

Misinformation: addressing and preventing consumer harm

November 2025

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Executive summary

*“Disinformation is the deliberate creation and spreading of false and/or manipulated content.
Misinformation is the unintentional creation and spreading of such information.”*

Disinformation and its effect on society, House of Commons Library¹

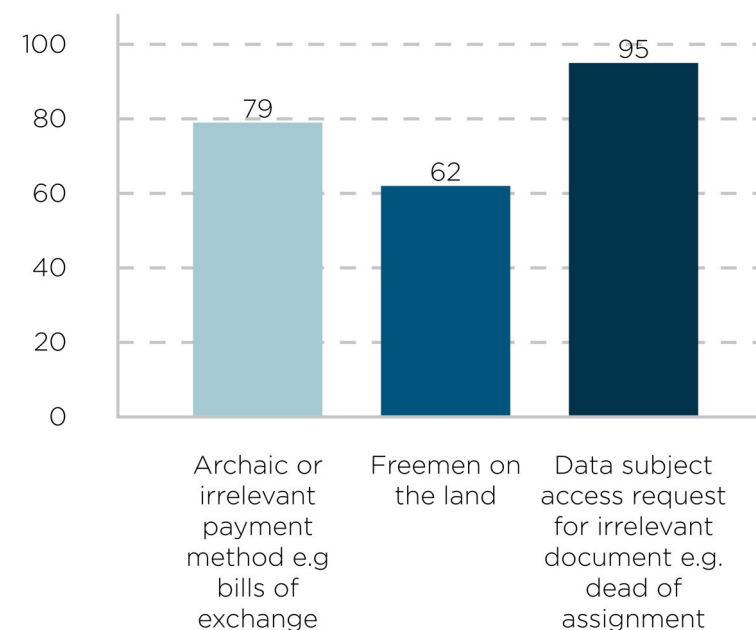
The desire to get out of debt can make people in financial difficulties highly susceptible² to online misinformation and disinformation³. Those responsible for spreading this kind of information often target the most vulnerable with enticing messages about escaping their financial circumstances, encouraging consumers to adopt strategies driven by misinterpretation of the law or baseless conspiracy theories. While the majority of customers engage constructively with their debts - either by repaying what they owe, accessing support from authorised debt advice providers, or by reaching alternative arrangements based on their circumstances - a growing minority are falling prey to these tactics and implementing their ill-fated strategies to avoid repayment. Sadly, it is the victims of online misinformation that often face the damaging consequences, while the person behind the “advice” and the platform enabling its spread continue unabated.

In our 2024 report, *Tackling the Engagement Gap*⁴, we highlighted that approximately one in five customers were not engaging with their debts. Credit Services Association (CSA) members report consistent or rising levels of meritless complaints or claims (see Fig. 1), making it likely that a significant proportion of disengaged customers have been influenced by misleading information found online. The disengagement among this cohort is often deliberate, albeit misguided, driven by advice from unregulated sources that promote questionable tactics for avoiding repayment obligations, in many instances charging for the privilege of their wisdom.

The harm to consumers caused by misinformation is considerable and has, of late, driven some regulatory intervention. For instance, the Financial Conduct Authority (FCA) recently took

Percentage of firms seeing a steady or rising levels of these complaints / claims

Figure 1 CSA member event survey, March 2025



1. House of Commons Library: [Disinformation and its effect on society](#) (July 2024)

2. “There is a risk that people who are in financial difficulty, and at risk of losing their home, are particularly susceptible to arguments that make things sound better.” Greg Sachrajda, FCA Head of Department, Retail Banking Market Interventions – The Independent [‘Struggling mortgage holders warned fake loophole claims could worsen problems’](#) (May 2025)

3. For the purposes of this paper, we refer to ‘misinformation’, even where some may constitute ‘disinformation’. While some incorrect information is undoubtedly shared with the intent of deceiving individuals, it is likely that a large amount is shared with the goal of assisting others in debt, and would therefore constitute ‘misinformation’.

