider to change the terms and conditions of your mortgage due to financial difficulties, for example, changing the monthly repayment,.



Section G: My other assets						
	Asset type	Original cost/ value €	Estimated current value €	Net monthly income	Please give any relevant details	
G1	Savings/deposits/ current account					
G2	Shares <sup>34</sup>					
G3	Redundancy payment(s)					
G4	Long-term investment (s) <sup>35</sup>					
G5	Other investment(s)					
G6	Other assets (e.g. vehicles, stock, machinery)					
G7	<b>Total (sum of G1 to G6)</b>				C10	

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Please list all other liabilities. This can include any guarantees given for company borrowing or borrowing by a family member.

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<sup>34</sup> For example, credit union shares, bank shares, employee share schemes  
<sup>35</sup> For example, a pension fund

Section H: Summary of my financial situation		
H1	Total Monthly Income (C11)	
H2	Less Total Monthly Expenditure (D16)	( )
H3	Sub-Total (H1 minus H2)	
H4	Less Monthly Mortgage Repayments Due (B5)	( )
H5	Less Other Monthly Debt Repayments Due (E13)	( )
H6	Total Surplus/Deficit (subtract H4 and H5 from H3)	

**Commented [SD25]:** See Part 1 of NALA submission for thoughts on how to redesign this and for our thoughts on the signature declaration page.

**Commented [SD26]:** Consider if you should move this to the top and explain more?

Thank you for the opportunity to take part in this review.

If you have any questions about this document, please contact Seán Driver.

Email: [sdriver@nala.ie](mailto:sdriver@nala.ie)

NALA,

April 2021