TAKING CONTROL
The campaign for bailiff reform

Taking Control coalition response to Ministry of Justice consultation *"Enforcement Sector Regulation: Reforming the regulation of individuals and firms that use the Taking Control of Goods Procedure"* – July 2025

Background

This response has been submitted by the Taking Control coalition campaign for bailiff reform.[1] Taking Control is a coalition of civil society and debt advice organisations campaigning for independent regulation of the bailiff industry and other reforms to ensure fair and appropriate treatment of financially vulnerable people facing debt enforcement.

This response has been endorsed by and should be treated as a response by each of the following organisations:

- Citizens Advice
- Christians Against Poverty
- Community Money Advice
- The Institute of Money Advisers
- Money Advice Trust
- StepChange Debt Charity

Introductory comment

We warmly welcome this consultation, indicating that the Government has concluded that it is necessary to legislate to ensure that all individuals and firms using the Taking Control of Goods Procedure are regulated to the same standards, overseen by the same independent body. Concerns over the impact of the enforcement agent's (EA's) knock at the door have long been raised by debt advice agencies and other charities. Reforms to enforcement law in 2014 in England and Wales have had only limited success, and people in financial difficulty continue to report widespread problems with the behaviour of EAs and firms.

For too long, in stark contrast with other sectors including energy and financial services, the enforcement industry has not been overseen by a statutory regulator – raising significant concerns given the large number of financially and otherwise vulnerable people who interact with EAs every single day.

[1] Taking Control: the campaign for bailiff reform

The introduction of a statutory regulator has therefore been the primary goal of the Taking Control coalition since its inception in 2017. Sadly, coalition members continue to hear from debt advice clients and community members who describe troubling, problematic or rule-breaking interactions when going through enforcement action – from rejection of reasonable repayment offers through to misrepresentation of enforcement powers and threatening and intimidating behaviour.

So, the creation of a statutory regulator cannot come soon enough, and we are very pleased the Government has confirmed its intention to pursue this.

Practically, we believe that the Enforcement Conduct Board (ECB) is well equipped to take this responsibility on. We have been pleased with the progress that the body has made so far in working towards its mission to ensure that everyone who experiences enforcement action is treated fairly, including its efforts to drive up standards in the enforcement sector and enhance complaints processes. However, without statutory underpinning, the ECB has no legal standing, meaning it is only able to perform its functions for as long as the enforcement industry, and creditors, are happy with its standards and any sanctions it applies. This leaves the ECB in a precarious position.

Statutory underpinning is therefore vital in:

- Guaranteeing the independence of the ECB;
- Providing the ECB with the legal standing it needs to set, apply and enforce standards across the industry;
- Ensuring there is a complete and effective system of oversight in the enforcement industry;
- Creating clear accountability for the ECB – to Parliament and Government (without this, the ECB is only accountable to the enforcement industry, due to its current, voluntary funding); and
- Giving everyone who interacts with the enforcement process – including creditors and citizens – confidence that this will be done fairly and in line with high standards that protect vulnerable people.

Response to individual consultation questions

THE CASE FOR REFORM

Question 1: Do you agree that it is necessary to legislate to establish a statutory independent regulator for the enforcement sector? If not, please explain why.

We very much agree that it is necessary to legislate to establish a statutory independent regulator for the enforcement sector. We have been making the case for statutory regulation through the Taking Control campaign for many years. Back in 2017, we wrote that:

- *"People contacting debt advice charities still report widespread problems with bailiffs – now officially known as enforcement agents – and our evidence suggests that in the absence of an independent bailiff regulator, or a clear and accessible complaints mechanism, the new regulations are being contravened by many bailiffs in practice. The reforms have also created some new problems through a new fee structure that incentivises bailiffs to escalate to enforcement action."*[2]

Sadly, in the eight years that have passed, frontline evidence continues to show that financially and otherwise vulnerable people are still experiencing aggressive and unfair enforcement action at worrying levels. Non-legally binding standards set by the Ministry of Justice have not been effective in stopping reported problems – including rejection of reasonable repayment offers, misrepresentation of powers, failure to take account of vulnerabilities and threatening or inappropriate behaviour. The ECB is establishing a new over-arching standards framework, but this is also currently voluntary.

In the last couple of years alone, Taking Control coalition members and other organisations working in the space have published policy reports which speak extensively to the issues outlined above, using a wide evidence base – from the UK Household Longitudinal Survey to hearing from debt advice clients directly.[3] Those going through enforcement action describe to member and partner organisations how their experiences have brought on or exacerbated mental health problems and illness, compromised personal and professional relationships, and harmed their wellbeing as well as that of loved ones – often rooted in inappropriate or rule-breaking treatment.

We are therefore extremely pleased to see the steps being taken to enable the fundamental aim of our campaign to be put in place. The enforcement industry sits in sharp contrast with other sectors where the existence of a statutory regulator has long been commonplace, accepted and understood. For too long, EAs have been permitted to exercise their powers without being overseen by an independent regulator.

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[2] Taking Control Coalition (March 2017), *Taking Control: The need for fundamental bailiff reform*

[3] StepChange Debt Charity (October 2024), *Looking through the keyhole: StepChange debt advice clients' experiences*; Citizens Advice (March 2023), *Bailiffs behaving badly: stories from the frontline*; Centre for Social Justice [in collaboration with Money Advice Trust] (August 2024), *Still Collecting Dust: Ensuring fairness in council tax collection*; Debt Justice (May 2025), *Ban the bailiffs*; and Money and Mental Health Policy Institute (September 2024), *In the public interest? The psychological toll of local and national Government debt collection practices*'

We believe that it is imperative that the legislation is put in place as soon as possible to bring about a statutory enforcement regulator. Ideally, these powers would be granted to the ECB, to enable the existing body to continue the good work it has begun in the most robust, effective and efficient way possible. In order for this work to continue on a sustainable basis, statutory underpinning and powers are required. We hope that the Government will move quickly to put in place the relevant legislation to enable these reforms to take place as soon as possible.

Our clients cannot wait any longer for a strong independent regulator to ensure that they are treated fairly and can gain redress where they have grounds for compliant. We do not believe there is anything to be gained from further delay. Any such argument by the enforcement sector would suggest that they feel they are not "ready" for regulation and therefore favour delay – which is itself a sign that stronger oversight of and accountability for the sector is needed.

Question 2: Do you agree that responsibility for setting the legislative framework about how debts should be enforced using the Taking Control of Goods procedure should remain with the Government and not be devolved to an independent statutory regulator?

We agree that responsibility for setting the legal framework for the Taking Control of Goods procedure should remain with Government, as the scope of the framework on enforcement by taking goods is very much a political decision.

We would suggest that the sensitivity of the enforcement sector's functions and legal powers requires Government to retain responsibility for that role. The Government should set the legislative framework, but the ECB should be given the powers and responsibility to formally recommend changes to the legislative framework to Government for consideration. For example, the regulations on the taking control of goods may be an area where future changes might be recommended.

We set out in our response to question 3 that the new regulator will need a clearly articulated role in the process of fee setting and reviews. We believe that standards, conduct issues and fairness outcomes should sit with the regulator. This implies that responsibility for some aspects currently detailed in secondary legislation – like content of legally required notices – should pass to the statutory regulator. We would like to see the regulator maintain as much flexibility as possible in setting standards and accreditation requirements, to allow it to respond in an agile way to resolving issues in the sector, which is not always easy or quick to do through legislation.

Question 3: Do you think that an independent statutory regulator should play any role in reviewing the fees that the enforcement sector can recover when using the Taking Control of Goods procedure? Please explain why.

We think that the statutory regulator should take a role in reviewing the fees that the enforcement sector can recover. Firstly, we assume that the new independent regulator will regularly receive a range of data from enforcement firms. The ECB also asks enforcement firms to report data as a necessary part of oversight, and the new regulator will need the power to require data necessary for the exercise of its functions.

Secondly, the current fee regime has business conduct issues built into it. For instance, when firms decide to move from one enforcement stage to the next, how and when firms consider the reasonableness of payment offers and so on. It is likely that the statutory regulator will need to gather data on this and will be in the best position to understand the relationship between conduct issues and revenue generation.

The standards set by the new regulator should also signal a clear set of expectations to creditors commissioning enforcement services. This in turn should reduce the number of cases entering the Taking Control of Goods procedure and increase cases where enforcement firms and agents are unable to recover a fee (through either poor case information or low ability to pay for instance). Given that the current fee regime increases allowable costs significantly to remunerate enforcement firms and agents for cases where no fees are recovered, there is also an important relationship between pre-enforcement conduct by creditors and the appropriate level of enforcement fees.