4. Credit Services Association: [Tackling the engagement gap: Addressing the reluctance of consumers to discuss debt](#) (September 2024)

action against a number of “*finfluencers*” - social media personalities who promote financial products without proper authorisation – for providing inaccurate, misleading or illegal advice to members of the public. In 2024 alone, the FCA interviewed 20 such individuals under caution and issued 38 alerts against potentially unlawful promotions⁵ and earlier in 2025, it worked collaboratively with a number of regulators across the globe to tackle “rogue finfluencers”⁶.

While misinformation causes harm to a wide range of consumers, it is frequently the most vulnerable that are susceptible to that harm. There is a wide range of support available to consumers - from their creditors, from industry stakeholders, and from regulated debt advice organisations – but the enticing messaging of misinformation often prevents those consumers who need support from accessing it. Without more accountability for those distributing misinformation and more effective efforts to debunk the erroneous messaging, the problem will only get worse. Equally, there is a need to look at how legislation and regulation are open to exploitation and where changes can be made to close off those opportunities for misuse.

As the challenge posed by misinformation continues to grow, it is essential that we explore potential solutions to mitigate their effects and avoid needless consumer harm. With this in mind, we are calling for a unified, cross-sector response involving regulators, government bodies, and consumer organisations. In this paper, we set out several key interventions that we believe would support consumers to get accurate information and guidance; that would empower the authorities to take action to tackle misinformation; and would minimise the opportunities available for bad actors to capitalise on or spread misinformation.

The CSA recommends:

Cross sector collaboration on resources and support

1. Collaboration between industry and consumer-trusted sources to debunk misinformation
2. Stakeholders use that collaboration as a stepping stone toward broader cross-sector intelligence sharing on emerging misinformation

Stronger accountability for misinformation

3. Government builds on the Online Safety Act to protect individuals against financial misinformation and empower the FCA to hold social media companies accountable for permitting widespread misinformation on their platforms
4. Government takes steps to ensure that those responsible for financial misinformation can be effectively held accountable

Minimise opportunities for exploitation

5. Government reform data protection law to ensure the right of access is proportionate and no longer open to exploitation
6. Information Commissioner’s Office (ICO) enhance its guidance on ‘manifestly unfounded and excessive’ data subject access request
7. ICO provide clarifying guidance that a ‘deed of assignment’ is not within scope of a data subject access requests
8. Ministry of Justice (MOJ) reviews current court processes for dismissing cases that are without merit, vexatious, or espousing discredited legal theories and consider whether those processes remain effective at preventing the waste of court time and resources
9. Financial Ombudsman Service (FOS) enhance its internal training to better equip staff to identify and respond to debunked template complaints and implement effective processes for dismissing those that have no merit

5. Financial Conduct Authority: [FCA steps up action against misleading financial adverts](#) (February 2025)

6. Financial Conduct Authority: [FCA leads international crackdown on illegal finfluencers](#) (June 2025)

Cross-sector collaboration on resources and support

We recommend:

1. Collaboration between industry and consumer-trusted sources to debunk misinformation.
2. Stakeholders use that collaboration as a stepping stone toward broader cross-sector intelligence sharing on emerging misinformation.

In the relatively recent past, a lot of misinformation relating to financial services was limited to various specialist online forums. The individuals that posted their various theories and strategies were still able to mislead vulnerable consumers, but on a much smaller scale. The increasing level of misinformation we now see is inextricably linked with the growth in social media use, where inaccuracies, falsehoods and misinterpretations can spread globally in minutes long before they are debunked.

Alongside this, there has been growing mistrust in institutions – a 2021 report by the United Nations Department of Economic and Social Affairs⁷ noted that trust in financial institutions had fallen from 55% in 2000 to 46% in 2019.



Figure 2: United Nations Department of Economic and Social Affairs 2021 report

This mistrust, combined with the ability to amplify appealing yet inaccurate messages, creates the ideal environment for misinformation to spread with ease and for bad actors to exploit vulnerable consumers looking for help and support.

And yet, recent research by Lowell and Money Wellness⁸ suggests that consumers would be far better served by questioning their faith in social media content – the research found that almost two-thirds of debt advice on social media is misleading and 98% of it is unreliable. Furthermore, less than 2% of those giving debt advice on social media had any kind of relevant verifiable credential to provide that advice.

