Civil Enforcement Association – Response to CJC Enforcement Call for Evidence

Your experience and awareness of enforcement

1) Which enforcement methods do you have experience of, if any?

CIVEA is the principal trade association representing civil enforcement agencies employing over 1700 certificated enforcement agents that operate in England and Wales. They execute non-High Court warrants and court orders.

CIVEA represents approximately 40 companies that make up more than 95% of the entire enforcement industry. CIVEA's members work to enforce civil debt on behalf of local authorities and His Majesty's Courts and Tribunals Service (HMCTS) including council tax, business rates, road traffic and parking penalties, magistrates' court fines, employment tribunal awards, child support payments, B2B and commercial rent arrears. This amounts to over £750 million of unpaid taxes and fines recovered each year at no cost to the public bodies themselves. Each year CIVEA members receive over 6 million warrants and court orders for payments owed to central and local government.

2) Are there any barriers you have experienced in seeking to enforce or satisfy a judgment and, if so, what were they?

The enforcement process is hampered by resource restrictions in the court service, especially since the pandemic. This is manifested not only in delays to court hearings for warrants and court orders, but particularly in the process for enforcement agents renewing their licence to operate.

It should be noted that the protracted process of council tax collection means that by the time a Liability Order is requested, a debtor may have moved address and not notified the council. The delay in court hearings following the pandemic has further exacerbated this situation and enforcement agents are pursing significant volumes of historic arrears going back to years before the pandemic. Therefore, it is challenging to accurately identify a current address where this has not been notified by the debtor.

Since the pandemic the enforcement sector has seen a significant reduction in up to a third of the agent field force. According to Ministry of Justice (MOJ) figures, the number of certificated enforcement agents has fallen by 33% from 2,466 in August 2017 to 1,644

in January 2023. Recruitment continues to be a challenge, which is hampered by the fee structure. Enforcement fees have not been reviewed for over ten years meaning many enforcement firms cannot offer competitive employment terms.

3) Which of the attached enforcement mechanisms do you find to be most effective in obtaining a resolution, and why?

Enforcement agents execute warrants of control highly effectively on behalf of the courts' clients, primarily public bodies.

Civil enforcement firms have become expert at achieving high collection rates for public service creditors, while taking responsible action to identify and support those who face financial difficulty or vulnerability. The adoption of advanced technological solutions to profile cohorts to assess propensity to pay and multi-channel communication options has increased the levels of engagement at the pre-enforcement visit stage.

As well as ensuring local authorities achieved high levels of in-year collection, civil enforcement agents also collected £718 million pound of unpaid council tax from previous years.

Our own research showed that civil enforcement prevents losses to the public purse of an estimated £12 billion. This is well understood by the general public, 42% of which believe fewer people would pay council tax if enforcement agents didn't operate.

Since the pandemic, enforcement firms have recovered over £2 billion, the equivalent to the losses incurred by English councils during the pandemic, according to the Local Government Association.

There are over 6.5 million untaxed vehicles in the UK and £120 million is lost revenue to the DVLA as a result of untaxed vehicles.

The judicial process for enforcing public debt is highly prescriptive and follows a clear timetable. The right to collect debt is awarded to a local authority with the granting of a court order or warrant. To avoid debt accumulating and to ensure responsible budget management, councils aim to collect taxes before the end of the financial year. Court warrants are only valid for 12 months (subject to Regulation 9), so fines must be recovered within this period. Criminal fines imposed by the magistrates' courts are punishments and if unpaid and/or unenforced, undermine the justice system and mean victims are denied compensation.

The statutory costs of enforcing debt are included in the total amount paid by the person who owes money. There is no cost to the taxpayer, which makes it highly efficient.

4) Which of the attached enforcement mechanisms do you find to be least effective in obtaining a resolution, and why?

5) Do you consider any of the attached enforcement mechanisms should be promoted as being more effective than others?

