



TAKING CONTROL

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Majority of people surveyed back call for bailiff regulation as "government action is long overdue"

Rule-breaking bailiffs are still not being held to account and will continue to inflict stress, anxiety and further financial hardship until the Ministry of Justice introduces independent regulation, debt charities say.

The 11 debt and mental health organisations that make up the 'Taking Control' campaign on bailiff reform are calling on the government to establish independent regulation to clean up the industry and protect people from the harm poor debt collection practices cause.

They've released new figures that show regulation has significant public support. National polling, commissioned by Citizens Advice and StepChange Debt Charity, reveals:

- 8 in 10 (83%) people think bailiffs should be subject to independent regulation. This equates to 39 million people in England and Wales.
- Almost 9 in 10 (86%) think there should be an independent system to complain about bailiffs.

The figures have been published today in Taking Control's joint submission to the Ministry of Justice's call for evidence into bailiff reform.

The group says government reforms in 2014 have not improved the sector. A survey of advisers from the Taking Control organisations found they didn't think bailiffs' behaviour in terms of 'adhering to rights of entry' has improved since the 2014 reforms. Concerningly, more advisers think that it has got worse (37%) now, than they did (16%) in 2015.

Having debts collected by bailiffs is a common experience. In 2016/17, local authorities in England and Wales used bailiffs to collect debts 2.3 million times, according to research by the Money Advice Trust.

Of particular concern is how bad practice by bailiffs disproportionately affects those in vulnerable situations. Of the people Citizens Advice helped with bailiffs last year, 40% had a disability or long-term health condition.

In one example, the charity helped a partially deaf man who had been contacted by a bailiff in relation to council tax arrears. When the bailiff visited they said that on their next visit they would force entry to his property despite not having a controlled goods agreement.

A further 83% of National Debtline callers surveyed who had experienced bailiff action reported a negative impact on their wellbeing.

Citizens Advice alone has reported a 24% rise in bailiff problems since 2014, and it remains one of the most common debt issues it helps people with. More than 1 in 3 (39%) people contacted by bailiffs in the past two years witnessed a bailiff breaking the rules and it is a widespread problem.

Bailiffs break the rules because it's too difficult to complain and hold them to account

Since the 2014 government reforms, there have been just 56 complaints to court about bailiffs. It is unclear, of these, how many resulted in the bailiff's certificate being revoked.

The campaign's evidence shows that people find it difficult to report an issue and lack faith in a process where they are encouraged to complain first to the firm representing the individual bailiff.

They also say there are no effective sanctions or penalties for firms whose bailiffs break the rules. But as its evidence shows, people lack the confidence to lay a complaint:

- Recent polling in England and Wales found 3 in 4 people (74%) who experienced bailiffs breaking the rules didn't complain.
- A StepChange client survey found that, of those who felt they had been unfairly treated by bailiffs, only 15% made a complaint.
- Another StepChange survey of clients showed 29% had tried to set up an affordable payment plan over the phone. However, the bailiff insisted on visiting their home, incurring larger fees.

The bailiff sector does not have the independent oversight and effective consumer protection that have been commonplace in other sectors for many years. This call for evidence is the opportunity to introduce the independent regulation the industry needs to protect vulnerable people from bad practice.

Gillian Guy, Chief Executive of Citizens Advice, said:

"Almost five years on from the 2014 reforms, and with mounting evidence that bailiffs continue to flout the rules, government action is long overdue.

"The Ministry of Justice must move to establish independent bailiff regulation to stop harm being inflicted on people, especially those in vulnerable situations due to their debt or ill health. We're concerned that without a regulator, any attempts to improve practice in the sector will fail to protect people.

"They also need to create an independent complaints process, like in financial services, so complaints about bailiffs are dealt with impartially."

Phil Andrew, Chief Executive of StepChange Debt Charity, said:

"Only formal regulation can solve the problems in the bailiff sector. Complaints provide a case in point, where the complaints mechanism involves the bailiff industry's own trade body acting as adjudicator.

"Just 15% of StepChange clients who felt they had been unfairly treated by bailiffs have complained. That's shocking but unsurprising, as the industry's complaints mechanism is fragmented, opaque and can't be trusted.

“Bailiff firms uphold only around 1 in 10 of the complaints put directly to them. By comparison, financial services firms uphold about half. Industry protectionism and self-interest are causing detriment and harm to some people who have legitimate cause for complaint about bailiffs.”

Joanna Elson, Chief Executive of the Money Advice Trust, the charity that runs National Debtline and Business Debtline, said:

“Bailiff reform is now urgent. It is clear that previous changes have not been successful in cleaning up this industry, and poor practice amongst bailiffs and bailiff firms continues to be widely reported.

