

## Consultation on draft 2025/26 Business Plan

1. This consultation paper introduces the Enforcement Conduct Board's (ECB) draft business plan for 2025/26.
2. The ECB is the independent oversight body for debt enforcement work.
3. We were set up with agreement between the enforcement industry, CIVEA and leading debt advice charities including Money Advice Trust, Christians Against Poverty and Step Change.
4. Our mission is to ensure that everyone who experiences enforcement action is treated fairly.

### 2025/26 Business Plan

5. Our 2025/26 business plan is our third full-year business plan. A draft is presented in Annex A to this consultation. It sets out the ECB's key achievements during 2024/25 against our current business plan, as well as our key strategic priorities and planned deliverables for the year ahead.
6. Prior to this formal consultation, an earlier draft was shared with our Stakeholder Engagement Forum which includes representatives from the enforcement industry and the debt advice sector. We have taken account of their feedback in the draft business plan.
7. Our business plan should operate as a standalone document, which itself explains the context and the rationale for our proposed activity and work.
8. However, to assist those responding to this consultation, below are some of the key points to note:
  - The overarching focus of this business plan is on the successful delivery of full operational oversight.
  - The draft business plan sets out five key priorities for 2025/26, alongside an ongoing focus on building an evidence base and communications and engagement.
  - Most of the activities are continuations of work set out in our existing 2024/25 business plan.
  - The main new workstream is to develop an accessible "Know your rights" document. This follows feedback received on consultation and engagement on our standards during 2024, identifying the limitations of the current notice of

enforcement, much of which is prescribed in legislation. The intention would be to develop a short, simple and accessible document that helps to build understanding of what enforcement agents can and can't do, where people can go for advice and support and what they can do if they believe that they have not been treated fairly. We have included some money in the budget for this product to undergo some user testing with people with lived experience of enforcement. We see this as an important part of this work, to ensure that the end product achieves its aims.

## Budget and levy

9. The draft business plan also sets out the proposed budget and levy for 2025/26.
10. In calling for the establishment of the ECB, the enforcement industry agreed to fund the independent oversight body through a levy. It is a condition of ECB accreditation for firms to pay the annual levy required to fund our operations.
11. We collected the levy for 2024/25 from ECB accredited firms, which has enabled us to undertake activities set out in our 2024/25 business plan, including preparatory work for moving to full operational oversight in 2025/26. The levy for 2023/24 was set at 0.44% of turnover (for fees collected from work under the TCOG Regulations), which led us to collect approximately £1,182,000.
12. We have now developed a budget to deliver the draft business plan. The overall budget we have set is approximately £1.4m. This is an increase of £205k, or 17% compared to last year. This increase mainly reflects the fact that the ECB is now fully operational and has increased staff and system costs. The main cost lines in the budget include:

Category	Budget assigned (rounded up)
Staff (8.9 FTE), Board members (5) and related employment costs [salary, tax, pensions, recruitment]	£1,016k
Travel, accommodation and expenses (including staff, Board and Board meetings)	£71k
Legal fees	£60k
Complaints scheme (IT, expert panel, phone system)	£53k
Professional fees and insurance	£52k
Other IT and systems	£27k
<i>New 2025/26 Business plan costs</i>	
Additional Board member (recruitment and pay)	£13k
Building reserves	£26k
Lived experience and user testing work	£30-40k

## Notes on the budget

13. Our budget has been developed to provide the ECB with the resources it needs to deliver its business plan. As always, we have been careful to ensure that the budget remains proportionate. In this regard, we recognise that the enforcement industry did not receive the 5% fee increase that the last Government recommended, alongside the fact

that enforcement firms (like the ECB) will have had their costs increase as a result of increases in employers NI and the living wage.