6) Are there any enforcement mechanisms that you consider should be amended or varied to make them more appropriate for modern litigation from the perspective of either the creditor or the debtor?

7) Do you consider that there should be further measures attached to any of the current enforcement mechanisms to ensure greater fairness and/or protections for debtors?

CIVEA was proactive in establishing an independent oversight body to ensure that the enforcement mechanism was monitored to meet the highest standards and all those experiencing enforcement are treated fairly.

The Enforcement Conduct Board (ECB) has been tasked with building on the National Standards, monitoring performance and conduct in the enforcement industry and issuing firm and proportionate sanctions for non-compliance.

Recently, the ECB conducted a comprehensive study of 650 randomly selected visits involving doorstep interactions from 12 randomly selected firms. The results are compelling: 94% of visits adhered to the Ministry of Justice's National Standards. However, we recognise that continuous improvement is essential. The minority of cases requiring enhanced practices reinforces the value of the ECB's oversight and the reason why we have supported it's establishment. (The ECB was designed and is funded by firms that operate under the Taking Control of Goods Regulations - any sector not meeting that criteria is outside the scope of the ECB and there are other regulators for them).

The ECB's contributions to strengthening the industry are extensive:

- Data Collection: The ECB has established a robust data collection system, with the goal of publishing comprehensive insights from 2025. This data will be essential for validating our standards and practices.

- New Standards: In 2025, newly published ECB Standards will sit alongside and eventually replace the existing Ministry of Justice National Standards, establishing clear, behaviour-focused guidelines for enforcement agents. These standards take effect on January 1 for individual agents, while firms have until April 1 to ensure full compliance to the operational changes.

- Complaints Process: A new complaints process went live in January 2025. This initiative aims to simplify and standardise complaint handling across debt types and creditors, including a consistent definition of complaints to ensure alignment across firms. It presents an exciting opportunity for a culture shift: moving away from viewing complaints solely as criticism and instead recognising them as valuable learning opportunities that drive industry evolution. However, this shift in perspective requires creditors to adopt a similar approach, rather than using complaints as a punitive measure. Given the nature of our work, we understand that some complaints may come hand in hand with the role. What matters most is how we handle these complaints—proactively addressing and learning from them to prevent recurrence and strengthen trust in our industry.

8) Do you have experience of the court enforcement mechanisms interacting with debt collection standards and practices outside the court system?

The Taking Control of Goods Regulations have transformed the enforcement process, in particular with the introduction of a pre-visit stage that accounts for around half of debt recovery. The reforms have been implemented voluntarily as part the commitment to industry-led change, rather than by government mandate, which complements the courts' mechanisms.

For example, enforcement firms deliver significant added value to local authority clients through free services, including pre-compliance collections, which provide the opportunity to connect with debtors without incurring fees. Firms undertake sundry debt collection services, which boosts local authority revenues and resolve outstanding debts across a range of services.

The Compliance Stage created an equivalent to the forbearance seen in financial products, in which enforcement agencies seeking early engagement. Beyond the standard means testing conducted by the courts, enforcement firms seek to understand individuals' circumstances.

All CIVEA members have fully trained welfare teams dedicated to identifying and supporting people who are vulnerable or in genuine financial hardship. The members of these teams receive additional training and support to ensure they are prepared to manage the most challenging conversations and guide individuals to a positive outcome. They use the same technology tools as debt collections agencies – such as credit reference checks and assessment of ability, which helps to ascertain behaviour that may suggest vulnerability and the need for additional care.

Industry standard calculations on ability to pay are applied and individual agents cannot use their discretion, which ensures fairness and consistency. Calculations can

also involve using a budgeting tool that identifies any benefits an individual could apply for and whether the individual is over-paying on other services, such as gas and electricity.

