ECB Board Meeting – Wednesday 3 September 2025

Venue: Teams

Member attendance:	Catherine Brown (Chair), Alan Cavill, Gerard Curran, Althea Efunshile, Jenny Watson, Chris Nichols (CEO)
In attendance:	Lindsey Cairns (observing), Claire Evans (item 4), Louise Rubin, Leo Miles (from item 5), David Parkin, Holly Perry (minutes), Liz Thompson

Minutes

Item 1: Welcome, apologies and declarations

1. The Chair welcomed all present, particularly Lindsey Cairns, Complaints Manager who was observing the meeting as part of her onboarding.

2. No apologies had been received, and there were no new declarations of interest.

Item 2: Minutes of the previous meeting

3. The minutes of the 16 July 2025 Board meeting were **agreed** as an accurate record of the meeting. The Board **agreed** a small number of redactions in the minutes prior to publication.

Item 3: Matters arising

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

5. An update was provided on a case previously reported to the Board involving inappropriate and threatening text messages being sent by a firm. The firm had explained that it considered that the text messages had been taken out of context, however they had reviewed their text communications and amended the template messages, and were now ensuring that all such messages were controlled centrally. The Board noted the update, and suggested that this was a helpful example of the ECB intervening to make a positive difference, and that such examples should be systematically recorded as they occur as they would be helpful for the impact report (**action**).

Item 4: Chief Executive's Report

6. The Chief Executive presented the report and updated the Board on the following:
   i. The reforecast exercise was underway for 2025/26 and the outputs would be presented to the Board's October meeting. It was already clear that the underspends seen in previous years would not be a feature this financial year, given the pressures being experienced in complaints and oversight work.
   ii. Some firms had been chased for their self-assessment returns, however these had all now been received.

iii. There was work to do to maintain the momentum in relation to statutory powers. While support in response to the recent consultation was helpful, the Parliamentary process would be time-consuming and complex, and there would be a need to keep up the pressure.

Complaints update

iv. The team were currently dealing with 99 live cases, and there were a notable number of complaints now at 'further consideration' stage.

v. It was becoming clear that industry would need to be prepared for an increase in the levy in 2026/27 to weather the higher-than-expected volumes in 2nd tier complaints, together with the complexity of issues being complained about (and further challenges coming through from ECB's oversight work).

vi. The nature of the complaints working their way through the system were now more challenging, and were presenting some learning for firms.

vii. The clear intersection in relation to mental health and complaints that was driving complexity in some cases meant that the team needed to be supported.

viii. On the principle of 'polluter pays', further consideration would be given as part of developing the business plan and budget for 2026/27 however caution was advised – the new system was still being embedded with firms, and there was further audit work and considerable data analysis to do.

Developments in relation to Marston Holdings (MH)

i. In relation to Marston Holdings (MH), the overcharging of fees issue had been picked up by the national press, as well as local and trade press, during the summer break, and there had been a number of enquiries from creditors who wished to know more about the situation.

ii. The action plan was being worked through.

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

Item 5: Thematic Review – amendment to scope and priority considerations

8. The Risk and Compliance Principal presented a paper setting out an update on the ECB's approach to the Thematic Review on overcharging enforcement fees in the industry, following presentation of initial plans to Board in June. Further issues had recently come to light which meant that there was now a need to widen the scope of the approach to sale or disposal fees (sale fees). This would have a knock-on effect on the timetable for the programme of thematic reviews. Firm notifications were being issued on a staggered basis.

9. The following points were raised in discussion:

    i. It was reflected that perhaps there was a need to make further efforts to communicate to firms the need for full transparency to ECB when they encounter issues and the benefits of bringing the ECB in early and fully. This could be seen as counterintuitive for businesses not accustomed to oversight but would be key in building trust and assurance.

    ii. The Board reflected on relations with creditors too, and how the ECB relied upon information coming from creditors. Essentially, there were three sources of data to be triangulated: information from creditors and other sources, information from complaints and data returns.

iii. The Board was reminded that data returns were currently being requested biannually, rather than quarterly. At its October meeting, the Board would receive the industry wide report, and have the opportunity to request a deep dive into specific matters.
iv. There was concern in some cases that data returns were not being signed off at an appropriately senior level within firms, and the message around the need for senior level sign off would be emphasised.
v. The Board discussed the challenges around resourcing the work, and how best to mitigate the risks for the remainder of the financial year.

10. The Board **noted** the proposed revision to the plans, to incorporate a review of overcharging of fees more broadly into the scope of the thematic review of firms. There was universal support for the work the executive was undertaking.

11. An interim update would be presented to the November meeting, with a full report to Board early in 2026.

Item 6: ECB Standards on vulnerability and ability to pay – standards and consultation

12. The Policy Manager presented the paper, which set out the draft Vulnerability and Ability to Pay Standards consultation document, for consideration ahead of public consultation.

13. The Board welcomed the clarity of the paperwork, and the progress made over the summer including the pre-consultation activity. The Policy Manager explained that the pre-consultation engagement activity had been extremely productive and largely suggested that the overall framework from the discussion paper was workable. There were some more substantial points to consider in relation to drafting of the 'ability to pay' section – including the categorisation in relation to 'ability to pay'. There was also a sharpening of the drafting in relation to the role of creditors.

