

Agenda Item 6 – Chief Executive’s Report

6.1 Introduction

This is my first Chief Executive’s report to the Board. It comes just one week after I formally started in my role, on Monday 6 March. This therefore replaces the standing updates that Marc has been providing the Board as Project Director. I am extremely grateful to Marc for everything he has done in advance of my start, and since, to help ensure that I am beginning from a position of strength. One of my early focusses has in fact been on working with Marc to hand over all the operational matters and processes.

6.2 Current cash position

The cash position as of 28 February 2023 was **£431,549.08**. The expenditure for February totalled £25,634.25 against a forecast of £39,330. Income for February was £1,675. There are six small firms that are yet to pay their levy for the establishment of the ECB, which we are following up on.

Forecast expenditure for March is circa £68,000 including a payment to CIVEA at the end of March of £29,105. On this basis, the **end of year cash position will be circa £360,000 positive** (including the £176,000 loan from CIVEA, due to be repaid by March 2024).

6.3 Communications

We have now published two Chair’s blogs, which can be found on our website. We have used ‘mailchimp’ to automate the process and this appears to be working well. Currently we have 53 people subscribed to receive the newsletter, which is also publicised through social media.

6.4 Response to Ministry of Justice (MoJ) Fee Review

As the Board is aware, we submitted our response to the MoJ fee review on 19 February. A copy of our final response is attached at *Annex A* for reference – see below.

6.5 Stakeholder Engagement Forum

The ECB’s first Stakeholder Engagement Forum took place successfully on Thursday 23 February. The group includes representatives from the following organisations:

- CDER
- Marston
- Christians Against Poverty
- Money Advice Trust
- StepChange Debt Charity
- CIVEA
- High Court Enforcement Officers Association (HCEOA)

We have now agreed terms of reference for the group for future meetings. It was also agreed that we should invite a representative from Citizens Advice to participate, which we will take forward. The group gave broad support for the draft business plan, alongside some feedback which we have taken account of in the latest draft of the plan.

6.6 Draft Business Plan

There is a separate paper on the agenda on the draft business plan.

6.7 Accreditation

In the wake of the pre-payment meter issues, we have had some traction with some players in the energy sector regarding support for ECB accreditation. This has included a productive meeting with Octopus so far with further meetings planned with Energy UK and British Gas.

6.8 Recruitment

We have set up an arrangement with an experienced HR professional to provide freelance advice to us up to one day a week, as we seek to build the ECB team and put in place the necessary HR policies and procedures.

In February we launched a campaign to recruit a Policy and External Affairs Manager, with interviews scheduled for late March.

We are in ongoing discussions about potentially securing a secondee from the Ministry of Justice, to provide additional capacity and expertise to support our planned policy work. The MoJ is invested in the ECB's success and this could be an opportunity for it to demonstrate its support and provide practical assistance. I will keep the Board posted on progress.

I plan to commence recruitment soon for two other posts. The working title for these is currently:

- Director of Policy and Oversight
- Head of Governance and Operations (part-time)

These posts are included in the draft budget and will be integral to being able to deliver the actions set out in the business plan. I will be working with our HR adviser to start pulling together job descriptions. For the Director of Policy and Oversight at least, I intend to use recruitment agents to ensure that we get a strong field.

6.9 Pension arrangements

The ECB is required to establish a workplace pension for its employees within 6-7 weeks of their start. It is therefore a priority for an arrangement to be established. We have instructed Barnett Waddingham to set up a pension scheme for us, including undertaking a rapid mini market review, to ensure that we are able to offer a suitable arrangement. I will share the outputs from this review with Board members when it is available.

6.10 Meetings and engagements

Below is a list of the main external meetings that I have had in my first week:

- CIVEA
- CDER Group
- Senior Master Fontaine
- The Ministry of Justice

This follows an initial round of introductory meetings that I did before I started, which included:

- Stepchange
- Money Advice Trust
- Centre for Social Justice
- Marstons
- Bristow and Sutor
- High Court Enforcement Officers Association
- CIVEA

In the coming weeks, I have several engagements scheduled, including:

- Presenting to the Taking Control for Good Group
- Meeting with Stepchange to discuss the All-Party Parliamentary Group on Personal Debt
- Attending a Board meeting of the High Court Enforcement Officers Association
- Meeting with Energy UK
- Visiting Rundles in Market Harborough
- Meeting the Minister for Social Justice for Wales
- Meeting Arum
- Spending a morning with an Enforcement Agent in Staffordshire
- Meeting with the Money and Pensions Service

I am also in the process of planning some visits to the contact centres of some of the debt advice charities.

Annex A – ECB response to Fees Review

Enforcement Conduct Board response to Ministry of Justice review of the Taking Control of Goods (Fees) Regulations 2014

The Enforcement Conduct Board (ECB) provides independent oversight of the enforcement industry to ensure that all those who are subject to enforcement action in England & Wales are fairly treated.

The ECB welcomes this review, which covers a range of areas in relation to the Taking Control of Goods (Fees) Regulations 2014 (which make provision for the recovery of fees, from the debtor, by Enforcement Agents carrying out work under the Taking Control of Good Regulations).

The ECB encourages the Ministry of Justice (MoJ) to include the following in its consideration:

- 1) Fairness and accountability need to be firmly placed at the heart of the enforcement industry. The industry has publicly supported this in backing the establishment of the ECB to provide independent oversight of the sector and to ensure fairness for those experiencing enforcement action. The MoJ's review of the statutory fees for enforcement action provides an opportunity to underline the importance of the whole industry signing up for ECB oversight and accountability. This is particularly important if the MoJ determines that fees should rise in order to provide adequate remuneration to enforcement agents. With independent oversight in place, we do not consider that providers who actively choose not to have this accountability should be able to charge any increased fees; this would send the wrong message to the public and those experiencing enforcement action, who will be expected to pay the fees.
- 2) We welcome the focus on the impact of the fee regulations on creditors. We encourage MoJ to consider what changes could be made to better incentivise creditors to take responsibility for the impact of their actions on those experiencing enforcement action, particularly around identifying vulnerability.
- 3) Consideration should be given as to the effectiveness of the current guidance that states that "as far as possible" only a single enforcement fee should be charged for multiple debts due for collection from a single person experiencing enforcement.

Background

The ECB has been created with agreement between the civil enforcement industry and leading debt advice charities including Money Advice Trust, Christians Against Poverty and Step Change.



The ECB, which will operate independently of both the industry and the Government, has a mandate to ensure fair treatment and appropriate protection for people subject to action by enforcement agents.

The ECB is currently developing its first business plan, which will be published soon. A key priority within this will be the creation of an accreditation scheme, for all providers who have signed up to certain minimum standards and to ECB oversight.

Enforcement Conduct Board

19 February 2023