In recent years, the sector has seen a marked increase in customers being misled into adopting these strategies. The sources behind the misinformation frequently advise individuals to cite irrelevant or incorrect legal frameworks, such as maritime law, foreign legislation, or even the Magna Carta, to challenge their creditors. Such narratives are appealing to some consumers because they offer seemingly simple solutions and reinforce distrust in official channels.

The overriding danger of increased use of these strategies is the harm they frequently cause the customers that adopt them, whether that is the financial harm that comes from pursuing costly efforts to get out of debt, or the harm to mental health when false hopes are dashed by reality.

7. United Nations Department of Economic and Social Affairs: [Trust in public institutions: Trends and implications for economic security](#) (2021)

8. Lowell and Money Wellness: [The cost of online misinformation](#) (October 2025)

“...it is crucial that trusted sources, like the regulator and advice organisations, work together with industry to counteract the harm caused by misinformation.”

The misinformation that underpins these strategies is particularly potent when it comes from sources perceived as more relatable or sympathetic than creditors or regulators. It often encourages consumers to disengage entirely, ignore correspondence, or submit repetitive and unfounded complaints. And, unfortunately, it is those same consumers that end up facing the consequences of these actions.

This is why it is crucial that trusted sources, like the regulator and advice organisations, work together with industry to counteract the harm caused by misinformation. Firms tend to be first in line for a new strategy or template, so are in a good position to identify misinformation trends. In collaboration with trusted sources, there is an opportunity to debunk misinformation more quickly and to ensure accurate information is easily accessible across sources trusted by consumers. There is also a need to address existing misinformation which continues to be shared across social media.

Building on proposals originally set out in our 2024 paper on disengagement, *Tackling the Engagement Gap*⁹, we recommend that the Government, regulators, industry, and consumer-trusted organisations (e.g. Money and Pensions Service, Money Advice Liaison Group, debt advice organisations etc) collaborate to develop accessible, authoritative resources that debunk common myths and misinformation.

This could include interactive tools, FAQs, and myth-busting content tailored to vulnerable consumers and provide a resource for firms to direct customers to when they receive a Vexatious Claim or Complaint.

We would recommend that this collaboration serves as a stepping stone to broader cross-sector intelligence sharing on emerging misinformation. The CSA is committed to working with stakeholders in support of this important work.



9. Credit Services Association: [Tackling the engagement gap: Addressing the reluctance of consumers to discuss debt](#) (September 2024)

Stronger accountability for misinformation

We recommend:

3. Government builds on the Online Safety Act to protect individuals against financial misinformation and empower the FCA to hold social media companies accountable for permitting widespread misinformation on their platforms.
4. Government takes steps to ensure that those responsible for financial misinformation can be effectively held accountable.

Social media platforms must be held to higher standards in monitoring and removing unauthorised or illegal financial advice. While, the Financial Conduct Authority (FCA) has already taken significant steps, including the withdrawal of nearly 20,000 misleading financial promotions in 2024 and targeted enforcement against so-called “finfluencers”, we believe the Government should enhance the Online Safety Act with provisions that protect consumers against financial misinformation.

In evidence given to the Treasury Select Committee¹⁰, Lucy Castledine, Director of Consumer Investments at the FCA, stated that the FCA has a reasonable suite of powers but “the takedown requests that we issue for the underlying content is on a voluntary basis.” While platforms will act on takedown requests, the Committee was advised that “the level of responsiveness and how quickly they act will vary platform to platform”. The FCA believes that these large technology companies should be capable of proactively identifying harmful content.

Government should require social media companies to implement automated detection and takedown mechanisms for illegal financial content, and it should empower the FCA to take necessary enforcement action where misinformation has been permitted to spread across a platform. In particular, we would like to see platforms required to a) proactively identify and remove misinformation and b) act immediately upon regulatory takedown requests.

“We have a reasonable suite of powers, but the takedown requests that we issue for the underlying content is on a voluntary basis. Realistically, we know that the online platforms themselves and the algorithms are driving the content to consumers. We are talking about some of the biggest tech platforms in the world... What we would like to see is them using that tech to actually prevent and learn from the material that we are feeding them to identify such content.”

