

23<sup>rd</sup> May 2019

Our Ref: FOI6419

### **Freedom of Information: Right to know request**

Thank you for your request under the Freedom of Information Act 2000 ("the Act") dated 25<sup>th</sup> April 2019 for the following information below. For ease of reference your request has been numbered.

1. "Please provide a list of organisations that are regulated for debt collection and are regulated by the Financial Ombudsman.
2. Also confirm if these organisations that you regulate allow their members (companies) to transfer High Court Writs of Execution between their member companies or High Court Enforcement Officers.
3. Can enforcement agents of the companies that are members of the organisations you regulate also allowed to swap staff (enforcement agents) or are they confined to working for the company they are Certificated to on the county court or high court enforcement registers?
4. If you do not regulate these organisations please can you advise who does."

Your request has now been considered, and I can confirm our response to your queries below.

1. Please find the list of firms that are regulated for debt collection by the Financial Conduct Authority in Annex A attached. Note that they are not authorised by the Financial Ombudsman Service but come within their compulsory jurisdiction to sort out complaints between financial businesses and their customers.
2. It is important to note that although some debt collection agencies also offer civil debt enforcement services, we do not regulate such enforcement services. We currently regulate firms with permission to carry on debt collecting/ debt administration for debts arising under credit agreements, consumer hire agreements and regulated peer-to-peer loans. We nevertheless expect firms that we regulate to abide by the spirit of our rules and principles in carrying out their wider non-regulated activities.

Debt collection is a regulated activity under article 39E of the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001). It is defined as the taking steps to procure the payment of a debt due under a credit or hire agreement. Debt collection activities usually occur prior to taking the debtor to court, in form of letters, phone calls, texts or emails. Whilst debt collection could also include visiting debtors home addresses to request payment, debt collectors cannot enter premises to take control of goods, nor can they threaten to do so or otherwise mislead the debtor about their powers.

3. Our rules do not preclude debt collection firms or lenders from outsourcing their regulated debt recovery activities to third parties though they are expected to comply with our rules on outsourcing (for example SYSC 8.1). We also expect firms to take reasonable steps to seek to ensure that, where it has engaged a third party to recover debts on its behalf, the customer is not subject to multiple approaches by different persons, resulting in repetitive or frequent contact with the customer by different parties.

Our rules do not impose any requirements on enforcement agents/bailiffs with regards to the issues above (i.e. the transfer of writs of execution or enforcement agents between firms) although where such agents work for or on behalf of FCA regulated firms in carrying out unregulated activities then we would expect the firm to ensure that customers are treated fairly and that their agents and employees meet appropriate standards.

4. There is no individual regulatory body for enforcement agents outside our remit, but there are trade bodies that agents can join who offer guidance on legislation and deal with complaints. The government is undertaking a post-implementation review of regulations which were introduced in 2014 to regulate the operation of enforcement agents and the fees that they charge. Further details can be found on the Ministry of Justice website at <http://consult.justice.gov.uk/digital-communications/review-of-enforcement-agent-bailiff-reforms/>.

We believe this should satisfy your request, however, if you are unhappy with the decision made in relation to your request, you have the right to request an internal review. If you wish to exercise this right you should contact us within 40 working days of the date of this response.

If you are not content with the outcome of the internal review, you also have a right of appeal to the Information Commissioner at: Information Commissioner's Office, Wycliffe House, Water Lane, Wilmslow, Cheshire, SK9 5AF. Telephone: 01625 545 700. Website: [www.ico.org.uk](http://www.ico.org.uk)

Yours sincerely

**Information Disclosure Team**



Annex A

[Insert List]