Behavioural analytics are used by some firms to improve responses to communication using 'nudge' techniques to adapt communications to specific debtor types. For example, individuals who are identified as potentially vulnerable through verification checks are processed through a bespoke welfare workflow and receive communications with enhanced and tailored signposting links to internal welfare teams and external debt advice. Self-serve apps and web portals are used to encourage people to engage and empower them to manage their debts remotely and more independently. Providing a choice of communications channel based on preference ensures services are fully accessible 24/7.

Enforcement agencies have an increasingly challenging role as intermediary in debt resolution, acting on behalf of creditors and seeking satisfactory resolution via debtors. They aim to respond to individual needs whilst appropriately seeking to successfully resolve debt through effective engagement and flexible solutions. Our members invest significant time and resources in getting this right for all stakeholders – clients and customers as well as the broader community.

9) Do you consider that the court enforcement mechanisms need to take into account debt collection standards and practices outside the court system and, if so, in what circumstances and in what ways?

Debt collection practice in the commercial sector is often held up as an exemplar for its engagement with the money advice sector, communication with customers, support for vulnerable people and affordability assessments for repayment plans. All of these practices can be seen in the enforcement industry and, as in private debt collection, have become integral to daily operations.

However, local taxation and court enforcement has clear legislation, case law and established best practice and is therefore regulated and audited and in the public spotlight. The same applies to civil enforcement of local taxation, which adheres to clear rules and council guidelines on how to manage people in debt. It is essential that the equivalent of forbearance in local taxation does not prevent local government from recovering revenue due to the public purse.

There will always be a need for enforcement visits as some people will continue to deliberately avoid making payments, despite being able to afford to do so. It is an unfortunate reality that in some circumstances, a home visit with the prospect of losing valuable possessions, such as a car, is the only way that some people will face up to

their responsibilities. Enforcement is complex, highly specialised, and essential work that is needed to recover lost revenue for local and central government.

The enforcement process is designed to be firm for those in debt and fair for charge payers that fund local services. Our shared industry ambition has always been to recover funds from those who can afford to pay but are making the choice not to. CIVEA and its members understand the challenges for those in financial hardship, especially given the impact of Covid, and will always support customers who are vulnerable or are struggling to pay their debts. Enforcement Agents are trained and instructed to identify safeguarding or vulnerability needs and refer these cases to specialist welfare teams immediately.

With regards to debts other than council tax, Transport for London, Highways England and local authorities follow legislative processes to enforce against individuals who have deliberately contravened regulations. The integrity of the enforcement of traffic management sanctions is imperative to deliver the congestion, low emissions, moving and parking related offences on behalf of these bodies. At the same time, measures are in place to ensure that financial vulnerability can be identified, and the appropriate support provided.

Court fines are pre-determined on a statutory tariff set in magistrates' sentencing rules, and penalty charge notices for traffic offences are regulated through the Traffic Management Act. These fines are means tested by the courts through a means inquiry form, which is a statutory requirement and calculated according to income. The minimum repayment per week against any fine is £5.

10) If court enforcement is to take into account debt collection outside the court system, what practical steps do you consider should be undertaken?

See 9) above.

<u>Supply of information about potential judgment debtors</u>

11) What steps, if any, do you consider the court could and should undertake to encourage greater engagement of potential judgment debtors (given the high number of default judgments)? [NB the Civil Justice Council (CJC) is reporting separately on pre-action protocols (PAP) including the debt protocol and the PAP is therefore not addressed in this list of questions.]

12) Should the court require details of a defendant at the commencement of proceedings in order to ascertain whether a defendant could satisfy a potential judgment? (For example, by specific questions being including in the Directions

Questionnaire, including details of any debts being enforced outside the court system);

13) If information about the means of a potential debtor is sought early in proceedings, what information would you consider to be helpful?

In other creditor sectors, the Standard Financial Statement has been adopted to allow debtors to set out their income and expenditure. Frustratingly, the Standard Financial Statement is not used universally by local authorities. It has been undermined by misuse by debt advisers and is considered not credible or fit for purpose.