This is not to say that the independent statutory regulator should have the sole or main role in setting fees. This is detailed work requiring expert economic analysis and understanding of successful approaches to price control in regulated markets. The Government will need to consider whether this skillset should sit within the permanent funding requirement of the independent regulator, or whether it should sit elsewhere. But the statutory regulator should have a clearly articulated role in the process.

Here we also note that the policy rationale for setting a level of fees is not well set out in current legislation. Paragraph 62 Schedule 12 Tribunal courts and Enforcement Act 2007 creates a power for "*for the recovery by any person from the debtor of amounts in respect of costs of enforcement-related services*". Questions on the amount of recoverable costs are devolved to regulations that describe the structure of enforcement fees but give no principles to guide setting the quantum for fees.[4] So, there is little transparency as to how the fee-making power given by Parliament translates to the costs falling on financially and otherwise vulnerable people facing enforcement. In the absence of principles underlying policy decisions about fees there is little transparency allowing an assessment of whether those fees are objectively fair or not.

[4] The Taking Control of Goods (Fees) Regulations

In considering who should have responsibility for reviewing fees, the Government might also take the opportunity to give clarity on the principles that determine how those fees are set. Here, it must be remembered that legislation requires consumers to remunerate profit making firms. This raises clear questions about economic and broader fairness that are not voiced in the current legislation.

Regarding economic fairness, any fee review should ensure that fees are no more than is necessary for an economically efficient enforcement firm / agent to carry out reasonable (in accordance with the regulator's standards) enforcement services. Consumers do not choose an enforcement firm and cannot exert competitive pressure on enforcement costs. It therefore falls to legislation to ensure that enforcement fees are economically fair, but the current legislation does not obviously require this.

Regarding broader conceptions of fairness, legislation should also require any fee review to consider whether the fee burden is reasonable on the people required to pay them, particularly people who are financially or otherwise vulnerable. Elsewhere the civil justice system recognises this concept of fairness (for instance in policies like court fee remission rules), but this is not obvious in legislation on enforcement fees.

Question 4: If you agree, what role should a regulator play in reviewing fees?

We understand that the legal power to uprate the statutory instrument in Parliament on the regulations relating to the fees for taking control of goods would remain with the Government.

We strongly oppose any move to automatically increase fees within regulations in line with inflation or any other automatic mechanism. We see no justification for an assumption that fees should automatically increase. We are pleased that the paper recognises that:

- *"The level that the fees are set at is contentious. In its 2019 report, the Justice Select Committee expressed concern about the fact that the fees can be recovered from some of the most vulnerable members of society and said that they should be reviewed by an independent regulator to ensure that they are set at as low a level as possible."*

We are therefore pleased to see that the Government will not be reviewing the level of fees for three years, pending a review of the fee structure model. Potentially the principles for setting fees should be set out in statute as we argue in our answer to question 3 above.

Whilst we agree that fees need to be reviewed regularly, the fee levels need to be subject to a robust and independent review to ensure that there is not any element of excess profit built into the current model.

We agree that the regulator should be involved in reviewing fee levels, but we are unclear whether this should go as far as setting the fees as a regulatory function. We recognise that it can be perceived to be problematic for a regulator to set their own fees for those it regulates. It is also a complex task to carry out for a small regulatory body.

However, the regulator could be in charge of ensuring that regular reviews are carried out, appointing an appropriate independent body – for example, the Competition and Markets Authority – to carry out the economic analysis and cost basis of fees, using advice and data from the statutory enforcement regulator. The regulator could input into the review, informing the process, and reporting back to the Ministry of Justice with recommendations. There would need to be resources allocated for such reviews, as any review needs to be both independent, and use an objective and fair system for the report to be respected.

It is important to note that any fee model is sensitive to how the regulator develops policies in relation to the requirements on regulated firms and individuals at compliance and enforcement stages, and what happens in practice as a result.

REGULATORY OBJECTIVES

Question 5: What objectives do you think should be set out in law for an independent statutory regulator to work towards?

We agree that the core objective of a statutory enforcement regulator should be to protect people facing enforcement action from unfair treatment. The ECB's mission *"to ensure that all those facing enforcement action are treated fairly"* is a good place to start.

The Centre for Social Justice (CSJ) set out the principal mandate for a new regulator in its 2021 'Taking Control for Good' report, which was developed in collaboration with stakeholders including some Taking Control coalition member organisations:

- *"The principal mandate of the [statutory enforcement regulator] is to ensure fair treatment and appropriate protection for people subject to enforcement. In doing so it will have particular regard to the need to protect people in financial difficulty or other vulnerable circumstances."*[5]

The inclusion of specific reference in legislation to financial difficulty and other vulnerable circumstances is important. It frames the concept of fairness in enforcement to some specific consumer protection needs in a way that delivers a targeted but overriding consumer protection principle in the objectives for the regulator. This would match the practice of other regulatory bodies such as the Financial Conduct Authority (FCA).

There is a range of additional objectives which should be set out in law for the independent statutory regulator. These will depend upon the final powers given to the statutory regulator in relation to various areas, including fees and accreditation of firms and agents, for example.

On top of the principal mandate outlined above, we would point the Government to the recommendations made in the aforementioned 2021 CSJ report as a useful prompt to consider, which said that the statutory regulator should pursue the following operational objectives:[6]

[5] Centre for Social Justice (July 2021), *Taking Control for Good: Introducing the Enforcement Conduct Authority*
[6] As above.

- **Raising standards:** The statutory regulator will drive up standards in the enforcement sector by setting out new effective standards, building on the National Standards, and will supervise performance and conduct in the industry.

- **Improving accountability:** The statutory regulator will improve accountability across the enforcement sector by holding enforcement firms and agents to account. This will be achieved primarily through supervisory activities (such as audits, reviews of firms' policies and procedures, compliance and complaints, reviews of enforcement agent footage, information requests and independent research); as well a firm and fair system of sanctions to penalise and strongly disincentivise non-compliance with the regulator's standards, alongside a standardised complaints process.

- **Adjudicating complaints:** The statutory regulator will host an independent complaints mechanism that will adjudicate on escalated complaints.

- **Protecting the vulnerable and achieving fairness**: In line with its overarching mandate, the statutory regulator should commit to ensuring the fair treatment of people subject to enforcement in vulnerable circumstances. This will be primarily delivered through provision of new affordable repayment and vulnerability protocols drawing on best practice from other organisations, firms and bodies, as appropriate.

The coalition would also nod to the 2021 CSJ recommendation that the statutory enforcement regulator should be guided in the delivery of its mandate by five key principles:

- **Independence:** The statutory regulator will commit to upholding the principle of independence in all its activities. This relates (but is not limited to) aspects such as Board membership, those working for the regulator, as well as how the regulator will conduct its business.

- **Ambition:** The statutory regulator will commit to continually drive improvements in the enforcement sector through being ambitious in raising standards and collaborating with stakeholders to ensure fair treatment and appropriate protection for people subject to enforcement.

- **Proportionality:** The statutory regulator will work to the principle that any burden or restriction it imposes on individual agents, agencies and/or their activities should be efficient and necessary for the purpose of carrying out its mandate.

- **Collaboration:** The statutory regulator has been developed on the basis of collaboration between the enforcement sector and the debt advice sector. The statutory regulator will commit to maintaining a spirit of collaboration between the enforcement sector and the debt advice sector as far as is appropriate.

- **Transparency:** The statutory regulator will exercise its functions as transparently as possible. One of the key outputs to that end should be an annual publication reporting its activity and findings – published, shared and submitted to the Secretary of State for Justice.

We note that the consultation gives the example of a further objective whereby a statutory regulator could be asked to work towards "making sure that creditors have an effective process for enforcing judgment debts". We do not believe such an objective is necessary; instead, this intention could be better addressed through the proportionality principle outlined above.

It is vital that the regulator's objectives are clear and achievable, and the Government should avoid setting out too many and competing objectives. However, there are risks involved in setting out objectives that are not comprehensive as these will cause problems down the line.

We have highlighted some of the pre-existing recommendations for a set of objectives and principles which could guide the statutory enforcement regulator for consideration above, and will continue to engage with the Ministry of Justice to ensure that the final framework chosen is effective, appropriate and encompassing.

STANDARDS AND GUIDANCE

Question 6: Do you agree that legislation should set out that an independent statutory regulator should produce standards and guidance for enforcement firms, agents and creditors about the use of the Taking Control of Goods procedure? If so, should the legislation set out who the regulator should consult about that guidance, and how frequently it should be reviewed?

We agree that legislation should set out a requirement for the independent statutory regulator to produce standards and guidance for enforcement firms, agents and creditors about the use of the Taking Control of Goods procedure and related issues. This should include the power for the regulator to set legally binding standards and guidance that progresses the regulator's statutory objectives.

