

Equalities Statement – Regulation of the Enforcement Sector

1. This Equalities Statement should be read alongside the consultation paper *‘Enforcement Sector Regulation: Reforming the regulation of individuals and firms that use the taking control of goods procedure’*, to which this statement is an annex.
2. As set out in the consultation paper, the Government is minded to introduce independent statutory regulation of certified enforcement agents, High Court Enforcement Officers, and the firms that employ them in England and Wales (the enforcement sector), and is, therefore, seeking views on how to legislate to implement that reform. In particular, the consultation seeks views on the different responsibilities and powers that a statutory independent regulator could be given, how it could work with other regulatory bodies including the government, and how it should be funded and held accountable to the Government and Parliament.
3. The Government’s principal policy aim is to ensure a regulatory framework for the enforcement sector that ensures fair treatment of those who are facing enforcement action, particularly vulnerable people, and supports the fair and effective enforcement of debts and fines.

Equality Duties

4. Section 149 of the Equality Act 2010 (“the Act”) requires Ministers and the Department, when exercising their functions, to have ‘due regard’ to the need to:
 - Eliminate unlawful discrimination, harassment, victimisation and any other conduct prohibited by the Act;
 - Advance equality of opportunity between different groups (those who share a relevant protected characteristic and those who do not); and
 - Foster good relations between different groups (those who share a relevant protected characteristic and those who do not).
5. In carrying out this duty Ministers and the department must pay “due regard” to the nine “protected characteristics” set out in the Act, namely: race, sex, disability, sexual orientation, religion and belief, age, marriage and civil partnership, gender reassignment, pregnancy and maternity. These must be considered under the above-mentioned three limbs of the PSED.
6. The Ministry of Justice has a legal duty to consider how the legislation is likely to affect people with protected characteristics and, in particular, to take proportionate steps to mitigate or justify the most negative effects and advance the most positive ones.

Summary

7. In preparing this Equalities Statement, consideration has been given to the impact of establishing an independent statutory regulator for the enforcement sector against the Government's statutory obligations under the Act. The Government considers that this reform could have a positive benefit by ensuring fairer treatment of vulnerable individuals, including those possessing the relevant protected characteristics.
8. This section summarises our initial equalities assessment of the proposed policy options based on the three aims of Public Sector Equality Duty:

Limb 1: Eliminate unlawful discrimination, harassment and victimisation

Direct discrimination

9. Our initial assessment is that the proposals under consideration are unlikely to be directly discriminatory as they are not likely to treat people less favourably on account of a protected characteristic.

Indirect discrimination

10. As explained below, people with the protected characteristics of race and sex are likely to be overrepresented compared to the general population by the policy. However, we consider that the proposals set out in this consultation are unlikely to result in someone with a protected characteristic suffering a particular disadvantage when compared to someone who does not share the protected characteristic.

Evidence and Analysis

11. Although information about the types of people who may face enforcement action is limited and incomplete, the following evidence has been considered as part of the Public Sector Equality Duty:
 - Data on users of reformed services: HMCTS protected characteristics questionnaire 2022.¹
 - Transforming Bailiff Action Equality Impact Assessment 2013.²
12. We have also considered the findings of reports from the following organisations that are independent of government:
 - StepChange – 'Looking through the Keyhole' (October 2024)³;

¹ <https://www.gov.uk/government/publications/hmcts-protected-characteristics-questionnaire/hmcts-protected-characteristics-questionnaire-data-on-users-of-reformed-services>

² https://consult.justice.gov.uk/digital-communications/transforming-bailiff-action/supporting_documents/transformingbailiffactioneia.pdf

³ [Looking through the keyhole - StepChange](#)

- Citizens Advice – ‘New year, same arrears’ (January 2021)⁴

13. Evidence gathered by HMCTS in 2022 for a survey on users of reformed services suggested that people from BAME backgrounds are more likely to be in debt compared to the general population. The survey also found those in age group 25–34-year-olds and lone parents (the majority of whom are women) are also likely to be in debt. This mirrors research conducted by Citizens Advice in their 2021 report, which found that people from BAME backgrounds are more likely to be behind on their rent, along with younger people, parents and disabled people.
14. StepChange, which is a debt advice charity, surveyed their debt advice clients to understand their experiences of council tax debt collection and enforcement. They found those with council tax arrears are disproportionately likely to be single parents and women; many are both. This corroborates some of the findings from the HMCTS survey conducted in 2022.

Discrimination arising from disability and the duty to make reasonable adjustments

15. In addition to the above, research conducted by StepChange also found that two thirds of clients with council tax arrears have an additional vulnerability, which the report defined as experiencing physical and mental health conditions, terminal illnesses, learning disabilities, sight or hearing difficulties, communication difficulties, addiction etc.
16. The principal aim of an independent statutory regulator is to ensure the fair treatment of those who are facing enforcement action. This will benefit those who may face enforcement action in the future regardless of whether they do or do not share any of the protected characteristics.
17. We will keep the proposals under review and will consider making any further reasonable adjustments to the proposals which may be identified from the consultation.

Harassment and victimisation

18. We do not consider there to be a risk of harassment or victimisation as a result of this proposal.

Limb 2: Advancing equality of opportunity between different groups

19. Although the data is limited, we consider that the principle aim of establishing an independent statutory regulator may impact positively on the duty to advance equality of opportunity more generally by ensuring fairer treatment of those facing enforcement action.

⁴ [New 20year 20same 20arrears.pdf](#)

20. By strengthening oversight, regulation could contribute to a balanced and proportionate approach to enforcement while maintaining effective debt recovery processes.

Limb 3: Fostering good relations between different groups

21. We have considered how these proposals might impact on the need to foster good relations between people who share protected characteristics and those who do not.

22. On the basis of the information currently available, we do not consider that the proposals in the consultation document are likely to result in unlawful discrimination. However, we will consider any equalities issues highlighted by the consultation before a final decision is reached on how to proceed.