

Consultation on draft 2026/27 Business Plan

1. This consultation paper introduces the Enforcement Conduct Board's (ECB) draft business plan and budget for 2026/27.
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. During 2025 the Ministry of Justice committed to legislate to give the ECB statutory powers.
4. Our mission is to ensure that everyone who experiences enforcement action is treated fairly.

2026/27 Business Plan

5. Our 2026/27 business plan is our fourth full-year business plan. A draft is presented in Annex A to this consultation. It sets out the ECB's key achievements during 2025/26 against our current business plan, as well as our key strategic priorities and planned deliverables for the year ahead.
6. Our business plan should operate as a standalone document, which itself explains the context and the rationale for our proposed activity and work.
7. However, to assist those responding to this consultation, below are some of the key points to note:
 - The draft business plan sets out five key priorities for 2025/26, which remain in the same overarching areas as last year.
 - A primary focus of this business plan is on the ongoing development and delivery of operational oversight and complaints handling – to really focus on identifying, addressing and preventing poor practice.
 - Most of the activities are continuations of work set out in our existing 2025/26 business plan, or work that we have already announced.
 - The main new workstreams are:
 - Undertaking a Process and Efficiency Review to ensure that our complaints handling is proportionate and cost effective.
 - Commissioning research into the demographics of those who experience enforcement action, to develop understanding of which groups might be disproportionately impacted and how this might feed in to our oversight.

- As we advance our operational work and improve our understanding of how the behaviour of accredited firms is impacting our work and deployment of resources, we propose to explore options for introducing some elements of “polluter pays” modelling, so that those firms that are requiring a disproportionate amount of oversight resource and attention, would contribute more to the ECB’s costs than those who are not.
- A renewed approach to influencing creditors towards supporting and driving fair and effective enforcement. Our strategy for delivering impact here will be developed over the final quarter of 2025/26 and all contributions to its development are welcome.
- We hope that the Ministry of Justice will bring forward legislation this year to follow through on its commitment to give the ECB statutory powers. We stand ready to contribute to this process. At the same time, without a timetable having been set out yet, we have not planned to commit any specific resource to this at any particular time through the year. Once a timetable is announced, we will review how this aligns with our other committed work.

Budget and levy

Background

8. 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.
9. We collected the levy for 2025/26 from ECB accredited firms, which has enabled us to undertake activities set out in our 2025/26 business plan. The levy for 2025/26 was set at 0.49% of turnover (for fees collected from work under the TCOG Regulations), which led us to collect approximately £1.4m.
10. During 2025/26, we have had to significantly increase the capacity of our complaints team, to manage markedly higher than anticipated levels of complaints. The 2025/26 Budget was based on a resourcing assumption of 8.9 FTE but, due to additional recruitment during the year, we are ending the year with 12.2 FTE. As a result, mid-way through 2025/26 we agreed a budget reforecast that provided for an £81k overspend for this year, to be funded from reserves. This means that whereas we had originally planned to slightly replenish our reserves this year, we are now actually projecting to end the year with £81k less in reserves.

Draft budget

11. We have developed a budget to deliver the draft business plan. The headline from the budget is a total funding requirement of approximately £1.96m.
12. The main cost lines that make up the budget are set out below and in the draft business plan and repeated below:

Main categories of spend	Budget assigned (rounded up)
Staff costs (full costs including pensions and NI)	£1.3m

Board member costs (full costs including pensions and NI)	£135k
Travel meeting rooms and expenses (including staff and board meetings)	£83k
Legal fees	£60k
Complaints scheme (IT, expert panel, phone system)	£45k
Professional fees and insurance	£74k
Research	£40k
Communications and external affairs	£15k
Recruitment costs	£33k
Training	£35k
IT and systems	£49k
Enforcement industry expert consultancy	£10k
Contingency	£94k

13. This year's budget represents a re-basing in terms of funding compared to previous years.

14. This is the first year in which we are able to develop our workplan and resourcing requirements based on evidence on both the emerging volumes of complaints that we will need to handle and also the emerging evidence on the level and types of non-compliance that is occurring in the market.