The vital point of regulatory standards and guidance is that these are not voluntary, and that compliance with the standards and guidance is compulsory for firms as part of the regulatory framework. Compliance should be audited as part of the supervisory regime by the regulator.

We very much favour a requirement in legislation for the regulator to consult on draft guidance. It is good practice to review any guidance on a regular basis to avoid the guidance becoming inadequate and out of date. It may not be helpful to set review frequency requirements too rigidly as changes to rules and guidance need time to bed in and to become good practice.

The regulator should carry out thematic reviews to focus on particular areas of concern within the standards and guidance, so that rules and guidance can be changed fast where necessary. This gives the regulator the flexibility to respond to events as required and to identify areas of consumer detriment that need to be acted upon.

It is important that the independent statutory regulator has the ability to update standards and guidance without this being subject to a requirement to ask Government to update secondary legislation. It should be possible to construct legal powers in such a way that allows this agility.

It is of course important for the regulator to report to Government and stakeholders on how it is meeting the objectives set out in legislation. It must demonstrate the effectiveness of its standards and be transparent about when a review of a particular standard is required and why.

LICENSING AND REGISTRATION

Question 7: Do you think that the Government should legislate to require all firms that enforce debts using the Taking Control of Goods process to be accredited or licensed by an independent statutory regulator?

We believe that the current regulatory landscape is complex, and it is imperative that this is streamlined to ensure that all the rules are contained in one comprehensive regulatory system.

We agree that all firms that enforce debts using the Taking Control of Goods process should be accredited or licensed by the independent statutory regulator. We would suggest that this is a vital part of any independent regulatory scheme. It is a regulatory gap in the current rules that there is no statutory licencing scheme for firms and that the licensing process is currently different for individual EAs and HCEOs.

The current system is also not operating effectively to facilitate the removal of bad agents from the industry, and the ECB does not currently have the power to do this either. Evidence indicates that at least 10 agents were dismissed by firms between April and September 2024, yet there is no record of any agents losing their certification in recent years. This is deeply concerning and must be addressed.

It therefore makes sense for the regulator to licence and accredit both firms and individual EAs and HCEOs so that the regulator can coordinate the sector properly. It will allow the regulator to identify and deal with any systemic problems with particular firms and their practices, as well as tracking problems with individual EAs. Here, we would add that currently there is an offence contained within section 63 of the Tribunals, Courts and Enforcement Act 2007 for a person purporting to be an enforcement agent without having a certificate (or appropriate exemption). An equivalent offence should be retained under any new licensing or accreditation scheme.

We would suggest that regulation should also apply to local authority in-house collection teams that enforce against goods. It is logical that the same standards and rules should apply where teams are carrying out the same enforcement processes using the same legal framework, even if their employer is different. We note that there may be challenges in applying the same regulatory requirements to local authority teams, but feel that this power is worth including in the legislation, and have expanded on this point in response to question 27.

Question 8: Do you think the Government should set out in law what a regulator's licensing conditions should be, or do you think that an independent statutory regulator should have the power to decide on its own licensing criteria?

It is vital that the Government sets out in law what the regulator's powers are. A high-risk sector such as enforcement needs strict and robust licensing conditions to be in place. The powers will need to encompass setting up and conducting the licensing scheme, and must set out how wide its remit will extend. It is also vital that the principles of the licensing scheme should be set out in statute.

The legislation should include the setting of some criteria, such as what constitutes "fit and proper" persons, the correct business model, financial sustainability and dealing with client money, effective systems, and what controls should be in place to ensure businesses are well run.

However, it would make sense for the independent regulator to have the scope to set its own criteria beneath the principles as to what is included in the scheme, create standards, and make decisions on how they will run the scheme. This will allow for the licensing scheme – otherwise framed as an accreditation or authorisation scheme – to be adapted to requirements without going back to Government each time.

Question 9: Do you think any changes should be made to the current certification and authorisation criteria for individual EAs and HCEOs, and if so, why?

We believe that the ECB as independent statutory regulator should design a new scheme for certification and authorisation for individual EAs and HCEOs as well as firms. It can then carry out consultation on the scheme design to ensure that it is comprehensive and fit for purpose.

We have raised our concerns in the past about the certification process which is fragmented and does not have any central controls or a mechanism to track decisions.

We do not want to see cases where an EA can be subject to repeated complaints as to their fitness, whilst still obtaining commissions from other EA firms and not losing their certification. A new scheme needs to build in a range of options short of removing accreditation that might be suitable for both firms and individual EAs, from ordering restrictions on activities to new training, from enhanced supervision or employment penalties. We have expanded on our views in response to question 18.

Question 10: Do you think that an independent statutory regulator should be solely responsible for accrediting individual EAs and HCEOs with the existing oversight by the District Judges and Lord Chancellor (via the Senior Master) removed, or do you think that the District Judge and Lord Chancellor (via the Senior Master) should retain a role in certification and authorisation?

We agree that the independent statutory regulator should be solely responsible for accrediting individual EAs and HCEOs in order to regulate the sector effectively. This would mean mandatory accreditation/authorisation of all firms and individuals, with the certification process being run by the regulator.

We do not see the need for the District Judge and Lord Chancellor to retain a role in certification and authorisation beyond an advisory capacity. Nevertheless, it's important that serious decisions like refusing to certificate an agent should be accompanied by a reasonable route to appeal via a form of tribunal.

SUPERVISION AND OVERSIGHT

Question 11: Do you think that an independent statutory regulator should be given powers to gather data from the enforcement sector?

We very much agree that the independent statutory regulator should be given powers to gather data from the enforcement sector. Indeed, this is an essential component of successful oversight. The current situation where data is required as part of the ECB accreditation scheme is on a voluntary basis only. The regulator needs the powers to compel firms to provide the required information, should the individual firms withdraw their cooperation.

The ECB can also only require data to be shared by member firms, leaving those firms who have refused to join the scheme, completely unmonitored.

Statutory underpinning would provide the statutory regulator with the powers to compel firms to share a wider range of data, necessary for its own insight and monitoring work.

The statutory regulator could be given a power to compel the provision of data that it deems proportionate and necessary for the purpose of delivering its functions. It would then be for the regulator to set out what data is required (and to amend these requirements as needed over time).

Question 12: What powers, if any, should they be given to ensure that data provided is accurate? What safeguards should be put in place, if any, to ensure that data requests are proportionate, and that the data is used effectively and appropriately?

We would support the regulator having sufficient powers to compel data provision from firms and to ensure there is compliance with the regulatory requirements, and there should be powers to impose sanctions for non-cooperation.

Statutory regulation should provide firms with the reassurance that such data is being collected and held within a statutory framework, where commercially sensitive data will be protected.

Question 13: Do you think that an independent statutory regulator should be given powers to monitor the work of enforcement firms? If so, what should those powers be?

We very much agree that the independent statutory regulator should be given powers to monitor the work of enforcement firms in order to regulate effectively.

We appreciate that these powers need to be proportionate. However, this should not be defined in a restrictive way. This could be by way of a general power to 'require such information and records as necessary to further objectives'. The powers could also be specific such as firms being required to allow access to premises, a duty to cooperate, and provide information as requested. The regulator would need powers which enable it to request information, conduct targeted reviews, and publish findings.

We would point to the recommendations made in the CSJ's 2021 'Taking Control for Good' report, which said that the statutory enforcement regulator should have the authority to conduct supervisory activities over all enforcement agencies and agents under its remit. This would include (but not be limited to):

- Requesting data and information (additionally to complaints data reports);
- Conducting visits to firms including spot checks where appropriate;
- Conducting independent on-site assessment of firms' policies and procedures, including on compliance and complaints;
- Conducting sample checks on call handling and enforcement agent video footage;
- Auditing agencies; and
- Conducting and commissioning its own independent research.[7]

[7] Centre for Social Justice (July 2021), *Taking Control for Good: Introducing the Enforcement Conduct Authority*

We note that the CSJ report also said the statutory regulator should have the power to conduct annual audits of the enforcement industry.

There should be a duty for firms to cooperate with the regulator, which should be subject to sanctions if they fail to do so. As touched on above, there will need to be allowances for the statutory regulator to monitor by way of visits to premises, and the regulator may have a view as to whether the power to enter firm premises is required.

We would also encourage Government to consider the monitoring frameworks available to and adopted by other regulators, including the FCA, Ofwat and Ofgem, to see where there might be relevant application to the monitoring powers granted to the independent statutory regulator.[8] For example, Ofgem's monitoring framework offers access to sources of intelligence including:

- Routinely collecting information from energy suppliers, such as information on the level and nature of complaints they receive. Suppliers are required to be open and cooperative with Ofgem, which includes self-reporting of potential non-compliance with licence conditions or other relevant requirements;
- Conducting targeted consumer research (including surveys) and monitoring wider consumer sentiment on social media; and
- Reviewing information from whistleblowers within the industry.

