

Chief Executive's Report, April 2024

Introduction

1. This has been a particularly pleasing period for me, as I was able to take two weeks of leave and return, with my batteries recharged, to significant progress from the team across our whole work programme. It is excellent to see the organisation growing and evolving in this manner, with increasing capacity and resilience.
2. We achieved a big milestone in launching the pilot of the data returns and are on the cusp of getting our BWV research out in the field. We also concluded our business plan consultation and have made significant progress on developing our standards, which is the biggest single priority for the coming month, as we approach our scheduled public consultation.

Current cash position

3. The cash position at the 17 April was approximately £429k. At the end of the 2023/24 financial year the ECB repaid the £176k loan from CIVEA as agreed. We brought £457k cash into this financial year against the predicted balance of £447k.

Recruitment

4. We have now filled our Complaints Manager role. Our Complaints Manager will join us in May on a part-time basis and from June full-time. The chosen candidate is a very experienced complaints expert having worked in complaints and regulation for 25 years in various organisations including as an Assistant Director at the Parliamentary and Health Services Ombudsman. Most recently she has been an independent complaints reviewer for several Ombudsmen including the Northern Ireland Ombudsman and the Public Services Ombudsman for Wales.

Accreditation and the levy

5. We have received two new applications for our accreditation scheme this month, and have received a number of questions regarding the scheme from enforcement firms who are not currently accredited by us.

Research and evidence

6. Fieldwork on the ECB BWV research project should begin in April, with all 14 firms taking part now selected (representing a cross-section of industry by turnover). Our contracted researchers, M.E.L., have received familiarisation and training sessions on enforcement from the team, Money Advice Trust, CIVEA and CDER, where they sampled a few videos illustrating some of the issues encountered in doorstep visits (all 900 videos in the project proper will be randomly selected by M.E.L. of course). The team and M.E.L. have also agreed the framework to be used when the researchers analyse the videos during fieldwork, which is based on observable breaches of the national standards. This framework has been reviewed by the industry Expert Group, who are consulted routinely for any technical comments.

7. The team expect soon to resolve several final issues with the industry and then the fieldwork can begin from the start of May.

Quarterly data returns

8. We successfully introduced the 2024-25 Data Return system on 1 April: all accredited firms will now collect and submit regular, consistent data about their enforcement activities to the ECB. The DR framework, Guidance Notes and covering email to firms are annexed to this CEO report. The framework has been developed and iterated but remains broadly in line with the draft framework that the Board discussed in December 2023.
9. The launch was the culmination of an extensive period of consultation with the industry in the early part of 2024. Firms have, on the whole, been receptive and constructive on the DR system despite many, especially at the smaller end, having to collect some of the data for the first time. As this is still a learning experience for the ECB and industry, the Board agreed in March that the first DR period will run for 6 months (Apr-Sept 24) and should be a pilot (i.e. the ECB will not – on this occasion only – publish an aggregated report on the returns it receives). This will give firms time to adapt to the new requirements and will help the ECB to refine the system ready for the second DR period (Oct 24-Mar 25) the aggregated results of which will be published. After this second 6-month DR period the ECB will review whether we switch to more frequent quarterly reporting in future.

ECB Standards Development

10. Significant progress has been made on developing our standards as we get closer to launching our consultation in the summer, the detail of which is set out in the Board paper on standards.
11. We have also been successful in our initial engagement on this project. Thinkers Insight, who are presenting to Board at this meeting, have carried out workshops on our behalf with enforcement agents and conducted in depth interviews with people who have experienced enforcement. We have also scheduled workshops with debt advisors throughout May to continue refining our ideas ahead of consultation.

Complaints handling

12. We have made progress this month on the complaints project, including targeted engagement with CIVEA and HCEOA on the scope of our complaints project. Both organisations were receptive to our proposed approach and we will be engaging with them further as this work develops.
13. Following Board's agreement of the scope for this work we have now successfully published details of the project, including timelines on our webpage and social media for our stakeholders.

Business plan

14. The consultation on the draft business plan closed on the 4th April and received eight formal responses from stakeholders across the sector, including debt advice, trade associations, ombudsman and one private individual.
15. We have prepared the consultation response and final business plan for approval in this session of the Board.
16. Responses provided valuable insight from stakeholders on our programme of work for the next year and we look forward to continuing our engagement with them as we begin to deliver on the priorities set out in the final business plan.

Creditor engagement

17. Work on other priorities such as the BWV Research and QDR has taken up significant time since the last Board, so creditor engagement has been less prominent and there have been no significant developments in the last few weeks. The Director of Creditors and Government intends to resume creditor liaison in earnest now that the DR system has been launched, with work on planning the accreditation of in-house local authority enforcement teams being a particular focus.

Communications and engagement

18. At the end of March, the Chair and DCG met Lord Bellamy, the MoJ Minister responsible for enforcement, about MoJ's upcoming review of statutory underpinning. We outlined the ECB's proposals for selective, statutory powers, which were broadly welcomed by Lord Bellamy as they chimed with his personal preference for proportionate, light touch regulation.
19. Our proactive communications activity this month has been focussed on finalising the business plan and promoting it across our channels.
20. We have also been busy readying the Communications and Engagement Strategy 2024/25 for Board.

Upcoming engagement

21. Over the coming month, the team have planned the following engagements:
 - Workshops with debt advisors on standards
 - Targeted creditor engagement on standards
 - Discussions with CIVEA, HCEOA and the Taking Control Group on standards
 - Observing the provision of face-to-face debt advice casework
 - Shadowing an arrest officer
 - Speaking at the CIVEA, IRRV and HCEOA conferences