“When bailiffs are used, it is crucial they act within the rules and that people in debt are protected. Only independent regulation and a clear complaints mechanism can bring this about.

“As well as regulating the bailiff industry, the government needs to take action to make sure that far fewer debts are passed to bailiffs in the first place. Local authorities, in particular, referred 2.3 million debts to bailiffs in 2016/17 in England and Wales. Councils need to do much more to help people who fall behind at a much earlier stage – and should only ever use bailiffs as a last resort.”

Background

Bailiff issues are part of a wider problem of households falling behind on essential bills. The impact of bailiff use was highlighted in July last year by MPs on the Treasury Select Committee, who labelled government and local authorities “worst in class” for debt collection. In September, the National Audit Office said there was evidence that aggressive enforcement action is ineffective, and can be harmful in situations where people are struggling to pay.

The 11 organisations that make up the ‘Taking Control’ group are calling for independent bailiff regulation that can enforce high standards in the bailiff industry.

Through the Ministry of Justice consultation on the enforcement industry which closes this Sunday, the group wants to see the introduction of independent bailiff regulation and a free, independent complaints mechanism.

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Notes to editors:

The ‘[Taking Control](#)’ campaign brings together a group of 11 organisations to respond to the Call for Evidence. The campaign was launched in March 2017 in response to concerns that the 2014 ‘Taking Control of Goods’ reforms had only limited success. All campaign partners have continuing concerns about the treatment of people in debt by the bailiff industry. These diverse organisations are agreed that there are systemic problems across the bailiff industry that need to be addressed through independent regulation.

The campaign partners are: AdviceUK, Christians Against Poverty, Citizens Advice, Community Money Advice, Institute of Money Advisers, Money Advice Trust, Money & Mental Health Policy Institute, PayPlan, StepChange Debt charity, The Children’s Society and Z2K.

It is unusual for so many diverse organisations working around debt and debt advice to come together to campaign on a single issue. The fact that so many different organisations are reporting widespread problems suggests that this is a systemic issue across the bailiff industry. We would suggest this is the result of the current self-regulatory approach that is not protecting people in vulnerable circumstances.

Bailiff issues are part of a wider problem of households falling behind on essential bills. Citizens Advice estimates households have a total of [£19 billion](#) of arrears on bills such as council tax and utilities. Since 2011, these debt issues have overtaken the number of consumer credit issues (e.g. loans and credit cards) that people are seeking the charity's help with.

Figures cited

- A nationally representative opinion poll of people in England and Wales was commissioned by Citizens Advice and StepChange Debt Charity, with a number of questions relating to debt collection, experience with bailiffs, support for regulation and use of complaints procedures. YouGov online field research was conducted with 5,786 respondents between 12 and 17 September 2018, 277 of whom had been personally contacted by bailiffs. Of those 107 people had experienced bailiffs breaking the rules. Instances of rule breaking were identified by describing specific actions to survey participants, which Citizens Advice and StepChange identified as rule breaking. For instance, where someone having a council tax debt enforced said that a bailiff threatened to force entry in to their home. The polling and analysis was published in [A law unto themselves: How bailiffs are breaking the rules](#), November 2018.
- Between 7 June and 31 August 2018, we circulated a survey to 308 advisers who worked for organisations within the [Taking Control Campaign](#). We asked them the same questions answered by 208 advisers in a survey we circulated in 2016 for the One year review of Enforcement Agent Reforms.
- Money Advice Trust figures on referrals to bailiffs from local councils in England and Wales is taken from, Money Advice Trust, [Stop the Knock](#), November 2017
- References to Citizens Advice clients is taken from its Citizens Advice Advice Issue Code (AIC) client data 2017-18. a
- National Debtline figure cited - 83% of callers surveyed report negative impact on wellbeing - is sourced from National Debtline annual impact survey 2018. Base: 130 callers who had experienced bailiff action.
- Citizens Advice analysis of YouGov polling published in [The rules of enforcement](#), January 2019. It is based on the question "Did you use any formal complaints procedures (e.g. to the creditor, the organisation, the trade association etc.) to raise concerns about your experience?". Base: 198.
- The StepChange Debt Charity figure showing only 15% complained when unhappy with bailiff is drawn from an email survey (full results not yet published) on creditor conduct of 1032 clients conducted in 2018. 740 answered the question on whether they had been visited by bailiffs, 46 of whom had. 56% felt they had been treated unfairly.
- The StepChange Debt Charity figure showing 29% had tried to set up repayment plan by phone but bailiff insisted on visiting is based on a survey via the bailiff advice page of the charity's website between 14 January and 12 February 2019, to which 374 people responded.