14. As forewarned in previous years, our budget is increasing this year, reflecting the increased costs of starting to deliver operational oversight. The main increases are in staff costs, reflecting the growth of the ECB staff team to deliver operational oversight and full year salary costs for the new posts that were introduced during 2024/25. Having built our core operational team, we do not currently envisage significant future growth in the ECB staff team. The budget is based on an ECB staff team of 8.9 Full Time Equivalent members of staff, including our new complaints team and new Risk and Compliance Principal to lead on development of our oversight work. There are also some new additional costs for operating our complaints system, including the IT system, phone line and provision for expert input.
15. In the light of these necessary increases in our budget, we have taken a number of measures to limit any further budget increase. These include:
  - Remaining a remote organisation without full-time accommodation costs
  - Deferring plans for an internal audit by a year
  - Reviewing our approach to building reserves for operational resilience and slowing down plans for building reserves this year
  - Looking for efficiencies in all other budget lines and keeping all costs as low as possible
  - We are also not planning any new research projects this year, focussing instead on collection and analysis of data from complaints, data returns and the start of operational oversight.
16. There are also three additional areas which contribute to the increase in the budget for this year, beyond the increases in staff and system costs. The Board has scrutinised all of these and considers that they will deliver specific value to the ECB's work and mission and as such, should be included in the budget.
  - (a) Recruiting a new Board member to provide a Board with six non-executive directors. The ECB has a small Board when compared to other similar organisations. Whilst we remain committed to having a small Board, adding one additional member would add significant resilience. It would also allow the Board to bring in further expertise and different viewpoints. For example, we are keen to bring in more private sector experience to the Board. To minimise the costs of recruiting an extra Board member we would plan to recruit for this Board member as part of a pre-planned campaign to replace one existing Board member who is leaving at the end of their first term (in the summer). We would also plan for the additional new Board member to join from January 2026 so that pay and other costs are deferred. The impact of this on the budget is **£13k** (£8.5k for recruitment and £4.5K pay and associated costs).
  - (b) Building reserves – holding proportionate reserves are important for any organisation and, as a new organisation reliant on industry funding, the ECB sees its reserves as an important component of our independence and organisational resilience. However, given the operating context, along with the fact that the ECB is now in a significantly more resilient position than it was when it was first established, we have decided to review our reserves policy and slow down the rate at which we are building our reserves this year. We therefore only propose a small allowance to build

reserves by **£26k**, which would mean we started the year with reserves equivalent to 4 full months of costs.

- (c) Lived experience and user testing – we have made an allowance of **£30-40k** in the budget for work with those with lived experience, to support two workstreams. Firstly, the new workstream outlined above in relation to development of the Know Your Rights product. And secondly, we would like to factor some work with people with lived experience into development of our standards on vulnerability and ability to pay. We see this as making an invaluable contribution to these important workstreams. The ECB has placed engagement with a wide range of stakeholders at the heart of our approach and will continue to do so. Whilst we are consistently able to get valuable feedback from those delivering enforcement, from the debt advice sector, from creditors and from other oversight and regulatory bodies, it is difficult to get input direct from those who might receive enforcement action through normal mechanisms for consultation and engagement. This is obviously a very important audience for the ECB and so we think this work is important to address this through targeted work with organisations who specialise in this area. We have kept the budget for this at a relatively low level but are confident that investment at this level will still deliver real value. We will be doing further work during the consultation period to develop more accurate costings for this work.

#### Indicative levy for 2025/26

17. The final levy that the ECB sets will depend upon the total aggregate turnover across industry. For example, if total aggregate turnover has increased, a lower percentage levy will be required in order to generate enough money to meet the ECB's budget. This year, the indicative levy is particularly difficult to predict at this stage, as there are also a number of newly accredited firms this year who did not pay any levy last year.
18. We have requested turnover figures from industry and have already received a number of responses but the deadline for responses has not yet expired and so we can only consult upon an indicative levy at this stage.
19. Assuming a small increase in total turnover across the industry from the increase in the number of accredited firms and some new traffic enforcement work coming in, we believe that the draft budget would lead to a levy of approximately **0.51%** of turnover from Taking Control of Goods fees. As noted above, this could come down if total industry turnover has increased further than the 2% we have assumed.
20. Payment of the levy will be sought at the following times:
  - The largest 8 firms and Local Authority inhouse teams in May 2024
  - All remaining firms in September 2024.

#### **Questions**

21. It is vital that our work is informed by the evidence, and the views and feedback, from those who have experience of enforcement action from all perspectives. We are committed to engaging widely to ensure that we receive this into the organisation and into our policy development.

22. The draft business plan for 2025/26 has already been informed by significant engagement across the course of the last year and this current consultation is another opportunity for people to help inform our work.

23. We are seeking feedback from industry, consumer groups, the debt advice sector and any others with an interest in effective oversight of the enforcement industry. We are particularly interested in responses to the following questions:

**Q1 – Do you have any comments on the proposed priorities for 2025/26?**

**Q2 – Are there any activities that you believe the ECB should be prioritising that are not contained in this plan?**

**Q3 – Do you have any comments on the draft budget and levy?**

**Q4 – Are there any other comments or observations that you would like to make?**

24. The consultation will close on **Wednesday 12 March at 5pm**. Please send your response to [contact@enforcementconductboard.org](mailto:contact@enforcementconductboard.org).

25. Please indicate if you would like your response to remain confidential and/or unattributable. Otherwise, we will assume that you are content for your response to be published.

