

Annual Report 2023

Credit Services Association
121st Annual Report



voice of the collections industry



Who we are



The Credit Services Association (CSA) is the only national trade association in the UK for organisations active in the debt collection and purchase industry.

As the voice of the collections industry, **our vision** is to **build confidence** in debt collection by making the entire process **clear, easy to understand** and **less stressful** for all those involved.

As well as being a well-established industry trade body, the CSA* is also an **award-winning learning & development specialist** and an **Approved Apprenticeship Training Provider**. It supports its member firms, and employers in wider sectors to train, improve and assess their workforces in our specialist areas of credit, collections, compliance, counter-fraud, and debt advice.

We want to ensure that professionals working in our industry and related sectors, have **access to the best quality, up-to-the-minute training** and development opportunities.

**CSA Apprenticeships are provided by CSA (Services) Ltd as a subsidiary of the Credit Services Association (CSA).*



Our three primary roles



Engage

To represent our members at the highest level with external stakeholders to **enhance the reputation of the industry.**



Support

To facilitate a collaborative environment to **share best practice** for the further improvement and **ongoing professionalism** of the industry.



Promote

To promote **excellence and integrity in standards and culture** across the industry.

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Credit Services Association Limited

Company registration number:
00089614

The Board of Directors

Lord Tom Chandos (Chair)
Nick Cherry
Tim Anson
(appointed February 2023)
James Appleby
Andrew Bunting
(resigned February 2023)
Joanne Cowens
Denise Crossley
(resigned February 2023)
Craig Hinchliffe
Frank Horvath
Tim Kirk
(appointed February 2023)
Chris Leslie
Yvonne MacDermid OBE
Kathryn Morgan
Jane Peacock
John Ricketts
(resigned February 2023)
Rob Sands
(appointed 2023)
Sarah Whiteley

CSA (Services) Ltd

Company registration number:
05055685

The Board of Directors

Nick Cherry (Chair)
Tim Anson
(Appointed March 2023)
Lord Tom Chandos
Peter Hayle
Craig Hinchliffe
Dr David Hutchinson
(Resigned March 2023)
Chris Leslie
Fiona Macaskill
Yvonne MacDermid OBE
Kathryn Morgan
Jane Peacock
Rob Sands
(Appointed February 2023)

Registered office of both companies:

2 Esh Plaza
Sir Bobby Robson Way
Great Park
Newcastle upon Tyne
NE13 9BA

Auditors

Robson Laidler LLP
Fernwood House
Fernwood Road
Newcastle upon Tyne
NE2 1TJ

Note on report

The report is in the main written to describe the activities of the Association during the calendar year 2023 although the Finance Report and the financial statements refer to the Association's financial year, which runs from 1 July 2022 to 30 June 2023.

Chair update

It has been my pleasure to chair the Credit Services Association Board throughout 2023, a year in which we saw major regulatory changes in the form of the FCA's new Consumer Duty and also some significant reshaping of our collections and debt purchase sector following mergers and acquisitions.

The CSA Board had set greater financial resilience as a key target for the year and I am pleased to report that the executive team has delivered a positive outcome.

Our services and learning and development activities are bringing in resources that can keep membership fees lower than they otherwise might be. We made some difficult decisions to rebalance membership fees during 2023 partly to reflect changes in company structures across the sector and partly to help rebuild our reserves following previously difficult years during the pandemic. I am grateful for the ongoing support of member firms and my thanks to the overwhelming number of member firms for renewing and continuing to support our work.

CSA Learning has continued to grow successfully with the number of apprenticeships now at record levels. Our Board spends time ensuring that CSA Services are of a high quality and fully compliant with government regulations and requirements.

In 2023 the Board discussed the commissioned opinion poll findings that have fed into our policy work over the summer, the preparation and hosting of our successful annual conference in September and we have also considered the FCA's portfolio letter and issues raised, together with reform of the Consumer Credit Act.

Most recently the Board has discussed the next wave of FCA proposed reforms requiring further data supply to the regulator; we reviewed our key considerations note for member firms on debt purchase due diligence as we approached the publication of our recent report on customer vulnerability.

My thanks to my fellow Board directors for their participation and patience, helping ensure that the voice of practitioners is heard in the stewardship of the Association.

As a trade body we are only as good as the member involvement we can encourage, and I am pleased to have such good attendance at our monthly Virtual Members' Meetings (VMMs) and our UK Credit & Collections Conference (UKCCC).

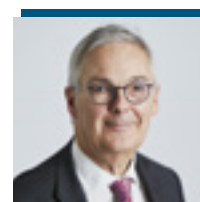
We very much hope that member firms can respond to our surveys and especially our Data Gathering Initiative (DGI) returns with similar levels of commitment. These may take a bit of effort, but they aid our ability to press for reforms that assist all our members and my thanks to all those firms who do take the time to provide input.

