

ECB Board Meeting – Monday 17 March 2025

Venue: Teams

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

In attendance: David Parkin, Hannah Semple, Jenna Durant, Louise Rubin, Leonora Miles, Jenny Prior (minutes)

Minutes

Item 1: Welcome, apologies and declarations

1. The Chair welcomed all present, particularly Louise Rubin, Director of External Affairs, attending her first meeting.
2. There were two new declarations of interest:
 - i. Catherine Brown: acting Chair for the Legal Services Board
 - ii. Jenny Watson: Non-Executive Director at the Financial Services Compensation Scheme

Item 2: Minutes of the previous meeting

3. The minutes of 22 January 2025 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 progress across workstreams since sharing the paper.
6. The Executive gave a detailed account of complaints performance and updated the Board on the number of incoming complaints, their suitability for investigation and discussed the likely increase in volume of complaints over the next few months.
7. Early analysis of the status of incoming complaints suggested that complainants were approaching the ECB too soon in the process and that some firms may be

over-reliant on their informal resolution processes for complaints. Identified themes and trends would be used to shape the ECB's oversight programme.

8. The Board agreed that once the complaints system was better established, more work would be done to ensure that it is known about (e.g. by other complaints bodies). Collected data on how complainants were finding the ECB would feed into this workstream.
9. Regarding the potential collection of complainants' demographic data, more thought was needed on this before its introduction. It would be important to keep the data separate to the active complaint to prevent any perception of bias affecting the process. The Board remains keen to introduce this once the issues have been worked through.
10. The Executive would bring a paper to the June Board setting out the intended approach to sharing the analysis of the data returns, complaints insights and 'emerging themes' with the Board, industry, and wider stakeholders **[ACTION]**.
11. The Board considered the necessity for a more secure method of accessing Board papers once complaints intelligence was being routinely shared. The incoming Director of Corporate Services would investigate the possibility of introducing a Board portal system **[ACTION]**.
12. The Board confirmed its decision to stop using X (formerly Twitter) and for the ECB to move onto another social media platform instead **[ACTION]**.
13. The Board **noted** the Chief Executive's report.

Item 5: Business Plan and Budget consultation response

14. The Chief Executive presented a paper setting out the findings from the business plan and budget engagement and consultation process along with a proposed approach to the final business plan and budget approval. This followed the consideration by the Board of the draft business plan and budget at its January meeting.
15. The Board discussed the paper and noted the following points:
 - i. The consultation was the subject of targeted engagement as well as public consultation. The ECB received eight responses to the consultation and further informal feedback.
 - ii. There was overall support for the main content of the business plan and overarching focus on delivery. There was also noted support for what has been achieved over the last year and the progress that has been delivered.

Creditors

16. The Board discussed the ECB's position on creditors and confirmed that in 2025/26, the groundwork would be laid for the more structured creditor-focused work scheduled to begin in 2026/27. The Executive would return to the Board with a plan setting out this work **[ACTION]**.

17. As the consultation response would be required before this, it was agreed that the Business Plan would make explicit the ECB's view of creditors' vital role in making the enforcement process fairer for all. The Business Plan would make clear that there would be ongoing engagement with creditors this year as key stakeholders in the vulnerability and ability to pay work.

Budget

18. The Board noted that there was some disquiet regarding the scale of the levy rise, in the light of the wider economic context. The consultation document detailed the larger discretionary areas of spend and the Board discussed the responses on each of these areas. The Board agreed that further explanation should be provided to clarify that the majority of the budget assigned for lived experience work was earmarked for the development of the vulnerability and ability to pay standards, rather than testing of the "know your rights" material.
19. The Board reaffirmed its aim to build a prudent six months of reserves in the longer term but requested work be done to refine the actual figure by determining what these reserves would need to cover [**ACTION**]. Given that the plan was for a very modest building of reserves this year, the Board agreed that it should be looking for any in-year underspend to be used, where possible, to further build reserves.
20. It was noted that at the time of drafting the budget, the levy required to raise the consulted-on budget figure was estimated to be 0.51% of turnover. With actual figures now available however, this has been lowered to 0.49%.
21. The Board **approved** the final budget figure of £1.4m, which represents a levy of around 0.49% of turnover.
22. The Board **agreed** that the final Business Plan and Budget would be circulated to the Board and approved via correspondence.

Item 6: Standards: Vulnerability and the Ability to Pay

23. The Policy Manager presented a paper setting out the ECB's proposed outline approach to developing the new standards and guidance on Vulnerability and Ability to Pay in 2025. It comprised the ECB's current assessment of the problem in relation to vulnerability and ability to pay and the headline policy approach it intended to develop to addressing this in the standards. Two annexes setting out initial policy thinking were also presented.
24. The Board was asked to agree the proposed timetable and to provide initial views on the headline approach to vulnerability and ability to pay.
25. The Board discussed the proposal and discussed the following points:

Timetable

- i. The timetable for the work was discussed and approved. It was noted that the July to September consultation period covered the summer holidays but the

length of the period plus the early engagement work was felt to compensate for this.

Overall approach

- ii. The Board felt that the paper presented a pragmatic approach but were keen to focus on areas where the ECB could affect change within the existing legislative framework.
- iii. It was agreed that the ECB's initial focus in this area needed to be on achieving what it could through new standards for industry ahead of any further work in improving the process prior to cases landing with enforcement firms (with creditors).

Creditors

- iv. The Board acknowledged that at present, most creditors did limited work in identifying vulnerability and ability to pay issues before moving to enforcement. However, it was also acknowledged that the realities of financial management meant that conceding early in the process that some debt was unlikely to be successfully collected using standard practices, was likely to be challenging for creditors.
- v. For large scale and long-term change in this area, it would be critical to understand the challenges faced by creditors and to factor this understanding into the process design work.

Drafting and definitions

- vi. The Board discussed the complications of assessing ability to pay. It was noted that it was common for the support network of the individual facing enforcement to pay the money owed. This needed to form part of the conversation on ability to pay.

Articulation of benefit to firms

- vii. The Board agreed that it was important to note that the current system was inefficient and potentially losing firms money and that assessing individuals' ability to pay and vulnerability early in the process might bring benefits to the firm as well as those experiencing enforcement.
- viii. The Board suggested that the *data returns* could potentially be useful in assessing financial benefits of engaging with this work.

26. The Executive thanked the Board for their comments and steer on the proposal set out in the paper.

Item 7: Draft Expenses policy

27. The Director of Corporate Services presented a paper setting out the ECB's draft Expenses Policy for the Board's approval.

28. The Board discussed the policy and introduced a number of small adjustments, for example a daily cap for subsistence expenses and the explicit inclusion of booking fees for trains.

29. Pending the requested amendments, the Board **approved** the policy.

Item 8: AOB

30. The Director of Corporate Services set out the protocol for informing Board members of password changes.

Item 9: Reflection session

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