26. We would also be happy to schedule time to meet with people, during or after the consultation period, to discuss your views on our work. Please contact us via [contact@enforcementconductboard.org](mailto:contact@enforcementconductboard.org) if you would like to do so.

27. We look forward to receiving your responses. We will publish a report on the consultation paper, alongside a final business plan which takes account of the received responses, in April 2025.

## Annex A - ECB Draft Business Plan 2025/26

### **Our Mission**

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

### **Foreword**

[To follow]

### **Progress so far**

The ECB is the independent oversight body for enforcement (bailiff) work in England and Wales.

The ECB was formally launched in November 2022. Our Chief Executive started in March 2023 as the first member of staff. By the start of 2025 the ECB team comprised of nine people, making up 7.9 full time equivalents.

The blueprint for the ECB was set out in the Taking Control for Good report of 2021, which was produced by a collation of debt advice and enforcement industry bodies.

### Why our work matters

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 proactive, 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.

### 2024/25 – progress against five key priorities

Our 2024/25 Business Plan set out five key things that needed to change in the market to support achievement of our mission. Below is an overview of the key achievements that we have made in each area during 2024/25.

#### *1) A reliable and objective evidence base*

- Publication of independent research analysing over 600 cases of body worn video, assessing enforcement agents' compliance with the existing national

standards when interacting with members of the public. For the first time, this gives a sense of the scale of compliance and non-compliance by Enforcement Agents with existing rules, during this part of the enforcement process.

- Completion of the pilot of periodic data returns from all accredited enforcement firms, providing significant new evidence on how the market is operating and allowing the ECB to start to identify outlier firms in certain areas. The ECB plans to publish an anonymised, aggregated report on the next data return exercise in 2025.

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

- Published a new suite of standards for enforcement work for both Enforcement Agents and accredited enforcement firms, alongside guidance on these. These standards set a new benchmark for fair enforcement and our oversight regime will be based around these. During the year, we decided to de-couple the sections on vulnerability and ability to pay from the main standards and deliver these sections in 2025/26.

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

- Published our oversight model and sanctions framework, which sets the framework for how we will create accountability and ensure that enforcement agents and firms are complying with our standards.
- Published our complaints guidance and complaints model, recruited a team to manage our complaints functions and developed and built the systems required for the ECB to determine complaints. We launched our complaints function in January 2025.

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

- This year was the third round of levy collection from the industry and this was collected in full and on time. We therefore received the income we planned for and are projecting to end the year on budget. We have now received £2,771,000 in total from the industry since the ECB was established.
- Completed the re-accreditation process for the second year of accreditation. This year, firms were required to commit to meeting the ECB's new standards for enforcement and to accept the ECB's determination of complaints. All previously accredited firms applied for re-accreditation and 8 additional firms have signed up (including 7 in-house teams at Local Authorities). This means the ECB's coverage of the market is now likely to be above the 95% already achieved in the first year of accreditation.

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

- Secured commitments from a very wide range of creditors to only work with ECB accredited firms. This includes:
  - All Welsh local authorities
  - The YPO (purchasing organisation used by over 75% of local authorities)
  - Four water companies
  - Lowell
  
- Undertaken significant number of workshops with creditors across the country, gaining input into the development of our framework.

**Priorities and deliverables for 2025/26**

The ECB has made significant progress against the five priority areas outlined in our last business plan. This has laid a strong foundation for significant progress against our mission, as we start to implement full operational oversight of the enforcement sector.

For 2025/26, the overall focus will be on successful delivery of full operational oversight. Most of our work will comprise the next phases of the work delivered in 2024/25. And we will continue to be focused on bringing about the five key changes in the market that are highlighted above.

For 2025/26, our work will be focused around five key areas.

[Diagram to follow]

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

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

<b>1) Setting a new bar – clear and comprehensive standards</b>	
(a) Developing and implementing the remaining sections of the ECB standards – vulnerability and ability to pay	<ul style="list-style-type: none"> <li>- To be developed through extensive engagement with stakeholders</li> <li>- To include targeted input from those with lived experience</li> <li>- New standards should make a material improvement on the current situation and should be capable of being accepted by our diverse stakeholders</li> <li>- New standards to be ready for the third year of ECB accreditation.</li> </ul>
<b>2) Delivering a high-quality complaints service for the public</b>	

