

Draft Business Plan 2024/25



ENFORCEMENT
CONDUCT
BOARD

Our Mission

The ECB's mission is to ensure that everyone who experiences enforcement action is treated fairly

The story so far

The ECB was formally launched in November 2022. Our Chief Executive started in March 2023 as the first member of staff. Since then, we have built a team of six, approximately five full time equivalent, to deliver the activities set out in our 2023/24 business plan.

The blueprint for the ECB was set out in the Taking Control for Good report of 2021.

The ECB maintains support from both the debt advice sector and the enforcement industry. We have established an Engagement Forum comprised of representatives from these sectors which meets regularly throughout the year to provide valuable input into our work.



Enforcement action is extremely important to society, through its role in the collection of public money and in support of the administration of justice. It can also have a profound impact on the lives of those who experience it.

However, until the ECB's creation, there had not been any meaningful, independent oversight of this important and sensitive work.

And at a time of huge costs of living pressures on individuals and households and ongoing financial pressures on many creditors, including public bodies, ensuring that there is robust, evidence-based oversight of the enforcement industry is more important than ever.

Our accreditation scheme, launched in the Autumn of 2023, is the framework through which we hold enforcement firms to account. Over 40 firms have now been accredited, across civil and High Court enforcement, with ECB accredited firms now accounting for over 95% of enforcement work undertaken in England and Wales.

Over the last year, we have also focused on engaging with a wide range of people and organisations with a stake in the sector. This includes public and private sector creditors, MPs and parliamentarians, along with debt advice charities, those offering casework services and individual enforcement agents.

We have secured support for the ECB's mission and sought public commitments from creditors that they will only work with ECB accredited providers. Several creditors have made this important commitment, including the Welsh Local Government Association on behalf of all Welsh Local Authorities, the YPO and several utilities providers.

Our operations are funded by a levy on the enforcement industry and so far, we have collected two rounds of levy funding, which has generated approximately £1.6m of income.

We are grateful to the Ministry of Justice (MoJ) for its support of our mission, including through the fully funded secondment of a senior civil servant.

The MoJ has also committed to reviewing the case for giving the ECB statutory powers during 2024. We look forward to contributing to this review and to their decision.

What needs to change – immediate priorities

The ECB is a new organisation, developed to address some shortfalls in the oversight of enforcement services. Our current scope is to oversee firms and enforcement agents undertaking civil and High Court enforcement action under the Taking Control of Goods Regulations 2013.

For 2024-25, our primary focus will be on building and implementing the core oversight framework for enforcement work under the Taking Control Of Goods (TCOG) Regulations.

Within this context, we have identified five key changes that would support the achievement of our mission. These are:

1) A reliable and objective evidence base

There is currently a lack of reliable and objective evidence on what is happening with enforcement action on the ground and how this is impacting upon members of the public.

This makes it very difficult to understand where the risks lie and to quantify them, which in turn makes it hard to develop and target action to address these risks. It also means that there is currently no baseline from which to evaluate the impact of the ECB's activity in future years.

This urgently needs to be addressed. It is also important to bear in mind that developing a comprehensive evidence base will take some time, given that we are starting with so little.

2) A new, clear and comprehensive set of standards for enforcement work

There is a need to clarify what we should all expect in terms of fair enforcement action.

At the moment, standards for enforcement work are set out across the Taking Control of Goods Regulations 2014 and the accompanying non-statutory National Standards. At nearly ten years old, these standards are out of date and this is particularly clear in areas such as vulnerability, where significant developments in thinking are not currently being reflected.

The standards also primarily place responsibility on individual enforcement agents and do not set out meaningful standards which enforcement firms should comply with.

The time is therefore right to develop a set of comprehensive and up to date new standards for enforcement work – which will apply to both individual enforcement agents and enforcement firms.

3) Proactive monitoring and meaningful accountability for those undertaking enforcement work

We want to provide assurance that the standards are being met and that there are consequences for firms and/or agents who do not meet them, along with better options for redress for those who have consequently suffered harm.

This is the biggest single shortcoming that the ECB was created to address. Until the ECB was set up, there had been no independent body responsible for any monitoring or supervision to identify and address poor practice or to provide assurance about overall adherence to standards.

Similarly, those who suffer poor treatment have not yet had consistent recourse to an independent body to investigate their concerns or provide redress.