14. The following points were raised in discussion:
    i. The drafting appeared to be silent in cases where someone was unable to pay, but there was the possibility of a family member paying (third party payments). This raised the consequential question of the potential for the third party to be vulnerable. The executive responded that third party payments (as well as the requirements governing seizure of goods and assets) was already covered in the main standards, and using cross-references may address the point, but that further consideration would be given to the question of how the new standards would apply to third parties and how the issue should be approached in the consultation.
    ii. The consultation should acknowledge the importance of collecting debts in support of local authorities' work, in that they used the funds to finance support for some of the most vulnerable people in communities.
    iii. There was some concern that the definitions were perhaps long and inaccessible, albeit these were primarily for the sector rather than the public. The executive clarified that the definitions were similar to those used by the Financial Conduct Authority (FCA), which some firms, particularly those carrying out FCA regulated activity, had adopted. One option to consider was keeping the technical definition for the purpose of the Standards and

enforcement sector, with plainer English and accessible versions potentially being developed to support public understanding of vulnerability in enforcement outside of the standards. This could be taken forward as part of the ECB's targeted work on developing public facing "know your rights" materials. It was agreed that the consultation would acknowledge the accessibility considerations of the definitions and reference the ECB's plans to address this.

iv. While some firms are already aligned to the approach in the standards the Board recognised that there was a significant cultural shift for the enforcement industry implicit in the new standards, and the question was asked about what, if any, the ECB's role was in enabling and supporting that shift. It was important for the ECB to be clear in setting out its expectations of firms. To this end, it was agreed that setting an implementation period would be key, given these were fundamental changes to the whole approach taken by firms in many cases. It was agreed that it was reasonable for firms to be required to submit an implementation plan to the ECB within three months with a further six months allowed to implement the plans. This would increase the work for both the ECB and firms in some respects, but would signal clearly the extent of the shift from the current position that was expected.

v. Alongside the consultation, the ECB would need to be working up what it expected to see in terms of indicators and evidence of compliance with these new standards, as part of its ongoing oversight activity.

vi. The cost of implementation of the new standards was reflected upon. This had not yet come up in the workshops as a matter of major concern, but it was clear at the very least that widespread training would likely be needed. The ECB was not being prescriptive about what was required to implement the standards – this would be a matter for firms to work out. It was agreed that having some means of measuring the costs and benefits of the changes would be helpful if possible without disproportionate effort.

vii. This was an opportunity for firms to review their approach to collections in these categories, and to potentially adjust their processes to make them more efficient. This would be an iterative process, and the ECB would keep the standards under review and make changes down the line where adjustments were supported by evidence of how they were operating on the ground.

viii. In relation to creditors and local authorities, there was a need to be clear on what the ECB expected of firms in terms of their engagement with creditors, and what the expectations of creditors were (problems could arise, for example, if creditors failed to engage). Putting creditors in focus, including articulating what good looked like in relation to firm and creditor engagement, was something that the ECB planned for 2026/27 and this would be discussed and considered further in the context of developing the 2026/27 business plan.

ix. The point was made that cars were often an asset considered for seizure however there was a strong link between reliance on a car and vulnerability (e.g. the reliance on a car for those requiring regular hospital visits). Therefore, consideration of the interaction between types of asset and vulnerability was important.

x. In paragraph 5, the ECB needed to be clearer on its position where there was vulnerability but also good grounds for enforcing debt – clarity on the evidence needed and grounds for this would be helpful.

xi. The Board requested an update on the lived experience research: the interim findings had been received, and were being reviewed ahead of the publication of the V&A2P consultation. A written update would be provided to Board in due course (**action**).

15. The Board commended the executive's work on the new standards, and **approved** the plan to consult publicly on the new standards, subject to incorporation of the points raised in discussion, and **delegated authority** to the Chair and Chief Executive for final sign off ahead of publication of the consultation. The Chair and Chief Executive would determine whether a further round of review by the full Board was necessary, and would keep the Board updated.

Item 7: Governance policies for review and approval (a) Gifts and Hospitality and (b) Policy on conflicts of interest

16. The Director of Corporate Services presented two policies for the Board's review. The Gifts and Hospitality policy had been in place for two years and appeared to be operating well. No substantive changes were proposed, and the policy would be reviewed again in two years. The policy on Conflicts of Interest was a new policy, which had been circulated to the Board for comment over the summer. No further changes were proposed, and the Board approved the policy. It was agreed that it should be reviewed again in one year, to check how it was working (**action**).

Item 8: AOB

17. Board members were reminded to complete the questionnaire that had been circulated to assist with the 2025 Board evaluation exercise. Once the questionnaires had been completed, the Director of Corporate Services would present the analysis of responses to the Board.

18. The final panel interviews for two new ECB Board members would be taking place on 4 and 5 September. There were nine candidates to be interviewed for two roles. The panel would comprise the Chair, Althea Efunshile and an independent member. A recommendation would be presented to Board by correspondence shortly after the interviews.

19. The Chair extended her thanks on behalf of the full Board and executive to Jenny Watson for her contribution to as a Board member. Jenny would be leaving on 30 September 2025. Jenny's knowledge, wisdom and distinctive perspective would be much missed and the Board wished Jenny well for the future.

20. The Chair requested that feedback and reflections on the meeting should be sent to either the Chair or the Director of Corporate Services.

Private session

21. The Board met for a private session.