(a) Successful delivery of first year of complaints handling	<ul style="list-style-type: none"> <li>- Provide a high-quality complaints service to members of the public</li> <li>- Meet our KPIs on timeliness and quality of decisions</li> <li>- Develop impactful means of sharing learning from complaints, that help drive improvements across the sector.</li> </ul>
(b) Ensure smooth interaction with other complaints schemes	<ul style="list-style-type: none"> <li>- Continue to develop MoUs and operational protocols for effective collaboration and information sharing with other ombudsman and complaints schemes.</li> </ul>
(c) Develop an accessible “Know your rights” document	<ul style="list-style-type: none"> <li>- Recognising the limitations of the current Notice of Enforcement, we will work collaboratively with the enforcement industry and debt advice sector to develop an accessible one page document for different types of enforcement explaining the process, what enforcement agents can and can’t do, and what people can do if they believe they have not been treated fairly</li> <li>- Materials will undergo some user testing</li> </ul>
<b>3) Delivering impactful proactive oversight of the market to ensure ECB standards are being met</b>	
(a) Data returns	<ul style="list-style-type: none"> <li>- Delivering the second and third full data return processes and, for the first time, publishing an aggregated report on the process to allow the wider data and learning to be shared.</li> </ul>
(b) Other intelligence and risk assessment	<ul style="list-style-type: none"> <li>- Develop means of assessing the relative risks of different firms (for ECB oversight purposes) and start using this to prioritise the ECB’s resources</li> <li>- Develop processes for triaging and assessing incoming intelligence.</li> </ul>
(c) Pilot monitoring visits	<ul style="list-style-type: none"> <li>- Undertake a pilot programme of approximately 5 monitoring visits</li> <li>- Publish anonymised report on this pilot process and plan for how monitoring visits will work in the future.</li> </ul>
(d) EAC2 complaints	<ul style="list-style-type: none"> <li>- Progress any EAC2 complaints that are required to seek to remove certification from Enforcement Agents who are considered not fit to be certified.</li> <li>- In doing so, establish how to progress these cases effectively and efficiently in the future.</li> </ul>
<b>4) Building the long-term sustainability of independent oversight</b>	
(a) Deliver third year of accreditation	<ul style="list-style-type: none"> <li>- Update the accreditation criteria to reflect the new sections of the ECB standards</li> </ul>

	<ul style="list-style-type: none"> <li>- Collect the levy in full</li> <li>- Continue to build coverage of the market.</li> </ul>
(b) Legal powers for the ECB	<ul style="list-style-type: none"> <li>- Engage with the MoJ on the case for the ECB being given targeted legal powers to underpin its work.</li> </ul>
(c) Evaluate scope and boundaries of ECB oversight	<ul style="list-style-type: none"> <li>- Develop a more detailed line on what work is under the ECB's oversight and what is not, including how oversight works with companies who do some work within the ECB's scope and some work outside of it.</li> </ul>
<b>5) Engaging and influencing creditors</b>	
(a) Build creditor awareness of new ECB standards and complaints handling and how to support this	<ul style="list-style-type: none"> <li>- Engaging creditors to build trust and further support for the ECB's mission and minimise risks of creditor actions undermining this.</li> <li>- Identifying innovative creditors and examples of good practice that could contribute to future market learning and improvement.</li> </ul>
(b) Develop longer-range strategy and plans for influencing creditors towards driving fair enforcement	<ul style="list-style-type: none"> <li>- Whilst the focus for 2025/26 is primarily on delivery of the ECB's core operations, we will use this year to plan how we will approach engaging and influencing creditors in future years, when we have more data and evidence to deploy and more bandwidth to push in this area.</li> </ul>

## 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. These principles remain appropriate and valid for the ECB during the next period of our development.

They are:

- Independence
- Ambition
- Proportionality
- Collaboration
- Transparency

## Budget

The ECB is funded by a levy paid by all accredited firms.

The budget to deliver this business plan is approximately £1.4m (an increase of £205k (17%) compared to 2024/25).

The headline costs in the budget are as follows:

[Replicate table from consultation paper]

Our budget has been developed to provide the ECB with the resources it needs to deliver its business plan. As always, we have been careful to ensure that the budget remains proportionate. In this regard, we recognise that the enforcement industry did not receive the 5% fee increase that the last Government recommended, alongside the fact that enforcement firms (like the ECB) will have had their costs increase as a result of increases in employers NI and the living wage.

As forewarned in previous years, our budget is increasing this year, reflecting the increased costs of starting to deliver operational oversight. The main increases are in staff costs, reflecting the growth of the ECB staff team to deliver operational oversight and full year salary costs for the new posts that were introduced during 2024/25. Having built our core operational team, we do not currently envisage significant future growth in the ECB staff team.

We have sought to limit all discretionary spend this year. For example, our budget for this year does not include any new pieces of research and we will remain a remote organisation, without the costs of maintaining an office.

This budget will result in a levy of *[0.51%]* of firms' turnover from TCOG work fees.