Despite extensive use of credit reference agencies, it can be difficult to ascertain a current address for a debtor. As the report acknowledges, DVLA data is unreliable and there is insufficient quality control to ensure that the details submitted for inclusion in driving licences is accurate. Consequently, DVLA data cannot be relied upon.

14) What experience, if any, have you had with making use of the provisions of CPR part 71 (orders to obtain information from judgment debtors)?

15) If you have used the provisions of part 71 to obtain information about a judgment debtor's means, have you found the process effective?

16) If not effective, why not, and what changes would you make to the provisions relating to obtaining information from judgment debtors and does there need to be an amendment to part 71?

17) What would you consider to be an appropriate sanction/appropriate sanctions for a judgment debtor who fails to provide information to questions raised by the court?

18) If judgment is obtained, should the court provide details of the judgment debtor with the claimant at the time of judgment and, if so, what details should be provided (if any)?

We would support any measures that compel a debtor to provide accurate information. False details are often registered where a debtor believes they can delay the justice process. Enforcement firms are frequently required to verify addresses where false details have been registered, which is costly and time consuming.

19) What safeguards should be put in place with respect to any data sharing to ensure that it is reasonable and proportionate and not unfairly detrimental to the debtor?

20) Should the court have a role, independent of any applications made by any creditor, in obtaining details of the debtor?

21) Should the court and/or the judgment creditor be given access to information held by HMCTS and the DWP (or other government departments or agencies) to gather financial information on the judgment debtor?

The Working Group may wish to consider how the Digital Economy Act 2017 can facilitate better data sharing for this purpose.

22) What safeguards should be put in place to protect the individual with respect to financial information held by HMCTS and the DWP (or other government departments or agencies) and their privacy?

23) Should the court and/or the judgment creditor be given access to information held by third parties, such as banks and credit agencies, to gather financial information on judgment debtors?

24) What safeguards should be put in place to protect the individual with respect to financial information held by third parties, such as banks and credit agencies, and their privacy?

There are lessons to be learned about the value of sharing financial information. It is common practice in standard debt collection. Data sharing helps to resolve debt and enables enforcement firms to apply AI technology and data science, and along with Open Banking, to understand patterns of payments and propensity to pay. Enforcement firms analyse credit reference data, including financial activity, and demographics to segment debtors and tailor their approach to debt resolution.

25) Would you welcome a change to legislation to allow either (17) or (19) above, which would include safeguards suggested under (18) and (20) above?

26) What other protections do you consider should be available to the judgment debtor to prohibit all, or some, financial information being available either to the court or to the judgment creditor?

Support for debtors

27) Are you aware of any support or information provided to debtors following a judgment?

28) If so, what is that support or information?

All CIVEA members have fully trained welfare teams dedicated to identifying and supporting people who are vulnerable or in genuine financial hardship. The members of these teams receive additional training and support to ensure they are prepared to manage the most challenging conversations and guide individuals to a positive outcome. They use the same technology tools as debt collection agencies – such as credit reference checks and affordability assessment to highlight behaviour that may suggest vulnerability and the need for additional care.

This includes partnering with debt charities, vulnerability training and technology-enhanced repayment processes ensure that vulnerable people are protected, and positive outcomes are achieved for local authorities and taxpayers.

Industry standard affordability calculations are used and individual agents cannot use their discretion. Calculations can also involve a budgeting tool that identifies any benefits an individual could apply for and whether the individual is over-paying on other services, such as gas and electricity.

Behavioural analytics are used by some firms to improve responses to communication using 'nudge' techniques to adapt communications to specific debtor types. For example, individuals who are identified as potentially vulnerable through verification checks are processed through a bespoke welfare workflow and receive communications with enhanced and tailored signposting links to internal welfare teams and external debt advice.

Enforcement agencies have an increasingly challenging role as intermediary in debt resolution, acting on behalf of creditors and seeking satisfactory resolution via debtors. They aim to respond to individual needs whilst appropriately seeking to successfully resolve debt through effective engagement and flexible solutions. Our members invest significant time and resources in getting this right for all stakeholders – clients and customers as well as the broader community.