Complaints, oversight and operational needs

15. Last year, we predicted lower complaints volumes and issues than we have encountered. Our modelling for complaint volumes in 2025/26 was based on the proportion of complaints that were being escalated to the CIVEA CARE Panel, HCEOA and ombudsmen schemes in previous years. Whilst we allowed for an uplift from these numbers, the actual uplift has been much greater than expected. Requiring firms to have no more than two stages of first tier-complaints handling, and to take no more than 25 days, has removed significant friction and reduced the number of people who discontinue complaints before escalating beyond the firm.

16. We started 2025/26 with a two person complaints team and as a result of the significantly higher demand, we have recruited in year to our current position of 4.7 FTE in the team. At this level, we are still currently seeing complaints coming in at a faster rate than we are able to process them.

17. We have been careful to develop this year's business plan and budget from our current, more informed position on what will be needed to effectively deliver the objectives agreed for the ECB at its foundation. This includes factoring in the findings of our recently published Insight Report, which sets out the emerging evidence base on what is happening in the market. In particular:

- Based on complaint numbers, trends and run rates for the second half of 2025 and early 2026, in 2026/27 we expect to be receiving 1,200-1,500 complaints and investigating 400-600. Our current Complaints Team should be able to handle 240-300 investigations, alongside the significant work associated with initial consideration, further consideration and dealing with service review requests. Therefore our resourcing plan provides for two additional Investigators to be

recruited to provide extra capacity. We are also expecting the Process and Efficiency review of complaints to establish what other efficiencies are possible to increase our capacity within existing resources.

- Whilst the large majority of enforcement action appears to be compliant with our standards, we are finding a number of examples of non-compliance that need to be addressed in order to protect the public. This has included at least one widescale issue impacting many members of the public and a number of examples of serious and concerning breaches that could be indicative of underlying issues with wider application. We therefore need additional capacity in the oversight team to ensure we can follow up effectively on evidence received through complaints and other sources. We are therefore planning to create a two-person compliance team by recruiting a Compliance Manager to work alongside our existing Risk and Compliance Principal.

18. In summary, we now have emerging evidence of the type and scale of non-compliance with our standards and this shows a need to increase our operational capacity and resilience, so that we are able to respond effectively to the issues that we encounter, in order to deliver our agreed objectives.

Staff costs

19. The main reason for the increase in the ECB's budget is plans to increase the size of the team. Overall staff costs are increasing from £884k in 2025/26 to £1.3m in 2026/27.

20. The 2025/26 Budget was based on a staffing assumption of 8.9 FTE and we have resourced up during the year to a position where we have 12.2 FTE. The additional 3.3 FTE posts have been added in year, funded from underspends and reserves. As a result, the 2025/26 budget did not account for full year costs of these additional posts, which will now materialise in 2026/27.

21. For 2026/27, we are planning to have a team of 14.2 FTE members of staff (after a long running secondment comes to an end in Summer 2026). This will include a complaints team of 6.7 FTE and a compliance team of 2 FTE. We believe that this is necessary and proportionate to the volume of work undertaken in the industry and existing levels of complaints. There is therefore another net increase in the ECB's capacity of 2 FTE planned for the year ahead.

22. The draft business plan sets out the organogram for the ECB for the 2026/27 business year and also some further background on the make up of the team.

23. The draft budget only provides for us to grow the operational units of the ECB.

Office, meeting room and travel costs

24. The ECB has always been a remote organisation, saving potentially significant costs associated with having fixed office premises. As well as saving costs, this has contributed to our ability to recruit a strong team that is based across England and Wales. We intend to continue as a remote organisation for the foreseeable future, continuing to reap the recruitment and cost saving benefits.