Lucy Castledine, Director of Consumer Investments, FCA, speaking at Treasury Select Committee, 30 April 2025

10. House of Commons Treasury Committee: [Oral evidence: Finfluencers, HC 863](#) (April 2025)

“It is vital that platforms are held responsible for the algorithmic spread of misleading or deceptive content that can radicalise and harm users. The few measures in the [Online Safety] Act that address misinformation fall short.”

Social media, misinformation and harmful algorithms, Science, Innovation and Technology Committee

The Government’s Science, Innovation and Technology Committee recently reported that the Online Safety Act is not capable of tackling the spread of misinformation, noting that “the few measures in the Act that address misinformation fall short.” The report emphasises the importance of accountability for social media platforms in tackling the issue.

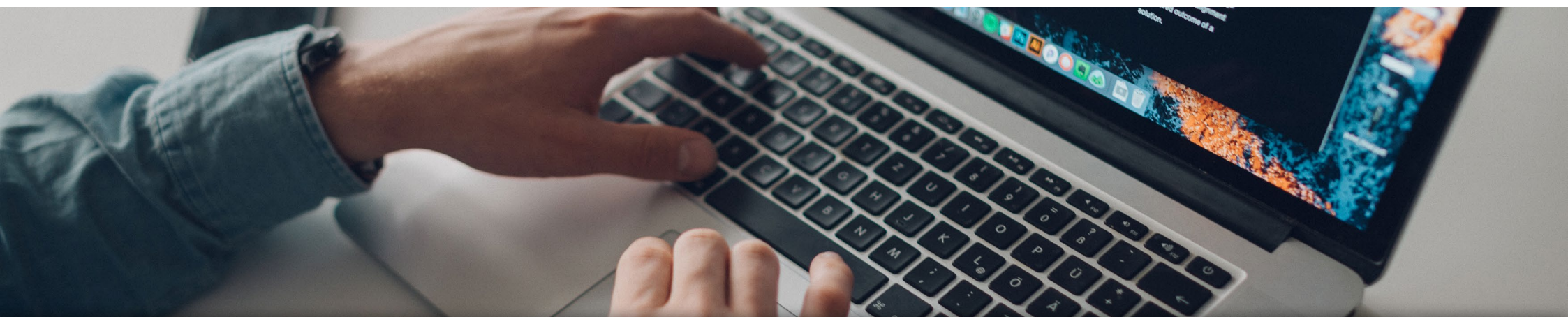
While large amounts of misinformation are spread simply as a result of users’ misguided attempts to assist others, there are a number of individuals that actively set out to deceive and to exploit individuals, and there must be more accountability.

In the debt sector, it is frequently the most vulnerable consumers that are targeted for exploitation, on the basis that they are likely to be more susceptible to false messaging about escaping their debts for free. They are so drawn in by the misinformation that they will pay considerable sums for the advice, templates and guidance on offer. In many instances, those behind this so-called advice will evade accountability because they are based in a foreign jurisdiction or they have used anonymous or false social media profiles, or by providing dubious disclaimers about the validity of their information.

The social media platforms themselves also provide the tools necessary to prevent public criticism or accurate information from breaking their bubble of misinformation – they can delete comments, remove people from their groups, or attribute critical comments to opponents.

Whether the misinformation is shared intentionally or not, it is always the end-consumer that is ultimately harmed, not the adviser, and they have little recourse against the adviser.

Social media platforms have an essential role to play in removing and minimising misinformation; but the Government should explore how it can ensure that those responsible for distributing / creating misinformation with the intention to deceive or exploit can be effectively held accountable.



Minimise opportunities for exploitation

We recommend:

5. Government reform data protection law to ensure the right of access is proportionate and no longer open to exploitation.
6. Information Commissioner's Office enhance its guidance on 'manifestly unfounded and excessive' data subject access requests.
7. Information Commissioner's Office provide clarifying guidance that a 'deed of assignment' is not within scope of a data subject access requests.
8. Ministry of Justice reviews current court processes for dismissing cases that are without merit, vexatious, or espousing discredited legal theories and consider whether those processes remain effective at preventing the waste of court time and resources.
9. Financial Ombudsman Service enhance its internal training to better equip staff to identify and respond to debunked template complaints and implement effective processes for dismissing those that have no merit.