Question 14: In addition to powers to request data and carry out monitoring visits, do you think an independent statutory regulator should be given any further powers? If so, please explain why you think the power would be necessary.

We believe that it is vital that the regulatory body is given further powers in addition to the powers for data collection, and the power to carry out monitoring set out above.

We would point out that the FCA has a principle requiring cooperation with the regulator, which allows the FCA to take action if a firm was to breach its high-level principles. This may be a good principle to follow.

We have set out some further thoughts below:

- The regulator should have the power to compel membership by way of an accreditation or licensing scheme.
- The regulator should have the power to raise a levy for membership costs and to cover the costs of regulation.
- The regulator should have the power to set and enforce rules and standards.
- The regulator needs the power to apply and enforce sanctions for non-compliance. We explore what these sanctions could look like in our response to question 18.

[8] Financial Conduct Authority (2024), Our approach to supervision; Ofgem (2025), Energy policy and regulation: Compliance and enforcement and Ofwat (2025), Market monitoring

- The regulator needs the power to deliver an independent complaints function and the power to compel firms to comply with the independent complaints function. This should include the power to order firms to provide redress for consumers in the event of wrongdoing.
- The legislation should include provisions that all creditors MUST only contract with ECB accredited firms (with live permissions).

In addition, the independent regulator should be given the power to make recommendations to Government in future, where it might want to extend its scope to other sectors and forms of enforcement.

COMPLAINTS HANDLING

Question 15: Do you think that an independent statutory regulator should be given statutory powers to consider complaints?

We very much support the independent statutory regulator being given the proper statutory powers to consider complaints. We very much agree with the paper that:

- *"One of the biggest concerns about the current regulatory framework has been that the multiple routes for making a complaint are confusing and complicated and deter people from making complaints in the first place"*.

The independent statutory regulator needs a broad remit to consider complaints. We have expressed our concerns in the past that other ombudsman schemes have such a narrow scope that many complaints are found to be outside their remit and no redress can be provided.

In addition, the regulator needs to be given the powers to sanction the relevant EA, HCEO and crucially, the EA firm. It is vital that the regulator has the power to order firms to provide redress to individuals when they are found to be at fault.

If these powers are not put in place, then firms will only be cooperating with the outcome of a complaint investigation on a voluntary basis. Currently the ECB has no way of ensuring that the EA or firm complies with any order for redress or any sanction it might impose.

We believe there needs to be statutory underpinning in order for this to operate as envisaged. In particular:

- Statutory powers to set up a complaints function with independent adjudication.
- Powers to compel enforcement firms and enforcement agents to be subject to the complaints mechanism and be subject to sanctions and provide both redress and compensation to those affected.
- Powers to allow the regulator to prescribe rules on complaint procedures and process, and timescales.

- The regulator could also require firms to supply compulsory data on expressions of dissatisfaction as well as formal complaints and their outcomes. This would allow the regulator to properly monitor complaints processes. Strict reporting rules would lead to a high level of transparency in relation to the complaints handled by the firms it regulates.

Question 16: If you agree that an independent statutory regulator should consider complaints, do you think that District Judges and the Lord Chancellor (via the Senior Master) should still consider complaints against individuals? Or should their role in considering complaints be abolished?

We would favour abolishing the role of District Judges and the Lord Chancellor in considering complaints against individual EAs and HCEOs. It makes much more sense for the statutory regulator to have oversight of complaints against both firms and individuals. This will allow the regulator to track complaints in a comprehensive fashion and ensure that appropriate action is taken in the case of individual EAs and HCEOs. We do not want to see cases where an EA can be subject to repeated complaints as to their fitness, whilst still obtaining commissions from other EA firms and not losing their certification.

When the current model was introduced in 2014, we urged the Government to put in place a mechanism to coordinate the process across the court system, to ensure that there was consistency in decision making and tracking across all local courts. We do not believe that this was put in place. The statutory regulator is in a position to put better control and tracking mechanisms in place and should be allowed to do so.

DATA SHARING

Question 17: Do you think that the legislation should allow a statutory independent regulator to be able to share data with any other bodies? If so, please set out which bodies they should be able to share data with and for what purpose?

Yes, we believe that the legislation should allow a statutory enforcement regulator to be able to share data with selected regulatory and public bodies for a relevant, designated purpose.

There is regulatory precedent for such powers: for example, the FCA notes that*: "where it is appropriate to do so, we share personal data with other regulators, public authorities, law enforcement agencies, and other relevant organisations, both inside and outside the UK. In some circumstances we choose to share this information, and, in others, we are obliged for legal reasons to share the information."*[9] Some of the bodies that the FCA is able to share intelligence with include the Bank of England, the Prudential Regulatory Authority, the Payment

[9] Financial Conduct Authority (January 2025), Personal data and supervision

Systems Regulator, the Financial Ombudsman Service, the Pensions Regulator, the National Crime Agency and the National Economic Crime Centre.[10]

Meanwhile, Ofgem may share personal information with central Government departments and agencies, and other bodies which perform public functions (within the UK or European Union) for purposes which include: the detection or prevention of crime; protecting members of the public from dishonesty, malpractice, incompetence or seriously improper conduct, or the unfitness or incompetence of persons authorised to carry on any profession or other activity; health and safety; and ensuring that competition is not prevented, restricted or distorted.[11]

The ECB has a smaller remit than both the FCA and Ofgem, and we recognise that the Government is looking to establish proportionate oversight of the enforcement sector. With this context in mind, we believe the ECB would not necessarily need to share data with as many bodies as these regulators do. However, we believe it would be sensible for the Government to consider the data sharing purposes and powers outlined by and used within these other regulatory frameworks, and where there might be relevant application to statutory oversight of the enforcement sector – for example, to prevent crime or protect members of the public.

We also note that the ECB has said that it would benefit from being able to share data with the Local Government and Social Care Ombudsman, to help it to play a role in overseeing the enforcement of debts by local authorities. We are supportive of this move. We do not have strong views on which other bodies the statutory regulator should be able to share data with, but believe that this power to share data should be kept agile so as to accommodate the inclusion of additional bodies where a relevant need arises.

SANCTIONS

Question 18: What sanctions do you think that a statutory independent regulator should be able to impose on enforcement firms?

As well as setting requirements on firms, the ECB needs to have the power to enforce these through sanctions for non-compliance. We find it difficult to see how the ECB can successfully subject a firm or individual to disciplinary measures without statutory underpinning. We are therefore pleased that the Government has concluded that it is necessary to legislate to require all enforcement firms to be overseen by the same statutory regulator, and is exploring what sanctions this body should be able to impose to tackle cases of non-compliance with aspects of the regulatory framework.

The consultation document notes that legislation to bring about a statutory regulator would enhance oversight, accountability and consistency within the enforcement sector, and we agree. While the ECB could currently expel a firm from the existing accreditation scheme for not

[10] Financial Conduct Authority (March 2024), Our approach to supervision
[11] Ofgem, Ofgem privacy policy

adhering to its criteria and publicise this, under a voluntary regime this would only have consequences for a firm if creditors, such as local authorities, state that they will only contract with ECB-authorised firms. This leaves the ECB's position as an effective regulator at risk and dependent upon other market forces, and does not safeguard long-term independence. Conversely, the impact and effectiveness of sanctions against the enforcement industry would be cemented by legal underpinning.

It is usual for a regulator to employ a suite of escalating sanctions for misbehaviour or wrongdoing, such as the ability to impose a financial penalty. Currently, payment of any such penalty would be voluntary, and the ECB would not be able to enforce these if a firm refused to comply. Perhaps relatedly, the ECB has so far chosen not to adopt a sanction which would allow the body to impose financial penalties on firms. The Taking Control coalition has previously questioned this decision to preclude financial sanctions from the ECB's oversight framework.[12] In an industry in which non-compliance is a common problem causing harm to people in vulnerable situations, financial penalties and other intermediary sanctions are an important tool.

