ECB Board Meeting – Monday 25 November 2024

Venue: Teams

Member attendance: Catherine Brown (Chair), Alan Cavill, Gerard Curran, Althea Efunshile, Jenny Watson, Chris Nichols (CEO)

In attendance: Hannah Semple, David Parkin, Claire Evans, Hope Okon, Jenny Prior (minutes)

Minutes

Item 1: Welcome, apologies and declarations

1. The Chair welcomed all present, particularly Hope Okon, the new Complaints Investigator, attending her first meeting.

2. There were no new declarations of interest.

Item 2: Minutes of the previous meeting

3. The minutes of 9 October 2024 were **agreed** as an accurate record of the meeting.

Item 3: Matters arising

4. The Board **noted** the action tracker and Board forward agendas.

Item 4: Chief executive's report

5. The Chief Executive talked to the report and updated the Board on the following:

   i. Almost all firms had now applied for re-accreditation and the Team were confident that the few remaining firms would apply soon. A small number of firms unaffiliated with CIVEA had also applied this year.
   ii. Seven local authorities with in-house enforcement services, had applied for accreditation under the ECB. This was more than was expected and reflected the efforts of the Team to engage with Local Authorities in the work of the ECB, and the willingness of the councils to open up their in-house teams for scrutiny.
   iii. Only one more recruitment campaign remained open, that of the Oversight Manager. The Team were looking into various options for filling this role

including arranging a potential secondment from another body with oversight functions.

iv. The tender exercise for the complaints system had concluded and a company called Tizo had been awarded the contract. Tizo provided services to organisations similar to the ECB and had the best offering regarding the integrated storage of body worn video.

v. The Chair, CEO and the Complaints Manager met with the LGSCO to discuss the future of complaints handling in this area. The meeting was productive and focused on how the two organisations could most effectively work alongside each other and share learning.

6. The Director of Creditors and Government gave the Board an update on the Executive's early thinking on engaging with energy companies.

7. The Head of Corporate Services provided an update on the data protection and information security work required before the launch of the ECB's complaints function in January.

8. The Board **noted** the Chief Executive's report.

Item 5: Business Plan and Budget

9. The Chief Executive presented a paper setting out early thoughts on the direction of the ECB's 2025/26 Business Plan. It was noted that a more thorough paper on the budget and Business Plan would be presented to the Board in January, and that actual turnover figures from industry would not be available until mid-February.

10. The Board noted that the overall focus for the next business year would be on delivery – successfully implementing complaints and operational oversight and delivering the remaining sections of the standards.

11. It was further noted that 2025/26 would be the first year where the ECB would expect to have its full complement of staff for a whole financial year. The base costs of running the organisation, before any additional project costs or 'discretionary' spend, would therefore be significantly higher than previous years, made even more so by the increases in Employer's National Insurance.

12. The Board then discussed the potential workplan options and the following points were raised in discussion:
    a) The key projects that the ECB had already publicly committed to were not only extensive but also, in some cases such as complaints handling, difficult to predict in terms of resources required.
    b) The work on accessing 'experts by experience' was considered very important for the next stage of the ECB's work. It was agreed that this project would be included next year in some form, but how to best include and resource it required further thought [**ACTION**].
    c) The Board discussed the need for more data on demographics on enforcement, so the ECB can better understand who is subject to recovery action and its impact on them. The Director of Creditors and Government would present a paper to the January Board on this point, which would set out

what the ECB has recently received from the Centre for Social Justice on this, alongside the options for improving the ECB's demographic knowledge within its available budget. As part of this the DCG would explore the Board's suggestions that assistance might come collaboratively from the debt advice sector, and from the Smart Data Foundry at the University of Edinburgh. [**ACTION**].

13. The Board queried whether the workplan included any development of the ECB's brand which would be important as the ECB becomes operational and starts engaging directly with the public. It was noted that the new Director of External Affairs, due to start early next year, would take on responsibility in this area.

14. The Board **noted** the paper and thanked the Executive for the opportunity to provide an early steer on this work.

Item 6: Enforcement Data Returns: analysis and results

15. The Director of Creditors and Government sought Board views on the headlines from the first pilot data return report on enforcement activity, which combined the individual Data Returns received from almost all firms accredited to the ECB (civil and high court).