25. As a remote organisation that recognises the importance of targeted in person engagement across England and Wales, we do have higher travel and meeting room costs. However, this still equates to significantly less overall costs than if we were to have a fixed office space.
26. This line in the budget has increased from £71k to £83k for 2026/27, reflecting the larger staff team as well as a small increase to account for the costs associated with travel associated with monitoring visits, as the compliance team rolls out a full pilot visits programme.

Flexible contingency

27. The draft budget has a 5% flexible contingency provision (£94k), to cater for unforeseen costs that arise during the year. During 2025/26 we did not provide such a contingency and, as a result of external factors beyond our control (mainly the high demand for complaints, as well as the oversight issue we encountered), we ended up overspent on our budget.
28. The Board has therefore determined that a contingency should be included in the budget to ensure that we are able to respond to any emerging, essential resource requirements that arise during the year as a result of external factors.
29. A contingency pot is particularly important for the ECB as a result of the fact that we are still at such an early stage of our establishment and work. Whilst we have a much better evidence base for assessing future demand than for previous years, we are still dealing with an emerging picture and are still a little way from reaching any kind of steady state in terms of operational delivery of oversight. In addition, as a small organisation, we have limited resilience within the core team, which has become very evident through 2025/26. Finally, as set out further below, we have not yet built our reserves up to an acceptable level. In the future, once reserves are at a more sustainable level, this might be a more proportionate means of underwriting future contingency costs.

Reserves

30. Alongside staff costs, the other cost line that has markedly increased this year relates to building back our reserves.
31. The ECB's reserves are critical to ensuring our ongoing operations and resilience. The ECB needs to be able to continue to operate if one of the larger firms that contribute the most significant amounts to its budget cease being accredited for any reason. Equally, without adequate reserves, the ECB's financial situation would become more vulnerable, which could serve to reduce our ability to act with independence.
32. The ECB Board has determined that with our current model, the ECB should ideally be aiming for a prudent 6 months of minimum operating costs in reserves. We are projecting to end the year a long way from this figure. However, we recognise that it is not practical or proportionate to build reserves too quickly and so we are planning a more limited building of reserves of around £150k this year, which would mean that we start the year with reserves equivalent to around 3 months of operating costs.

33. In the future, we would hope to review our target reserves when the MoJ has legislated to give the ECB statutory powers. At that point, a mandatory levy would significantly reduce the inherent financial risk that drives the requirement for 6 months of reserves.
34. In 2025/26, the budget included a nominal £9k assigned to replenishing reserves, meaning that this line represents a significant additional cost as compared to last year.

Indicative levy for 2026/27

35. The levy that funds the ECB is set as a proportion of turnover from TCOG enforcement fees.
36. We have requested turnover figures from industry for the 2025 calendar year 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.
37. We are projecting that total turnover across the industry is likely to be similar in 2025 to what it was in 2024. If so, we believe that the draft budget would lead to a levy for private enforcement firms of approximately **0.7%** of turnover from Taking Control of Goods fees. This would come down if total industry turnover has increased in 2025.
38. We have previously committed to charging inhouse teams at Local Authorities approximately one-third less than private firms, as these firms are not subject to ECB complaints handling. On that basis, the indicative levy for in-house teams would be 0.46%.
39. Payment of the levy will be sought at the following times:
- The largest eight firms at the end of April/early May
 - All remaining firms and inhouse teams in September 2025.

Questions

40. 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.
41. The draft business plan 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.
42. 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 2026/27?

Q2 – Do you have views or ideas on how the ECB can seek to influence creditors towards fair enforcement, in a targeted and impactful manner?

Q3 – Are there any activities that you believe the ECB should be prioritising that are not contained in this plan?

Q4 – Do you have any comments on the draft budget and levy?

Q5 – Are there any other comments or observations that you would like to make?

43. The consultation will close on **Friday 27th March 2026 at 5pm**. Please send your response to contact@enforcementconductboard.org.
44. 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.
45. 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 if you would like to do so.
46. 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 2026.