To put this into context, the FCA can issue financial penalties, suspensions, restrictions, conditions, limitations, disciplinary prohibitions, and public censures.[13] Energy regulator Ofgem also has access to a suite of sanctions, including the ability to enforce license conditions, competition and consumer protection – from imposing directions and penalties (for example, a financial penalty on the infringing party of up to 10% of a company's applicable turnover) to making consumer redress orders and issuing provisional or final orders.[14] Most recently, Ofgem announced that energy suppliers that fell short of required standards when trying to recover debt by installing involuntary prepayment meters will pay £18.6million in compensation and debt write off to at least 40,000 customers following the completion of a wide-reaching review.[15]

Communications regulator Ofcom can also impose certain statutory sanctions against broadcasters, where it determines they have breached the broadcasting code or another Ofcom code and considers the breach or breaches to be "serious, deliberate, repeated, and/or reckless". Sanctions can include: issuing a direction to broadcast a correction or a statement of Ofcom's findings; imposing a financial penalty; shortening or suspending a licence (for some categories of licence); and revoking certain licenses.[16]

As highlighted, it is common for statutory regulators to be able to impose a wide range of sanctions on the industries that they regulate. Under the current system, the ECB has put

[12] Taking Control Coalition (September 2024), Response to Enforcement Conduct Board consultation on Standards for Enforcement Work and Oversight Model
[13] Financial Conduct Authority Handbook, EG 7.1 The FCA's use of sanctions
[14] Ofgem, Energy policy and regulation: Compliance and enforcement
[15] Ofgem (May 2025), Suppliers commit to a further £18.6million customer compensation and debt write off following Ofgem's prepayment meter review
[16] House of Lords Library (March 2024), Regulation of news broadcasting companies

forward a series of sanctions which may be imposed on an accredited enforcement firm following a finding that the firm has failed to comply with the accreditation criteria – however, as outlined above, these sanctions may not be used in practice under a voluntary regime.[17]

We therefore believe that it is crucial that the ECB has statutory powers to impose sanctions where non-compliance has been identified. It is sensible for this suite of options to reflect an escalation of severity, as in any typical regulatory regime.

Removing accreditation is a nuclear option which carries complications. A voluntary regulator would almost certainly face legal action that could hinder this if pursued, and even a statutory regulator would face an appeals process and possibly Judicial Review proceedings. So, it is important that the statutory regulator also has some intermediate sanctions which would precede the last resort of removing accreditation. These sanctions should be provided for in legislation to prevent legal challenge that the regulator is acting beyond its powers.

The existing sanctions available under the voluntary system should largely be retained, but with adjustments to reflect that membership and adherence to the regulatory framework would be mandatory rather than voluntary. The ultimate power to prevent a firm from operating enforcement activities must be enshrined in the legislation.

There should be an escalating set of regulatory powers reflecting the severity of the wrongdoing, including the ability to issue:

a) A published note of concern;
b) Directions with which the enforcement firm must comply for a period which the ECB specifies *(we note, this should include the ECB being able to require that a firm takes certain actions to improve. This might be enforced by firms not being able to take on new cases until certain steps are deemed to have been taken);*
c) An order that the enforcement firm's accreditation with the ECB be suspended for a specified period of up to 5 years;
d) An order that the accredited enforcement firm's accreditation with the ECB be removed, where the firm may reapply for accreditation after a specified reasonable period.[18]

As mentioned already, the legislation must include provisions that all creditors MUST only contract with ECB accredited firms (with live permissions).

On top of this, the ECB should also be given powers to:

e) Impose fines, and require the payment of financial penalties from non-compliant firms;
f) Issue consumer redress orders which require the offending firm to pay compensation to those affected;

[17] Enforcement Conduct Board, Accreditation Framework and Criteria
[18] Enforcement Conduct Board (2024), Accreditation Framework and Criteria

We recognise that the ECB's existing complaints function includes recommendations for "appropriate redress" for the person complaining where it finds that agents and/or firms have breached its standards – but the ability to issue wider consumer redress orders would enable the ECB to require firms to provide redress on a more encompassing, collective basis in the event of substantial, widespread wrongdoing by a firm.[19]

It is worth noting that while we have provided the above set of recommended sanctions, this list is not necessarily exhaustive, and we are open to further sanctions being included under the statutory regime.

We understand that this question specifically asks what sanctions a statutory independent regulator should be able to impose on enforcement firms; however, we also see the statutory regulator playing a role in imposing sanctions on individual EAs or HCEOs in the event of breaches or other wrongdoing (should the independent statutory regulator become responsible for accrediting/authorising individual EAs and HCEOs). Any individual who/enforcement firm which fails in their responsibility to comply with the regulator's standards should face notable consequences. Holding the enforcement industry to account in this way would in turn improve the experiences of those facing enforcement action.

Sanctions against individual EAs or HCEOs could include, for example, a suspension, improvement condition or limitation on their ability to carry out their role (for example, requiring retraining, supervision, only operating if accompanied, or only office duties), and the ultimate ability to remove their certification or authorisation in the event of significant breaches. This implies that the new statutory regulator should take over accreditation or authorisation of individuals.

ACCOUNTABILITY AND GOVERNANCE / ADMINISTRATIVE STATUS

Question 19: Do you have any views on what administrative status and accountability requirements a statutory enforcement regulator should have?

Firstly, we would urge the Government to establish the statutory enforcement regulator in a way which ensures operational independence from Government. The Government and other public bodies use, commission and provide enforcement services to recover debt; so, the Government is not necessarily a disinterested party with respect to day-to day oversight and decisions in respect of the enforcement sector. It is therefore important that the statutory enforcement regulator is sufficiently independent from Government. However, it is also important for the statutory enforcement regulator to be accountable for its decisions and actions.

[19] Enforcement Conduct Board (2024), Complaints policies and guidance

Secondly, given that the current voluntary enforcement industry oversight body, the ECB, is wholly funded by industry, we believe it is both possible and appropriate for a statutory enforcement regulator to be funded on the same basis. Government providing no funding, or only a minority of funding, should have an impact on the choice of administrative status for the statutory enforcement regulator.

The choice of administrative status may also point to suitable arrangements for holding for accountability.

Administrative status

The Cabinet Office guidance for Government departments on the classification of public bodies sets out possible options for the administrative status of the statutory enforcement regulator.[20] Assuming that the need for independence rules out establishing a regulatory function within the Ministry of Justice, the options appear to be to establish the statutory enforcement regulator as a Government arms-length body, a body accountable to Parliament, or a public corporation.

The Cabinet Office guidance identifies the following considerations in making a decision:

- The degree of operational and policy independence from Government required.
- Funding status – whether the majority of funding comes from Government or not.
- Whether the body will be legally part of Government, or have its own separate legal identity.
- Whether the body is accountable to Government and/or Parliament, or accountability runs through Government.
- Where the bodies employees are civil servants or public servants.
- How responsibility for oversight is expressed in the legislation creating the body.

Depending on the interaction of these considerations, the administrative status of regulators can be settled in different ways. For instance, we understand that:

- Ofgem is a non-ministerial Government department, as is the Competition and Markets Authority.
- The Regulator of Social Housing is an Executive non-departmental public body.
- The Civil Aviation Authority is a public corporation established by statute; the FCA describes itself as an 'independent public body' accountable to HM Treasury.

We would argue that the statutory enforcement regulator needs to have operational and policy independence from Government, that it is likely to be funded by an industry levy rather the Government, should have its own legal identity and will not be staffed by civil servants.

[20] Cabinet Office, Classification of public bodies: Guidance for departments

Therefore, we believe that the 'best fit' administrative status is the public corporation / independent public body model.

Accountability

Given the above, we believe that the statutory enforcement regulator should be accountable to Government, Parliament and other stakeholders to an appropriate extent. Given the limited size of the enforcement sector and the specificity of the statutory enforcement regulator's role, we believe that accountability can be appropriately delivered as follows:

- **Objectives:** The legislation needs to give the statutory enforcement regulator clear objectives that it can be held accountable to. This mandate should include, among other aspects outlined in question 5, ensuring that people facing enforcement are treated fairly and effective protection for financially and otherwise vulnerable people facing enforcement.
- **Duty to consult and transparency:** The legislation should require the statutory enforcement regulator to publicly consult and be transparent (as appropriate) about decisions and progress against objectives. The requirement to consult could include provision for standing engagement with stakeholders.
- **Proportionality and budget:** The legislation should require the statutory enforcement regulator to use resources efficiently in furtherance of its objectives. The statutory enforcement regulator should publicly consult on its planned budget, explaining how its resource requirements are proportionate. This would allow stakeholders to raise any valid concerns.
- **Reporting and Government / Parliamentary oversight:** Legislation should require the statutory enforcement regulator to report annually on progress against objectives and its forward work plan. This report should be delivered to the Lord Chancellor (who could be required to lay the report in Parliament) and to Parliament (perhaps to the Chair of the Justice Committee). This would give the basis for sufficient oversight by Government and Parliament as to the regulator's performance against its objectives.
- **Oversight and appointments:** Legislation might require that the appointment of the regulator's Chair should be confirmed by the Lord Chancellor in alignment with the Governance Code of Public Appointments. Legislation should also ensure the independence of the regulator's board. We comment on this in more detail in response to questions 22 and 23.
- **Complaints against the regulator:** Legislation should require the regulator to establish an independent process to investigate and adjudicate on complaints *against* the regulator. This should allow for complaints about the conduct of the regulator but not for complaints about its rules and standards.