While legal and regulatory frameworks provide robust protections for consumers, they can also be complex, duplicative and inconsistent, presenting opportunities for misuse - particularly when misinterpreted or deliberately distorted. They are also frequently changing, either because Government or regulators decide to change them, or because judgments in legal cases establish new interpretations of the law. These kinds of changes leave behind a lot of laws and regulations that are no longer relevant, but which can frequently form the basis for misinformation.

Gaps in existing laws and regulation can also enable misinformation to gain traction, if they are open to interpretation or inadvertently allow for exploitation.

A complex and ever-changing legal and regulatory framework can make it easier to present misinformation in a more legitimate light. If a consumer already sees the law and regulation as incomprehensible, it is not too far a leap for them to believe a third party telling them that companies are breaking the rules, that the system is designed to cheat them, or that there are legitimate loopholes that can get them out of their debts.

With this in mind, there are several changes that would help prevent existing regulation and legislation from confusing consumers or from being used as a basis for misinformation.

Data protection – legislation and regulatory guidance

Our first recommendation is that the Government reform the law around data protection to ensure that the right of access is proportionate and not open to exploitation.

We do not believe anyone should be denied the right of access – but we do think that the law is currently open to exploitation and that provisions around ‘manifestly unfounded and excessive’ requests do little to prevent individuals or representatives from making excessive and vexatious requests. The previous Government appeared to recognise this and did draft a data protection bill that would incorporate ‘vexatious’ requests into data protection law. It also consulted on measures that could minimise abuse of the right, such as reintroducing some form of fee. Disappointingly, none of this was picked up for the Data (Use and Access) Act.

We also recommend that the ICO enhance the existing guidance on ‘manifestly unfounded and excessive’ DSARs, to better support firms facing coordinated or bulk requests from third-parties, especially where they suspect that the individual may be unaware. Sector-specific case studies and decision-making frameworks would help firms assess DSAR legitimacy more confidently.

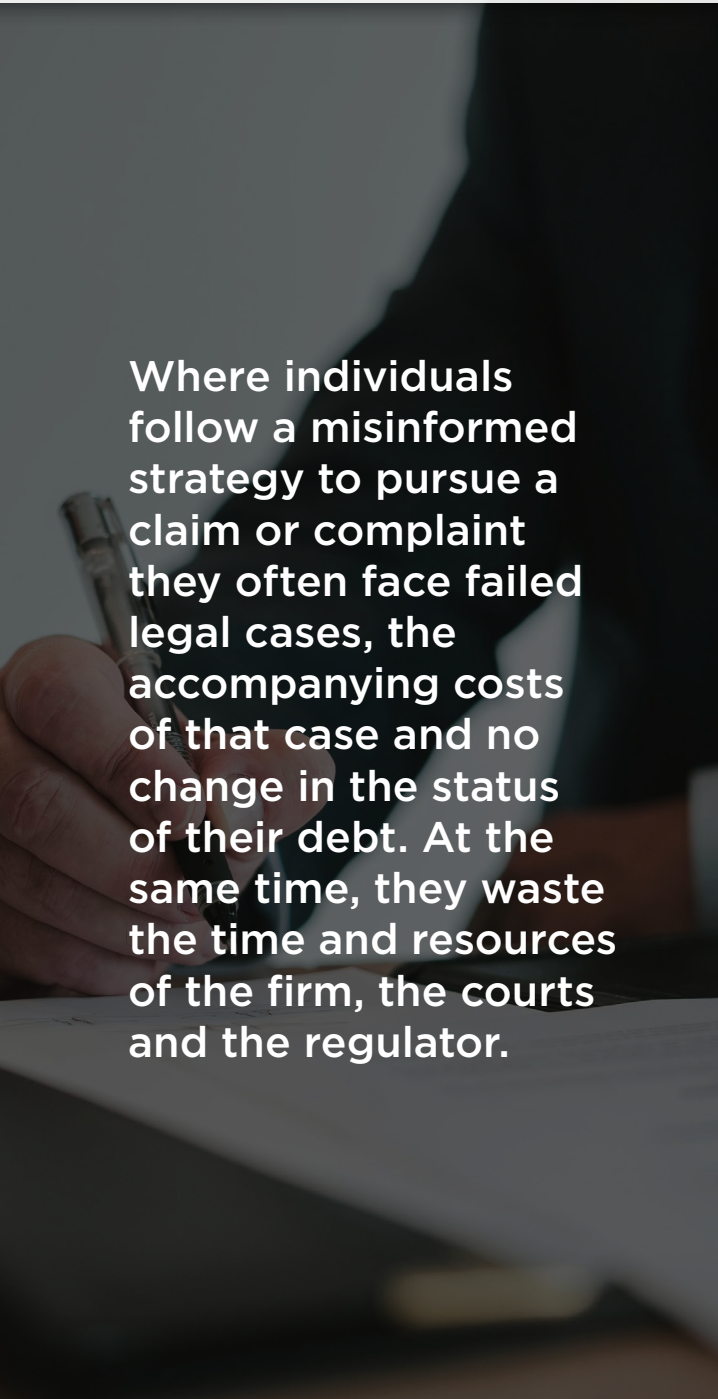
In terms of guidance, we would also like the ICO to provide clarifying guidance around entitlement to a ‘deed of assignment’ as part of a DSAR. CSA members have reported increasing volumes of individuals submitting a DSAR and – frequently