16. The Board noted that the report could probably be considered to be the most transparent and comprehensive assessment of enforcement industry activity ever compiled. While the Data Return requirement was new for the industry, and had been challenging for some parts of it, the industry had responded thoroughly and positively to the pilot. It noted that the pilot proved that the Data Return concept could play a major role in providing evidence for the ECB's future oversight framework. The report reveals a number of issues and trends in enforcement that the ECB might potentially want to focus on now.

17. The pilot report would not be published but the Board reiterated its commitment to publish an anonymised, aggregated report of the findings after the next full round of data returns, which would cover the period 1 January to 30 June 2025. This would allow this valuable evidence to be shared more widely and would be of interest to a range of stakeholders.

18. In terms of capability and capacity in the ECB to manage future data reports, the freelance data analyst who had prepared the aggregated pilot report had indicated that he would be available for future rounds of analysis. It was made clear, however, that the type of analysis required was fairly standard and it would not be problematic replacing this resource if they became unavailable.

19. The Board suggested the Executive develop and maintain a list of hypotheses and potential trends in enforcement, related to the ECB's mission, that could be evidenced or disproved as more information became available over repeated rounds of Data Returns. These hypotheses could also be tested through complaints and oversight work as well.

20. The Board **noted** the report and commended the success of the Data Returns pilot.

Item 7: Response to ECB complaints and sanctions consultation

21. The Complaints Manager presented a paper to the Board with an early draft of the ECB's formal response to our recent consultation on complaints and sanctions. The paper contained four areas of particular substance the Board was asked to provide comment on.

22. Regarding the *timeframes for acknowledging complaints*, the Board accepted the recommendation that the 'clock' starts from acknowledgement of the complaint which firms have two working days to do. This would allow firms to ensure the complaint is with the correct team and allow the firm a fair chance to use the full time period to assess and resolve each complaint.

23. On *interacting with local authorities and related ombudsman*, the Board reiterated that the emphasis should remain on the fact that the ECB is not 'closing the doors' to the established routes for redress, but rather opening a new door for those who want targeted resolution of complaints about the acts of enforcement agents and enforcement firms.

24. The Board agreed that at the point that firms communicate the conclusion of their complaints process to the individual, they should signpost to the ECB as the second tier of complaints handling but let them know that there were alternative routes to redress, where these services exist, and that complaining to the ECB would not preclude them from using another service.

25. The Board approved the decision that the ECB would consider complaints already considered by the Local Authority if they fell within our remit but that it would endeavour not to consider a complaint in tandem, as it would with any other body (e.g. LGSCO).

26. The Board approved the recommended approach to informing High Court Enforcement Officers of ECB actions relating to a firm they are not employed by. HCEOs would need to put in place their own arrangements to ensure they were being informed about any complaints or standards breaches we were investigating in relation to their work but the ECB may involve them if their input is required in relation to a specific complaint.

27. The Board noted that a number of responses expressed concern that the decision to automatically publish all sanctions meant that in practice there would be no gradation of sanctions as any published sanction would potentially have a very significant impact on firms commercially. The Board recognised the points made and agreed with the recommendation to introduce further detail in the rules to provide assurance on how decisions to deploy published sanctions would be made. It also agreed to add the option of imposing some sanctions without publishing them, to provide the ECB with greater flexibility in how it could respond to breaches. The Board was clear that this would not prevent it from publishing sanctions where this was in the public interest, but that this decision would take into consideration the potential impact on a firm. The Board also noted that it would expect to publish overall data on its use of sanctions as part of annual publications on its oversight activity.

28. The Board agreed that on the occasions they convened as a decision making panel on sanctions, they would have retained legal counsel present to advise, but not to directly contribute to the decisions.

29. Regarding the unreasonable behaviour policy, the Board agreed it should:
    a. include signposting to advocacy and advice should the individual require it
    b. remove reference to reporting all threatened violence to the police
    c. involve managers or senior staff in any decision to remove or restrict service to individuals
30. The Board also noted that the ECB may want to give thought in the future to having an independent reviewer of service complaints but that it would not be proportionate or practical to do so during the start-up phase.

Item 8: AOB

31. Arrangements for upcoming Board meetings were discussed.

Item 9: Reflection session

32. The Board reflected on the meeting and discussed thoughts and ideas that arose but were unconnected to the immediate agenda.

Private session

33. The Board met for a private session.