- **Appeals process for regulatory decisions on authorisations and sanctions:** The regulator should be subject to the jurisdiction of the First Tier Tribunal (General Regulatory Chamber).

APPEAL MECHANISMS

Question 20: What appeal process do you think should be put in place to allow regulated entities to appeal decisions made by a statutory independent regulator?

We believe that the independent statutory enforcement regulator should be subject to the jurisdiction of the First Tier Tribunal (General Regulatory Chamber) in respect of decisions over removing or denying authorisation and other sanctions.

Legislation should require the regulator to establish an independent complaints process of complaints about its own conduct.

As a public body, the regulator's decisions would be subject to Judicial Review.

Question 21: Do you agree an individual or firm should pay a fee in respect of any appeal to a tribunal or court?

The approach to application fees for appeals to the First Tier Tribunal (General Regulatory Chamber) appears to vary between the different categories in the Chamber's jurisdiction. We have no firm view at this time as to whether fees should apply to appeal applications in respect of decisions by the statutory enforcement regulator. However, we would ask the Ministry of Justice to note the different resource position of enforcement firms and individual EAs when it considers this point.

CORPORATE GOVERNANCE

Question 22: What role do you think that the Lord Chancellor should have in the appointment of key posts within a statutory independent regulator?

We believe that the Lord Chancellor could play a role in approving the appointment of key posts within a statutory enforcement regulator – such as the Chair – as there is regulatory precedent for this move. For example, the Chairs of the FCA, Ofcom, and Ofsted are respectively appointed by the Chancellor of the Exchequer, Secretary of State for Culture, Media and Sport, and Secretary of State for Education.

We agree with the supposition made in the consultation that this setup could help regulated bodies, stakeholders and the public have confidence that the regulator's leadership team have the appropriate experience and skills and have no perceived or actual conflicts of interest.

Question 23: If you do not think that the Lord Chancellor should have a role in the appointment process, please explain why and what other steps could be taken to ensure that key appointees have the appropriate experience and skills and have no perceived or actual conflicts of interest?

This question is not applicable to the Taking Control coalition, as we support the prospect of the Lord Chancellor being given a role in the appointment process.

FUNDING

Question 24: Do you agree that an independent statutory regulator should be funded wholly by a mandatory levy on the sector, or should it also receive some funding from the Government? Please explain why?

We note that the voluntary oversight body, the ECB, has so far been funded through an industry levy. Therefore, establishing a similar statutory levy should not necessarily create any additional costs for industry to support a stronger and fully independent regulator to carry out the same functions.

However, we believe the statutory enforcement regulator should take responsibility for accreditation/authorisation and oversight of individuals using the Taking Control of Goods Procedure . This additional responsibility would require some additional resource, which could be funded through an industry levy that would replace the current court application fee. However, a small amount of support from Government might be needed in the transition as EAs roll off certification into the statutory regulator's accreditation process. Moving EA accreditation from the courts to a dedicated regulator could be cost reducing over time while providing more effective oversight.

Some funding from Government might be needed for the independent regulator to support areas of policy currently developed by Government. For instance, the statutory regulator might reasonably take a role in periodic fee reviews, given that it will receive regular data from enforcement firms (as the ECB does now) and the link between fees, firms' conduct and the regulator's standards. However, this transfer of funds to the regulator could be cost-neutral or cost-reducing overall.

In summary, we strongly support a mandatory levy on the sector to meet the funding requirements of the new regulation. The experience of the ECB gives concrete evidence that this is both possible and affordable for the sector. It is possible that the independent statutory enforcement regulator may need some additional funding from Government to enable the transition and for specific policy functions.

Question 25: Do you think that legislation should set out how a regulator's costs should be managed to avoid placing an undue financial burden on the sector? If so, what safeguards could be put in place?

The legislation should set out broad requirements which enable safeguards on the regulator's costs such as:

- A requirement for public consultation on spending plans and reporting on how funds have been spent in line with objectives; and
- A proportionality principle requiring the regulator to demonstrative efficiency in carrying out activities necessary for its objectives.

We believe the Government should avoid using legislation to micro-manage the regulator's budget decisions. Overly detailed legislative provisions could create unworkable rigidities and are likely to be difficult for the Government to oversee effectively in practice.

Question 26: Do you think that legislation should set out how a regulator should account for how it has spent the money it receives? If so, please could you set out how?

See our response to question 25. Legislation should set broad but clear requirements for the statutory enforcement regulator to account for past spending and explain future spending plans. Requirements for public consulting and reporting, along with a proportionality principle, should enable effective accountability.

OTHER TYPES OF ENFORCEMENT

Question 27: Do you think that County Court bailiffs and local authorities and the individuals they employ to use the Taking Control of Goods procedure should be regulated by an independent statutory regulator? If so, please explain why.

We believe that the legislation should make provision for the statutory regulator to take on responsibility for both County Court bailiffs and local authorities in respect of enforcement by taking control of goods. However, the independent statutory regulator would not necessarily need to take on these responsibilities at the time when the legislation establishing the independent regulator comes into force. The transition and incorporation of significant new cohorts of bailiffs is likely to require some time and this should not delay establishment of an independent statutory regulator.

- **Local authorities:** Local authority enforcement should be integrated into the regulator's responsibilities as quickly as possible, and we note that some local authorities have signed up for voluntary accreditation to oversight by the ECB. Debts owed to local authorities (like

council tax and parking penalties) make up a significant proportion of the debts dealt with by enforcement firms and agents; therefore, keeping local authorities outside of the remit of the independent statutory regulator risks significant regulatory arbitrage if local authorities decide to take their enforcement business fully 'in-house'.

Bringing local authorities' enforcement into the mandatory remit of the statutory regulator does raise two further considerations. Firstly, the regulator may need additional funding to oversee local authorities from local or central Government.

Secondly, local authorities' debt recovery not using the Taking Control of Goods process – such as attachment of earnings, deductions from benefits, and charging orders – would be outside the regulator's remit, but some continuity of approach would be desirable (particularly in respect of financially and otherwise vulnerable people). It would seem sensible for legislation to allow for a Memorandum of Understanding (MOU) between the statutory regulator, the Ministry of Housing, Communities and Local Government, and possibly the Government Debt Management function, to help alignment of standards where necessary.

- **County Court bailiffs:** Taking Control coalition members do not commonly see problems with County Court bailiff practices, on anything near the scale and severity of issues we note with enforcement firms, EAs and HCEOs. This may be a result of their direct employment by HM Courts & Tribunals Service, different remuneration and incentives, or that County Court bailiffs operate in a more structured and accessible court system that gives financially and otherwise vulnerable people more opportunity to seek the protection of the court. As a result, bringing County Court bailiffs under the statutory regulator's remit may not be such an immediate priority.

  However, we are mindful of the recent report from the Civil Justice Council (CJC) on court-based debt enforcement that raised concerns about both the current effectiveness of court-based enforcement and the need to protect vulnerable people struggling with debt.[21] Among a number of 'quick win' recommendations, the CJC recommends that a "single unified digital court should be created for enforcement of judgments". The CJC report also supports introducing statutory powers "for effective regulation of the enforcement industry".

  So, while bringing County Court bailiffs into the remit of the statutory regulator may not be an immediate priority, the Government should ensure that legislation allows for this. This would ensure that any future re-organisation of the court-based enforcement system

[21] Civil Justice Council (2025), *Enforcement final report*

includes effective regulation of bailiffs as part a strong focus on fairness in respect of protections needed by financially and otherwise vulnerable people.

Question 28: Should a statutory independent regulator regulate any other types of civil enforcement activity?

The consultation paper highlights other forms of enforcement that may involve (forcible) entry to people's homes – such as prepayment meter (PPM) installation under the Rights of Entry (Gas and Electricity Boards) Act 1954, or processes to recover goods or property in relation to debts that are not covered by the Taking Control of Goods legislation.

Again, we believe that it would be sensible for legislation to include a power to add further types of enforcement to the statutory regulator's remit, including broader forms of debt enforcement that do not involve recovering goods. For example, this might include repossession of rented and mortgaged property, and the repossession of vehicles under hire purchase agreements. The regulator would then be able to make the case to Government to bring a specific sector into scope. However, this is probably not an immediate priority and should not weaken the focus on quickly establishing effective statutory regulation of individuals and firms that use the Taking Control of Goods Procedure.

In respect of gas and electricity warrants, Ofgem has recently strengthened the rules and standards for domestic energy providers on involuntary installation of PPMs, including 'do not install' rules for households in specified circumstances. However, domestic energy providers may use third party firms to carry out the installation and though these firms may be overseen by other regulators, like the FCA, they are not required to be. We do not want to see regimes which inadvertently produce gaps in regulatory oversight, which leave scope for poor performance or room that bad actors can take advantage of.