29) What, if any, (additional) information and support do you consider should be made available to debtors and at what stage?

The Ministry of Justice's ongoing consultation on the Taking Control of Good Regulations proposed that an additional information sheet should be included in communications with debtors. We responded that we support the principle of the proposals that would in

practice constitute an “Enforcement Pre-Action Protocol”. However, there are additional considerations that complicate this proposal.

The proposed enforcement fee increase, which has yet to enacted, will be eroded by the cost of the additional work involved in sending an additional information sheet. Aside from the additional postage, some firms will need to invest in equipment that can fold and insert larger letters. In the case of Welsh residents, this may include the cost of larger envelopes to accommodate documents in Welsh language.

Our members advise that experience shows that the more pages that are included in correspondence, the less chance they will be read. Citizens Advice has criticised the tone of Notices of Enforcement as threatening. There is no evidence that sending more information - much of which is duplicated – will be less intimidating.

Furthermore, there is no evidence that has been presented to show that it will improve the level of debt recovered or resolve problem debts of individuals. Much of the information in the proposed information sheet is already included on the reverse side of the statutory Notice of Enforcement.

We proposed to the Ministry of Justice that the Enforcement Conduct Board could lead a review on the effectiveness of statutory correspondence, through engagement with the industry, debt advice sector and government parties. This could involve a detailed analysis of the Notice of Enforcement and any other mandated communication, taking into consideration behavioural economics and best practice from other sectors that recover debt. The recommendation could be mandated in the ECB’s code of conduct.

While it is very important that debtors receive information about help and support, especially those in financial difficulty or with vulnerabilities that impact on their ability to pay their debts, it is equally important to provide a range of communications channels. Based on CIVEA research, individuals who are subject to enforcement are contacted, on behalf of local authorities, on average seven times. This could be by telephone, email, SMS or other media channels and is predominantly during the Compliance Stage.

Enforcement firms continue to innovate in their communications with customers using newer social media channels and WhatsApp. Self-serve apps and web portals are used to encourage people to engage and empower them to manage their debts remotely and more independently. Providing a choice of communications channel based on preference ensures services are fully accessible 24/7 without the need to speak to anyone in person.

The adoption of AI technology, which is in development with enforcement agencies, will improve the quality of remote interaction and reduce the time spent on routine

enquiries, which will allow contact centre agents to dedicate more time to complex cases.

30) Are there any particularly vulnerable debtors who you consider need additional support. If so, how are those vulnerable debtors identified and what support do you consider is required?

We are aware of the correlation between debt problems and poor mental health. The debt and mental health evidence form could be an important tool.

However, there is an assumption that a public sector creditor knows that a person has a mental health issue. This is not the case and even if they were aware, there are GDPR factors that prevent the information from being shared except in certain circumstances. CIVEA has called for better use of the Digital Economy Act to improve data sharing of personal information, for example benefits claimed, between public bodies that may provide an indication of vulnerabilities.

In common with many other organisations working with people with problem debt, enforcement firms use tools such as the Vulnerability Register Service to record and check for vulnerability, but people are often reluctant to engage or to declare their personal circumstances with creditors, including their local councils. Enforcement agencies have staff trained on identifying and supporting people with poor mental health, such as the TEXAS model developed by the Money Advice Trust.

31) What do you consider the most efficient and effective ways of disseminating information to debtors?

i) through court documentation at the commencement of the action;

ii) through court documentation at time of judgment;

iii) through bailiffs or enforcement officers;

iv) all the above?

v) any further means of communication?

As explained, enforcement agents are often the first to identify vulnerable debtors. Last year 351,000 cases were alerted to local authorities following enforcement visits for which no details of their circumstances were known in advance.