Addressing these shortcomings by putting in place targeted, impactful oversight alongside swift and fair procedures for redress, is essential to ensuring fair enforcement. We have made a start but there is more to do to develop, implement and deliver operational oversight.

4) Long-term sustainability of independent oversight in this sector

We want to ensure that all progress made is on a safe foundation and that there is confidence that progress will be continued and maintained.

We have successfully collected two rounds of levy funding, the most recent of which ran very smoothly. The successful launch of accreditation has also created a platform from which to deliver oversight, with excellent overall coverage of the market.

The MoJ has committed to review the case for giving the ECB statutory underpinning by November 2024 and the ongoing sustainability of independent oversight is key to realising the benefits and ensuring that progress made is maintained and not lost.

Whilst the ECB is currently focussed on delivering its mission within its current model, we believe that obtaining some targeted statutory powers would make oversight more sustainable, efficient and effective.

There are also a wide range of other considerations to further build the ECB's resilience, relating to scope, relationships and finances.

5) More consistent and reliable engagement from creditors in driving fair enforcement.

Through their purchasing decisions and oversight of those they contract for enforcement work, creditors - which includes local authorities, central government departments and other public bodies, the courts, utility and energy companies - have a big role to play in driving fair enforcement.

Some high-profile creditors have already committed to only work with ECB accredited providers and we have also come across examples of creditors putting in place measures to prioritise and encourage accountability and fair enforcement.

Conversely, we have also heard examples of creditors who are prioritising Key Performance Indicators (KPI), and operating in ways that make it harder for enforcement firms to identify very vulnerable people and undertake fair enforcement.

Given the importance of their role in the enforcement landscape, it is important that creditors are consistently engaged with and encouraged to drive fair enforcement.

Creditors were not represented on the Taking Control for Good working group that set the blueprint for the ECB. However, they are key partners and have an important role to play in helping us to achieve our mission.



Priorities and deliverables for 2024-25

Our 2024-25 business plan is built around the desired changes outlined above. We have identified four key areas of strategic focus for our work.

Mission: Ensuring that all those who experience enforcement action are treated fairly.

∨
1

Set a new bar
- clear and comprehensive standards for firms and agents



∨
2

Ensure meaningful accountability - standards and complaints



∨
3

Establish the long-term sustainability of independent oversight of this sector



∨
4

Engage and influence creditors - secure commitment to fair enforcement



Evidence and Evaluation

Communications and Engagement

Under each of these four themes, there are a range of activities that the ECB will pursue.

Further detail on what we plan to do under each theme is set out below.

1) Setting a new bar - clear and comprehensive standards

- a) Develop standards**
- Develop comprehensive standards that address the gaps in the existing position
 - Reflect expectations of modern enforcement practice and set clear and proportionate expectations
 - Effective engagement of a wide range of players in development
- b) Implement and embed standards**
- Communications, engagement and early oversight work to ensure that new standards are understood and accepted
 - Develop implementation plan, involving operational oversight, that encourages the required improvements and culture change to achieve all standards
- c) Ensure standards are recognised beyond the ECB**
- ECB standards to become authoritative National Standards for enforcement firms
 - Ensure other relevant bodies are making use of the ECB standards e.g. Local Government and Social Care Ombudsman, Senior Master and judges considering EAC2 complaints



2) Ensure meaningful accountability – standards and complaints

- | | |
|---|--|
| a) Intelligence and monitoring | <ul style="list-style-type: none">• Develop plan and system requirements for intelligence gathering and monitoring, and start implementation |
| b) Supervision and audit | <ul style="list-style-type: none">• Develop plan and resourcing requirements for supervision/audit against new ECB standards and undertake first audits/supervision visits |
| c) Complaints handling | <ul style="list-style-type: none">• Develop a complaints model including remedies and sanctions, scheme rules, resourcing and system requirements, recruitment and implementation• Begin receiving and determining complaints |
| d) Enforcement – individual EA (EAC2) and firm level | <ul style="list-style-type: none">• Establish process and approach for progressing EAC2 complaints to court• Develop a wider suite of sanctions for accredited firms |