Given the possibly complex interaction between different regulatory standards here, as a starting point we would urge the Government to consider including in the legislation a requirement for Government departments, the courts and specified regulators to seek advice from the new statutory regulator about practice standards and consumer protections in respect of orders to enter domestic premises or recover goods / property.

IMPACTS OF THE REFORM

Question 29: For proposals likely to affect businesses, charities, or the public sector an Impact Assessment will be undertaken at consultation response stage. To assist with this, please provide a high-level outline of what costs or benefits (and, if possible, any monetary value) the proposals are likely to be generate and, if appropriate, of any issues which might be of concern.

We do not have extensive comments relating to the exact cost and benefits anticipated in relation to a decision to introduce legislation for a statutory enforcement regulator at this stage, but have provided some evidence from our respective organisations which will help to build a profile of those likely to be affected by the proposals.

These insights reveal that it is typically financially worse off households who are bearing the brunt of enforcement activity, and with this some of the harmful experiences reported under the current voluntary regime – often driven by poor enforcement sector practice. We believe these groups would benefit from enhanced oversight of the enforcement sector – including through the minimisation of unaffordable repayment plans brought about by undue pressure from enforcement firms/agents.

To put this into perspective:

- One in ten (9%) new StepChange clients experienced bailiff enforcement action in 2024, equivalent to 15,839 clients. Over two thirds of this group (37%) had a negative budget, meaning after going through a full debt advice and budgeting session, their monthly income is not enough to cover their basic monthly costs – 7 percentage points higher than the number of StepChange clients in this position overall.
- Local authorities with high levels of income deprivation have lower levels of council tax collection and higher levels of enforcement activity, according to research by the Centre for Social Justice in partnership with the Money Advice Trust.[22]
- Citizens Advice research from 2023 found that EAs forced 1 in 4 people (23%) to pay more than they could afford, even after being made aware of personal circumstances making them more vulnerable.[23]
- More widely, around 43% of people helped at National Debtline have a negative budget.

The impacts of an enforcement visit can be severe. Debt advice clients tell us how the experience of enforcement action incites mental health problems and illness, compromises personal and professional relationships, and harms their wellbeing as well as that of loved ones:

[22] Centre for Social Justice (August 2024), *Still Collecting Dust: Ensuring fairness in council tax collection*
[23] Citizens Advice (March 2023), *Bailiffs behaving badly: stories from the frontline*

- The vast majority of StepChange clients surveyed who experienced bailiff enforcement action said it negatively impacted both their mental (95%) and physical (91%) health and wellbeing, as well as their ability to get enough sleep (94%) and how safe they felt in their own home (91%). Four in five (80%) said it negatively impacted their ability to socialise with friends and family, while seven in ten (69%) said the same of their performance at work.[24]
- Citizens Advice research found that 1 in 3 households with children (31%) were forced to stop paying other bills to pay the EA, 2 in 5 people who are disabled (44%) became afraid to answer the door, and nearly half (48%) with a mental health condition were left afraid to leave the house.[25]
- The Money and Mental Health Policy Institute heard from its Research Community Members that EAs would talk loudly about debts in public, leading to a sense of shame or humiliation. This led some to withdraw completely, not leaving the house, opening the door or answering the phone so that they wouldn't encounter an EA. One Research Community member described this process as a shrinking of their world.[26]

The Government has set out that it wants a regulatory system that not only protects consumers but also encourages new investment, innovation and growth.

The consultation suggests that enforcement can support growth by ensuring businesses and public bodies alike can recover and make use of money that is owed to them. However, we believe that irresponsible and aggressive enforcement action has the potential to *reduce* growth, because it deepens debt problems, reduces financial resilience and creates and exacerbates health issues – all of which have high social and public cost implications. Higher enforcement standards will mean more people struggling with debt get the support they need and fewer experience harm, in turn supporting more financially resilient households and an economy better placed to grow sustainably.

The Civil Justice Council's recent report on enforcement argued that "fair enforcement is essential so as not to inhibit economic growth or undermine the rule of law", while importantly also noting "at the same time, the difficulties in domestic finances and the increased number of people (even in secure employment) struggling with debts highlights the need for protection – particularly for the vulnerable".[27]

Indeed, evidence shows that good debt collection practice benefits individuals and boosts collection rates among those who can afford to repay. The National Audit Office, citing common best practice principles including timely assessments of vulnerabilities, affordable repayment plans, and signposting or referring people to debt advice, highlights research in 2014

[24] StepChange Debt Charity (October 2024), *Looking through the keyhole: StepChange debt advice clients' experiences*
[25] Citizens Advice (March 2023), *Bailiffs behaving badly: stories from the frontline*
[26] Money and Mental Health Policy Institute (September 2024), *In the public interest? The psychological toll of local and national Government debt collection practices*
[27] Civil Justice Council (April 2025), *Enforcement: Final Report*

which estimated that tailored debt advice, support and affordable repayments saved creditors £82 million in a year from 110,000 over-indebted clients, an average saving of £750 per person.[28] Conversely, concerns have been raised over many years that aggressive debt collection and enforcement tactics may result in a *lower* likelihood of the taxpayer recovering the money owed, and *higher* likelihood of negative 'downstream' effects which can ultimately increase public costs. [29]

What's more, an industry characterised by poor conduct and controversy is less attractive to potential entrants and investment.[30] In the wider consumer debt collection landscape, we have seen proportionate regulation encourage firms to invest, grow and innovate by removing uncertainty and building confidence they will not be undercut by, or suffer reputational damage due to, less responsible competitors.

Question 30: Do you agree that we have correctly identified the range and extent of the equalities impacts for introducing a statutory independent regulator for the enforcement sector? Please state yes/no/maybe/don't know and give reasons. If possible, please supply evidence of further equalities impacts as appropriate.

We believe it is tricky to neatly encapsulate the full range and extent of the equalities impacts of introducing a statutory independent regulator for the enforcement sector, but nevertheless believe that the Government has identified some of the likely equalities impacts of this move – which are rightly signalled as being positive. We have expanded on some of the evidence presented in the Government's Equality Statement below.

Question 31: What do you consider to be the equalities impacts on individuals with protected characteristics for introducing a statutory independent regulator for the enforcement sector? Please give reasons.

We understand that Ministers and the department must pay "due regard" to the nine "protected characteristics" set out in the Equality Act, namely: race, sex, disability, sexual orientation, religion and belief, age, marriage and civil partnership, gender reassignment, pregnancy and maternity.

The Ministry of Justice has a legal duty to consider how the proposed legislation is likely to affect people with protected characteristics and to take proportionate steps to mitigate or justify the most negative effects and advance the most positive ones. We are pleased that the

[28] National Audit Office (September 2018), *Tackling Problem Debt*
[29] House of Commons Library (2020), *Debts to public bodies: are Government debt collection practices outdated?*
[30] Hargreaves Lansdown (October 2023), Counting the cost of corporate scandals – what are they and how to avoid them; inrate.com (March 2025), Beyond the Headlines: How ESG Controversies Impact Investment Decisions; IG (November 2018), Top 10 biggest corporate scandals and how they affected share prices

Government recognises in the Equalities Statement that this reform could have a positive impact by ensuring fairer treatment of vulnerable individuals, including those possessing the relevant protected characteristics. This is a perspective that we definitively share.

Research from organisations which comprise the Taking Control coalition, and many others, has shown how enforcement action has a disproportionate impact on certain demographic groups, including women, single parents (particularly mothers), those from minoritised ethnic groups, and those living with mental health conditions.[31]

To put this in perspective:

- More than two thirds (68%) of new StepChange clients who experienced bailiff enforcement action in 2024 were women; two in five (39%) were single with children; and over three in five (63%) presented with an additional vulnerability beyond their financial situation, driven in large part by mental health vulnerability (47%).
- Using the UK Household Longitudinal Survey (Understanding Society) and Money and Pension Service Debt Need survey 2023, Debt Justice and the Money and Mental Health Policy Institute respectively found that young people, women, renters and minoritised ethnic groups are more likely to be in council tax arrears – a significant consideration when local authorities often act quickly to involve EAs in their collection processes, and are one of the primary users of this form of collection activity.
- At National Debtline, three in five people with a negative budget (62%) were either single, a lone parent or widowed, compared to around half (54%) of people with a surplus budget. Almost half (45%) of people we help at National Debtline have a health-based vulnerability.
- Research by the Social Market Foundation found that council tax enforcement has a disproportionate impact on women, including those who "may need to flee their home, and enter a refuge, to escape from domestic abuse," as women are more likely to have bills in their own names and "even moving to a refuge does not remove the legal obligation to pay council tax on the home left behind."[32]
- Meanwhile, the Money and Mental Health Policy Institute found that nearly three quarters (73%) of people in council tax arrears who were referred to an enforcement agent have experienced a mental health problem.