Finally, I'd like to take a moment of appreciation for the CSA head office team who keep member services running so smoothly, from our accounts, communications, sales and learning & development, right through to the team covering regulation, complaints and policy – they do a great job as our end of year survey results confirm.

We were sorry to lose Henry Aitchison as our Head of Policy who took up a new role at the FCA but I am delighted that Daniel Spenceley was promoted to take on that mantle for 2024.

We are facing a general election and so there is always scope for policy change to impact our sector as a result but I know that the CSA is well-placed to keep members fully engaged on any changes and debates as the year unfolds.

Tom Chandos
CSA Chair





Chief Executive report

2023 was a year of change for our sector, with significant mergers and acquisitions affecting the market, but even though inflationary pressures have squeezed consumer finances, collections and repayments have remained broadly stable.

The impact of high mortgage interest rates raised the risk of gradually filtering through into rental costs which in turn could inflate the share that 'priority payments' take of the disposable incomes for many people. Our DGI coupled with member firm surveys and other insights suggests that this is putting some pressures on settlement rates, but these have not been destabilising. We have improved our analysis of the collections market through survey work during 2023 and this has given us an improved insight into the state of the sector generally.

“The big regulatory change was of course the commencement of the FCA’s Consumer Duty in the consumer credit market.”

The big regulatory change was of course the commencement of the FCA’s Consumer Duty in the consumer credit market which is a wide-ranging expectation on all financial services providers to help customers understand products, provide fair value and deliver ‘good outcomes’. While this paradigm may not have been designed with collections in mind, I am pleased that our member firms have adapted well and were already in many ways well placed to embrace the concept because of their adherence to the CSA’s existing Code of Practice. There are of course further reviews and changes that are required but the CSA worked hard to help our sector assimilate.

As a trade association we’ve responded to a myriad of policy and regulation consultations from Government and regulators during 2023, including on the Credit Information Market Study, reform of the Consumer Credit Act, changes for borrowers in financial difficulties, FCA diversity and inclusion proposals and the ‘big data’ proposal from the FCA on

‘Product Sales Data’ which is capturing our sector too.

I have also been pressing the Financial Ombudsman Service on a number of points and made some headway with the need to tackle claims management companies (CMCs) unfairly leveraging the case fee and bombarding firms with frivolous administrative requests.

Not all our work relates to FCA regulated collections: we made representations to the Government about proposals affecting private parking debt recovery and a proposed ban on cold calling which we hope will not inhibit the legitimate contacting of those who owe creditors sums outstanding. I am pleased that we are also working closely with a number of fellow financial services trade bodies to share campaigns and ideas as we often have similar regulatory policy concerns to address.

Complaints to us from the public regarding adherence to the CSA Code of Practice fell during the pandemic, rose to more normal rates subsequently, but have fallen back again during 2023, which is a positive development more broadly for the sector.

Many of our member firms are also active across borders, so we have continued our membership of the Federation of European National Collections Associations (FENCA) where I continue to serve on their Board of Directors.

“I am pleased that our member firms have adapted well [to the Consumer Duty] and were already in many ways well placed to embrace the concept...”

During 2023 our services to members and others have strengthened, our CSA Learning output has seen significant growth and in particular I am pleased to have seen an increased take-up of apprenticeships which makes a big difference to learners in our sector and beyond.

Member firms too have been engaging with CSA output at record numbers and our ongoing monthly Virtual Member Meetings remain a popular and convenient way to stay on top of events for the sector. Our UKCCC was a great 'hit' in September and we will be planning for an even bigger event in 2024!

Thank you to the CSA Board who help steer our work as a trade body and connect us to member firms large and small – and to our Chair Lord Chandos who is always a great source of support and guidance for me as Chief Executive.

“During 2023 our services to members and others have strengthened, our CSA Learning output has seen significant growth and in particular I am pleased to have seen an increased take-up of apprenticeships which makes a big difference to learners in our sector and beyond.”

I want to also put on record my thanks to the whole of the team at the CSA headquarters and to the tutors and apprentices who are helping develop skills across our sector. I want to particularly thank Peter Hayle for his sound stewardship of our CSA finances and Ashleigh Johnson for her oversight of operations and also my thanks and best wishes to Henry Aitchison who left the CSA as our Head of Policy in the early autumn of 2023 destined for the FCA – and his successor Daniel Spenceley who takes over that role from 2024.

Working with so many dedicated professionals from across the debt purchase and collections sector is a great privilege and I hope that 2024 will be a year in which we can continue our vital work representing this crucial, under-appreciated and integral part of the credit process to policy-makers more generally.