3) Establish the long-term sustainability of independent oversight

- | | |
|--|--|
| a) Secure ongoing wide coverage of the market through accreditation | <ul style="list-style-type: none">• Develop accreditation criteria and the process for the second year of accreditation• Maintain wide coverage through the second year of accreditation and launch of new standards |
| b) Refine scope and boundaries of ECB oversight | <ul style="list-style-type: none">• Bring in inhouse teams in LAs• Establish scope of oversight for non-TCOG enforcement work undertaken by accredited firms |
| c) Build the ECB's financial resilience | <ul style="list-style-type: none">• Levy collection to run smoothly for third wave - with likely increase in amount to reflect the start of operational oversight. This wave should include inhouse teams at LAs• Build reserves and contingency fund towards target levels |
| d) Statutory powers | <ul style="list-style-type: none">• Identify targeted statutory powers that would make the biggest difference; establish legislative options and potential vehicles• Build relations with parliamentarians and senior officials to make the case for statutory underpinning |

4) Engage and influence creditors

a) Increase support from creditors and commitments to only work with ECB accredited providers

- Continue to identify and build support from creditors for ECB oversight

b) Influence fair creditor behaviour

- Ensure that the establishment of ECB standards does not lead to a reduction in standards and accountability for creditors
- Establish the best means through which to directly influence creditors' behaviour
- Influence creditor behaviour towards reinforcing the importance of fair enforcement

Evidence, evaluation and measuring our impact

All of our work will be informed by developing a more robust and reliable evidence base and by using it to evaluate and measure our impact.

The evaluation will, in turn, feed back into our work and inform changes or developments to further increase our effectiveness.

Communications and engagement

Our communications and engagement work will play a pivotal role in informing and explaining our work plans and in building support amongst our communities and stakeholders.

We will develop a separate communications and engagement strategy to set out how we will approach, implement and evaluate our work in this area.

Monitoring and intelligence gathering

Development of a robust approach to monitoring and intelligence gathering is a key component of our focus on creating meaningful accountability (strategic objective 2). It's value will be wider than this though, as it will also allow us to gather, understand and make use of a whole range of different sources of evidence, data and insights into what is happening in the market. This, in turn, will help us to target our oversight and measure our impact.

Commissioned research

During 2024/25, we will be concluding and publishing the research into doorstep practices, which we initiated in 2023/24.

As this is a significant piece of research, we don't currently plan to commission further large scale primary research during 2024/25.

For future years, we do intend to commission new research projects. We will determine their scope closer to the time and based on an assessment of how our evidence base has developed and where the biggest gaps are.

Overarching principles and approach

Our entire programme of work will reflect five overarching principles, originally set out in the Taking Control for Good report in 2021.

We believe that these principles remain appropriate and valid for the ECB during the next period of our development.

They are:

Independence

Ambition

Proportionality

Collaboration

Transparency

Budget

In calling for the establishment of the ECB, the enforcement industry agreed to fund the independent oversight body through a levy. Payment of the annual levy is a condition of ECB accreditation.

The budget to deliver this draft business plan is approximately £1,188,000.

The headline cost lines in the budget are as follows:

| Category | Budget assigned (rounded up) |
|--|------------------------------|
| Staff (including Board) and related employment costs | £797k |
| Legal fees (drafting new standards and complaints process) | £80k |
| Travel, accommodation and expenses | £68k |
| IT and systems | £53k |
| PR and comms | £58k |
| Workshop facilitation (standards work stream) | £40k |

Our budget has been developed to provide the ECB with the resources it needs to deliver its business plan. We have been careful to ensure that the budget remains proportionate.

The budget is based on the ECB staff team growing from approximately 5 full time equivalent members of staff to approximately 9 full time equivalent members of staff and reflects the creation of new operational oversight roles including complaints handling and supervision and audits.

The ECB plans to remain a remote working organisation, meaning that we will not incur significant accommodation costs.

In order to meet its budget, the ECB intends to set the levy for 2024/25 at between **0.44%** and **0.45%** of turnover, based on accredited firms' turnover for enforcement work during 2023.

Payment of the levy will be sought at the following times:

- The largest 8 firms in June 2024
- All remaining firms in September 2024



ENFORCEMENT
CONDUCT
BOARD



@ec_board



enforcement-conduct-board

www.enforcementconductboard.org

Enforcement Conduct Board
10 Queen Street Place,
London,
EC4R 1BE