The Money and Pensions Service has its own moneyhelper website, which includes a free face-to-face debt advice locator tool by town or postcode. This may be more effective than listing general contact details. Many CIVEA members already use this as

a signposting tool and MAPS has approached some agencies to use enforcement agents to disseminate information about the moneyhelper tool direct with debtors on the doorstep.

32) If the defendant engages with the court process, should the court be proactive in providing a telephone advice service, or other access to free advice through third parties, in order to potentially facilitate early resolution?

CIVEA believes that encouraging early communication from debtors, whether that be through debt advice charities or enforcement representatives, can only be beneficial to all involved.

We would support any opportunities to engage with debt advice services, as well as public sector creditors. This will enable us to understand more about an individual's circumstances – that may extend beyond the need for money advice – and provide appropriate support.

Any proposed improvements

33) Do you consider there should be any changes to the system of enforcing judgments, or should the status quo be maintained?

The existing system works well given the challenging economic circumstances. The reality is that councils are dealing with an unprecedented level of debt. In March last year there was £6 billion of uncollected council tax alone in England and Wales. Local authorities are dealing with a backlog of unpaid arrears and penalties that accumulated as a result of a voluntary suspension of council tax collection and parking enforcement during the pandemic and the resulting delays in court hearings. Enforcement agents are now supporting councils to recover historic arrears and help people to manage on-going liabilities.

In 2022, according to industry data, enforcement agents collected 21% of council tax arrears that could have been lost to the public purse and 20% of penalty charge notices for parking offences. Given that enforcement is the final option when there has been no response to letters, this is a significant recovery rate and far exceeds most commercial debt collection.

It is equally important to recognise that this is the hardest debt to collect, which is at the end of the collection process. It is the final stage after all the efforts of creditors have failed to the point that they have applied to the courts for the power to recover funds owed. The recovery of council tax arrears provokes particularly emotional responses, but not often from those with direct experience.

Even with good collection rates, our own data shows that around 32% of council tax cases and 5% of parking cases passed for enforcement are not actioned.

This may be due to an intervention by the council, for example where an enforcement agent traces a new address or identifies a new occupier. It may be a case where vulnerability has been identified and it is judged inappropriate to pursue enforcement action.

There is a common assumption that enforcement agents demand payment at all costs. This is an outdated view that has no basis in modern civil enforcement.

Cases in which an individual has no means to pay and no goods of any value accounts for approximately 39% of cases for council tax and around 11% for parking debts. In around 24% of unexecuted cases for council tax and 60% of parking cases enforcement agents are unable to locate the debtor after trace enquiries.

Assumptions about how enforcement agents conduct themselves often dictate the narrative about the civil enforcement process. Enforcement agents are highly professional and licensed to act on behalf of the courts.

34) If you consider there should be changes, what changes do you feel should be made to make enforcement more accessible, fair and efficient?

The current system of enforcement is a successful example of a public-private partnership. Local councils have neither the base of skilled workers nor the capacity to collect themselves. Enforcement agencies have refined and sensitive ways of collecting in a way that seeks to both minimise cost to the debtor and speed up the recovery of council funds.

The provision of civil enforcement services is at no cost to the public purse and the majority of the public support the model whereby those who incur the debt pay the costs of recovery. In a YouGov survey commissioned by CIVEA, when asked 68% of the public believed that the costs should be paid for by the person who has accrued them.

For example, 61% of people believe enforcement agents should be used to collect unpaid Magistrates' court fines.

The industry has ensured enforcement is fair and accessible by originating and funding independent oversight of enforcement firms and individual agents under the Enforcement Conduct Board. As part of the accreditation, all CIVEA members have committed to comply with new Standards of Conduct designed and monitored by the ECB.

35) Whether you consider there should be changes or not, what, if any, additional safeguards and advice should be given to debtors?

36) Whether you consider there should be changes or not, what, if any, additional information should be given to creditors about methods of enforcement?

37) As the majority of debt judgments are judgments in default, what further steps do you consider could and/or should be taken to encourage defaulters (potential judgment debtors) to engage in the court process at an early, or any stage?

