From Recovery to Growth:

Debt Purchase, Collections and Affordable Credit

Perspectives from leaders across the debt sector

csa

voice of the collections industry

Contents

Up to

£1.4bn*

potential lending unlocked through debt sales in 2023.

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Foreword

Debt purchaser and debt collection firms play an integral role in the UK's financial ecosystem, even if that role can sometimes feel overlooked by Government and regulators. As Credit Services Association member Perch explains, **every £1 their firm invests in debt purchasing has the potential to unlock £3 in new lending capacity.**

This is not insignificant. CSA member data tells us that more than £50 billion of debt is owned by debt purchase members, so the amount of potential new lending capacity facilitated by the sector is enormous. As the essays in this collection demonstrate, debt collection and debt purchase services support not just wider credit availability, but also economic growth and financial resilience across the UK.

Much of the public debate around credit understandably focuses on lending decisions, affordability, access to credit and consumer protection. While there is now a healthy public discourse and policy focus on consumer protection, affordability and helping those in financial difficulties, there is less attention on the importance of resolving non-performing debt obligations to sustain a well-functioning modern credit market and growing economy.

*CSA analysis based on PwC's 2023 market data.

The organisations represented in this publication operate at an important junction between creditors, consumers and the wider economy. Through debt purchase and debt collection, they help recycle capital back into the financial system, support the continued availability of credit, strengthen balance sheets and enable businesses to continue investing, lending and growing. While the sector's importance to the economy can sometimes be forgotten by policymakers, Cabot Credit Management's contribution to this essay collection indicates that the general public does recognise the important role of debt recovery, reporting that 88% of consumers believe repayment is important to the economy.

I was pleased to see that these essays also challenge a number of long-standing misconceptions about debt collection, misconceptions that often contribute to poor quality public debate around the sector. The modern industry is highly regulated and firmly focused on achieving positive customer outcomes. Whether through affordability assessments, vulnerability support, flexible repayment arrangements or partnerships with debt advice organisations, firms across the sector are helping individuals move from financial difficulty towards greater stability and independence.

The contributions brought together here illustrate the breadth of the sector's impact. Of course, there are significant financial impacts – the above-noted figures around credit availability; the contribution from Advantis highlights Government Commercial Agency (GCA) statistics that suggest every £1 spent on private collection services returns £34 to the public sector; and more than £5 billion recovered by CSA members in 2024/25. But these essays also highlight the human impact, for example, Lowell supporting more than 3,000 customers a day to get back on track, and the social impact, such as Cabot Credit Management's education initiative. Collectively, they demonstrate that debt purchase and debt collection are not peripheral functions operating at the end of the credit lifecycle. Rather, they are essential components of a financial system that seeks to balance consumer protection, access to credit and economic growth.

As policymakers continue to consider the future of consumer credit, financial resilience and economic competitiveness, I believe it is crucial that they recognise and understand the essential role of debt resolution to the economy. The evidence set out in these pages shows that when carried out responsibly, debt purchase, debt collection and specialist servicing support not only individual consumers and businesses, but the strength, resilience and inclusiveness of the UK economy as a whole.