on the basis of poor advice – pursuing claims and complaints where this does not include a ‘deed of assignment’. This is a document that does not contain personal data, is a legal document between the debt seller and debt purchaser, and, depending on the structure of a debt sale, may not necessarily exist. Both ICO complaints and county court decisions have frequently made clear that this is not something to which an individual is entitled as part of a DSAR response – yet, the misinformation on this subject persists.

Where individuals follow a misinformed strategy to pursue a claim or complaint about this, they often face failed legal cases, the accompanying costs of that case, potentially costs paid for the advice, possible damages, and no change in the status of their debt. At the same time, they waste the time and resources of the firm, the courts and the regulator.

Guidance that there is no entitlement to a ‘deed of assignment’ as part of a DSAR may not be a silver bullet for these issues, but we believe it would help. We have already written to the ICO asking that they provide some form of clarifying guidance. It may already be established in various county court judgments and ICO complaint responses but there is nothing public that firms can point a misled consumer toward. Were there a public clarification, some consumers may think twice about pursuing a claim that is likely to end up costing them and wasting court time and resources.

We therefore recommend clarifying guidance on this matter from the ICO.



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Process for dismissing legal claims

As we have touched on above, court time and resources are increasingly being wasted on baseless claims.

Access to justice is an essential part of the legal framework in the UK. But there are also meant to be safeguards in place to ensure that court time and resources are not wasted on cases without merit. For example, solicitors have a duty to the courts which means that they are less likely to bring baseless cases before the courts. The system in the UK allows for individuals to represent themselves, a tactic often advocated by purveyors of misinformation. The court aims to support those that seek to represent themselves, but it can mean that the types of cases that would ordinarily not even be brought before the courts end up being heard, while simultaneously eating up more of the court's resources and time in providing support.

The pressures on the UK court system are as high as they have ever been, which makes it incredibly important that more is done to prevent misinformation from driving individuals to waste court time and resources.

The MOJ should explore mechanisms to reduce the burden on courts caused by baseless claims, including those involving discredited legal theories (e.g., “freemen on the land”) or abusive litigation.

They should also look at introducing a streamlined dismissal process for clearly vexatious claims to reduce legal costs and court time.

Dismissal of FOS complaints

CSA members frequently report meritless template complaints being taken on by the FOS as chargeable cases.

With the FOS in the midst of consulting on bringing in a ‘registration stage’ to its complaint process, which would be expected to serve as a triage stage, we recommend that it build processes into the registration stage that would enable its staff to dismiss clearly meritless complaints without firms incurring a case fee.

We would also recommend that the FOS develop processes for monitoring and tracking template complaints to ensure that those without merit can be swiftly dismissed.

All of this should be supplemented by specific training for staff in identifying and dealing with widely-debunked claims.

2 Esh Plaza
Sir Bobby Robson Way
Great Park
Newcastle upon Tyne
NE13 9BA

T: +44 (0)191 217 0775

E: info@csa-uk.com

W: www.csa-uk.com



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