We have concerns that these groups face worrying levels of harm under the current voluntary regime, as evidence from our debt advice clients and advisers shows that EAs often fall short when it comes to fair and responsible debt collection practices – from rejection of reasonable repayment offers through to threatening or intimidating behaviour. This can have devastating

[31] StepChange Debt Charity (October 2024), *Looking through the keyhole: StepChange debt advice clients' experiences*; Centre for Social Justice (August 2024), *Still Collecting Dust: Ensuring fairness in council tax collection*; Money and Mental Health Policy Institute (September 2024), *In the public interest? The psychological toll of local and national Government debt collection practices*; Debt Justice (May 2025), *Ban the bailiffs*

[32] Social Market Foundation (2019), *Unfair, ineffective and unjustifiable: the case for ending imprisonment for Council Tax arrears in England*

consequences for those going through enforcement action; we spotlight the experiences of certain groups below.

The gendered implications of enforcement action are stark, often affecting single women with children.

Some women who have been through doorstep enforcement action describe troubling scenes: *"big burly men with poor attitudes"* at their door; pushing past children to gain entry to their homes; casually dismissing their concerns and vulnerabilities.

One StepChange client described how EAs stood, *"dead close to my front door"*, noting that it is *"always a male officer standing pretty much over me [with a] wide stance and threatening body language. [It's] very intimidating and belittling"*. Another said the tone of the bailiff enforcement visit she experienced was *"aggressive"*, that EAs *"told me they were coming back with other men to gain entry to my house"*, that she had been *"easier to locate"* than her ex-partner, and it was *"extremely upsetting when there are only females in the house, two of which were children"*.

A further StepChange client, mother to a newborn baby, said the following when asked what impact her experience of enforcement action had had on her: *"All the basic depression and helplessness which was just amplified by the fact that I couldn't care for my newborn daughter. It forced me back in to work prematurely in a job that I should not have been doing and required me to be on my feet all day. Simply, I was depressed, feeling useless with no relief in sight and forced into constant pain just to make enough payments to cover the unnecessary charges they added"*.

National Debtline heard from a vulnerable client with two disabled children, who had a County Court judgment for water debt which led HCEOs to attend her property on behalf of the water company. She described how they hammered on all her doors and windows and attached notices to the outside of the property. They also clamped two cars belonging to her neighbours and attached notices to these. They told the client and her neighbours that they would be arresting her and taking her to prison this afternoon. The client has ultimately been left terrified by the experience.

One Christians Against Poverty client was called by an EA, informing her that he was coming to enter her property immediately, despite having no prior contact or visit. This caused the client significant upset, leading her to hide in her car with her son. The client immediately contacted the debt advice team, who were on the phone with her as the agent arrived, enabling them to provide real-time advice. The agent's unannounced visit caused severe distress and fear for the client and her child.

In a particularly harrowing case, one client told StepChange that her ex-partner had been imprisoned after trying to kill her and her children, and they were moved to be put into hiding.

Despite making this known to the EAs who were instructed for her council tax arrears, she said they *"did not care and just wanted the full amount paid"*.

Much more needs to be done to interrogate and tackle the disproportionate impact of enforcement action on women and to ensure there are safeguards in place to mitigate potential harms that those with protected characteristics or in vulnerable circumstances are currently being exposed to through this activity.

We believe that placing the ECB on a statutory footing would alleviate some of the poor practice and damages described above, through strengthened oversight of the enforcement sector and enhanced protections for those in debt. For example, firms or individual agents found to have breached standards around vulnerability would be more likely to face accountability and concrete consequences under a statutory system involving enforceable sanctions, which should also act as a deterrent to inappropriate or harmful behaviour.

Those living with mental health conditions face extra barriers when dealing with debt enforcement, and many experience poor outcomes under the voluntary regime.

Those going through enforcement action tell our organisations how their mental health has been deeply harmed by their experiences, including the exacerbation of existing health conditions. This reflects modelling by the National Audit Office, based on a survey of debt advice clients, which indicated that intimidating debt collection actions and additional charges were 15%–29% more likely to make debts harder to manage and increase levels of anxiety or depression.[33]

This is especially troubling considering three in five respondents (61%) to a recent StepChange survey on council tax arrears said mental health issues like stress, anxiety or depression contributed to them falling behind.[34] This has implications given that StepChange debt advice data shows that while one in ten (9%) new clients experienced bailiff enforcement action in 2024, this climbs to three in ten (29%) among those with council tax arrears – indicating a heavy reliance by local authorities on the use of EAs compared to other sectors.

Research from the Money and Mental Health Policy Institute shows how cognitive, psychological and behavioural changes associated with mental health problems can make navigating debt collection systems harder – from difficulties understanding and processing information, memory problems, reduced planning and problem skills, social anxiety and communication difficulties to depleted energy and motivation.[35] Taking Control coalition members see this reality play out in interactions with enforcement firms and agents.

[33] National Audit Office (September 2018), *Tackling Problem Debt*
[34] StepChange Debt Charity (October 2024), *Looking through the keyhole: StepChange debt advice clients' experiences*
[35] Money and Mental Health Policy Institute (September 2024), *In the public interest? The psychological toll of local and national Government debt collection practices*

The Government Equalities Office uses the following case study in its summary guide of rights under the Equality Act, which typifies some of the circumstances outlined above:

- *You suffer from depression, so it's very hard for you to make decisions or even to get up in the morning. You're forgetful and you can't plan ahead. Together, these factors make it difficult for you to carry out day-to-day activities. You've had several linked periods of depression over the last two years and the effects of the depression are long-term. So, for the purposes of the Equality Act, you're defined as a 'disabled person'.*[36]

One StepChange debt advice client described how they were *"psychologically tired"* because of their experiences of enforcement action. They said: *"I am currently undergoing treatment. I take medicine all the time, but sometimes I have very negative thoughts. I'm afraid of people, I stopped laughing"*. Another told of how their experiences led to them not sleeping, "*becoming depressed and the ultimate breakdown of [their] marriage"*.

Meanwhile, a Christians Against Poverty client with ADHD and autism had a request for referral to an enforcement firm's in-house welfare team refused, despite the charity offering medical evidence to support the request. The firm only agreed to refer the client to the welfare team after a Relationship Manager got in touch. This delay slowed down the client's case, causing stress and worry for the client.

One National Debtline client, who suffers with mental health issues including anxiety, described how the EA who was instructed to collect her council tax arrears refused to accept the client's payment offer of £50 at the time of the visit and £200 a month. The client explained she had missed letters from the EA as she had been hospitalised the previous month for 2-3 weeks, but the EA told her it was too late now, they'll remove her goods today or, if not, she will be sent to prison.

National Debtline heard from another client, who has depression and anxiety and is recovering from cancer surgery. She has a young child with autism and ADHD whose care needs are sufficiently great to prevent her from working. The EA instructed to collect her council tax arrears had been in touch aggressively over the phone. They are refusing to take the above vulnerabilities into account and tried to lead her to believe they could force entry.

Deep-seated anxiety around a knock at the door is pervasive for some people going through enforcement action. One StepChange debt advice client described how they were *"constantly living in fear of a knock at the door, wondering if my vehicle is okay outside as I wouldn't be able to get to work or the children to school if this was taken. [I am] anxious, scared, upset"*.

These mental health impacts can be disastrous for some. Research by the Money and Mental Health Policy Institute has shown that insensitive or aggressive debt collection practices can

[36] Government Equalities Office and Citizens Advice Bureau (2010), *Equality Act 2010: What Do I Need To Know? A Summary Guide To Your Rights*

increase the risk of suicidality among those in serious problem debt.[37] Unfortunately, several StepChange clients who responded to a 2024 survey on council tax debt collection and enforcement described how their experiences led to periods of suicidal ideation and suicide attempts. In an upsetting case, one debt advice client who said EAs threatened them with imprisonment for non-payment of their arrears, told StepChange the impact of this was that: *"I tried to commit suicide, resulting in myself being sectioned"*.

The current voluntary regime is not set up in a way to comprehensively root out some of the poor treatment and practice we see regarding customers in myriad vulnerable situations, including negative experiences faced by those living with mental health conditions. While enforcement action is disruptive by its nature, that's all the more reason why an enforcement regulator with effective legal powers is urgently needed – to ensure binding structures, standards and oversight are in place to mitigate the actual and potential harms outlined above.

[37] Money and Mental Health Policy Institute (September 2018), *A silent killer: Breaking the link between financial difficulty and suicide*