The Compliance stage is the last opportunity for a debtor to engage and avoid an enforcement agent visit. Since 2014, the Compliance stage has been transformed by firms seeking to engage debtors, identify vulnerability, maximise income and benefits and ensure repayments are sustained. Enforcement firms are required to invest heavily in identifying, analysing and communicating with people who fall into the "hard to collect" category.

The Compliance Stage, which can run for up to 28 days before a visit, accounts for around 40% of debt collected. This stage involves tracing, data cleansing, DVLA checks and other financial profiling.

At this point the objective is to engage with people. In response to local authority client requirements and a highly competitive market, an additional stage has evolved before the Compliance stage. Pre-enforcement action is the equivalent to the pre-action protocol that is standard in financial services.

This stage can involve a call or visit from enforcement agent to ascertain a debtor's circumstances without any taking control of goods action. There may be letters and an outbound communication leading to interventions for vulnerability, such as welfare support offered by council services, debt advice and suspension of debt recovery.

No fee is collected for this stage and there is no additional input from local authorities, but a significant investment in technology has been made by enforcement firms.

38) Are there any other areas of enforcement that you feel could be improved and in what way and by which method(s)?

Making direct contact with an individual to help resolve their debt is the most effective way of understanding other issues that may be impacting on their welfare. This requires co-operation and individuals need to have confidence in the court system.

There is more work to be done to engender confidence and rebut the myths about the enforcement process. It is in the interest of the media and campaigners to perpetuate

stereotypes and demonise enforcement agents. The consequence of this is that debtors fear enforcement and engagement becomes more difficult, which creates a spiral of problems. More responsible language and an informed attitude would lead to more problem debt being resolved and more collection of debt to creditors.

General

39) Please set out any additional comments you would like to make about the current system of enforcing money judgments in court. These comments can expand upon the questions raised above or raise new issues.

As stated above, civil enforcement agencies have invested heavily in technology to encourage early engagement. Part of the challenge is the fear factor cultivated by those opposed to the government using enforcement agents to recover public sector debt. Citizens Advice itself advises debtors not to open the door to enforcement agents, which prevents early resolution and only delays the inevitable.

40) Please set out any current difficulties that you identify with the system of enforcement and outline any potential improvements you consider appropriate for either the creditor or the debtor

In our experience, the debate about civil enforcement has become polarised by assumptions that people with debts to local authorities fall into either the categories of can't pay or won't pay.

The cost of living crisis that arose in the aftermath of the pandemic, has spawned a new category of debtor – don't pays. Don't pays have means and are not evading payment but prioritise other debts and payments. This brings them into contact with the enforcement process.

In our experience, it is not that people can't pay, but that they don't want to pay right now when there are competing priorities. So they fall into the difficult to collect category and become subject to enforcement.

Years of experience recovering debt that is difficult to collect tells us that the key to debt resolution is communication. Sustainable repayment plans require investment in multiple channels of communication. Our strategy is to maintain an on-going dialogue and to engage debtors in a way that meets their requirements and avoids missed payments.

Once identified, with modern enforcement practices, don't pays can be set up with repayment plans and moved to become "can pays". For example, don't pays may have poor financial capability or have chaotic financial management. It is often not

understood that debts to government are priority debts because of the severity of the consequences of non-payment, along with mortgages, rent, gas and electricity bills.

Don't pays often worry about paying their mobile or broadband bills or credit cards, under pressure from creditors or debt collection agencies, without realising that these should be paid second to priority debts.

Don't pays may have vulnerability triggers but can still pay their debts with appropriate support and guidance.

Enforcement agents do not want to pursue vulnerable people who have no means of paying their debts. But increasingly, we are encountering incidents of vulnerability of some form. Enforcement firms are reporting that the demographic is changing with people who have never been in debt and who have regular employment now struggling with their finances and who, when they prioritise essential bills, are overlooking penalties and fines.