Chris Leslie
CSA CEO



CSA committees

Chair's Committee

Tom Chandos (Chair)
Nick Cherry
Joanne Cowens
Craig Hinchliffe
Chris Leslie

Audit & Risk Committee

Craig Hinchliffe (Chair)
Tom Chandos
Joanne Cowens
Frank Horvath

Conduct Committee

Tom Chandos (Chair)
Chris Leslie
Yvonne MacDermid
Jane Peacock

International Affairs Committee

Frank Horvath (Chair)
James Appleby
Tim Kirk
Chris Leslie
Rob Sands
Sarah Whiteley

Nomination & Remuneration Committee

Tom Chandos (Chair)
James Appleby
Yvonne MacDermid
Kathryn Morgan
Jane Peacock

Public Relations Committee

Kathryn Morgan (Chair)
Tim Anson
Tom Chandos
Chris Leslie

Regulation & Compliance Committee

Joanne Cowens (Chair)
Tim Anson
James Appleby
Craig Hinchliffe
Tim Kirk
Chris Leslie
Kathryn Morgan
Rob Sands
Sarah Whiteley

CSA (Services) Ltd

Nick Cherry (Chair)
Tim Anson
Lord Tom Chandos
Peter Hayle
Craig Hinchliffe
Chris Leslie
Fiona Macaskill
Yvonne MacDermid
Kathryn Morgan
Jane Peacock
Rob Sands

Standards & Quality Sub-committee

Jane Peacock (Chair)
Tim Anson
Chris Leslie
Fiona Macaskill
Yvonne MacDermid

Board & committee attendance

	International Affairs Committee	Regulation & Compliance Committee	Chair's Committee	CSA Board	CSA Board	Nomination & Remuneration Committee	Audit & Risk Committee
Meetings held in 2023:	2	4	4	2	3	3	2
Tim Anson ⁺	-	3	3	-	-	2	-
Jim Appleby	-	-	-	1	-	2	2
Tom Chandos	2	4	4	2	3	-	2
Nick Cherry	-	2	4	-	3	-	-
Joanne Cowens	1	-	3	-	2	2	-
Peter Hayle	2	3	-	2	-	-	-
Craig Hinchliffe [^]	2	1	4	-	2 [#]	-	-
Frank Horvath	2	-	3	-	-	-	2
Tim Kirk ^{* +}	-	-	3	-	-	1	1
Chris Leslie	2	4	4	2	3		2
Fiona Macaskill	-	2	-	-	-	-	-
Yvonne MacDermid	-	3	4	1	-	-	-
Kathryn Morgan [^]	-	1	4	2	-	-	-
Jane Peacock	-	4	4	2	-	-	-
Rob Sands ^{* +}	-	2	4	-	-	1	1
Sarah Whiteley	-	-	3	-	-	3	1

Notes

¹ Figures indicate number of meetings attended where applicable.

^{*} Appointed to CSA (Services Ltd) Board on 29 March 2023

[^] Stepped down from the CSA (Services) Ltd Board following March 2023 meeting.

[#] Joined Chair's Committee in August 2023

⁺ Appointed to CSA Board on 28 February 2023

Committees review

Audit and Risk Committee

Committee Chair: Craig Hinchliffe

I would like firstly to pay tribute to my predecessor Denise Crossley, from whom I succeeded as the chair of the CSA Audit and Risk Committee in the Spring. I would also like to thank CSA Chief Executive Chris Leslie and Head of Finance Peter Hayle, for their diligence and stewardship of the CSA's funds during the past year. In the Spring, the Audit and Risk Committee met to reappoint auditors and consider the risk register in detail. We also assessed the budget plans for 2023 into 2024.

I am pleased to report that at our second Audit and Risk Committee meeting in November 2023, our auditors presented a clean bill of health on the state of our accounts which have been signed off in full by the Board. It is pleasing that after the periods of deficit which had persisted through the pandemic and during a time when many firms were less focused on learning and development products, we have now entered into a more productive revenue era. A combination of prudent expenditure, rebalancing of membership fees, and sturdy growth in our services revenues have helped put the CSA into surplus, as we report in the 2023 accounts. I am delighted to report that the CSA is a healthy 'going concern' with good management and a good business plan which takes account of internal and external risks as far as is possible.

CSA (Services) Ltd

Chair: Nick Cherry

2023 has been a positive year of recovery and growth for CSA (Services) Ltd and it has been a privilege to serve as Chair of the Services Board during this period.

We have seen real growth particularly in our apprenticeship numbers – in excess of 270 learners by the end of 2023 – and I would like to thank Fiona Macaskill and her Learning & Development Team for all

their hard efforts enrolling so many new participants into our programmes and maintaining good achievement rates too through the year. Alongside providing opportunities to drive industry standards, revenues generated from the Services side of the business contribute towards keeping membership fees as low as possible, so the improvement in learner volumes is especially encouraging in that respect.

CSA Services are of course primarily designed to match the needs of CSA member firms and we are grateful to those in the collections and debt purchase sector who take advantage of the specialist expertise we are able to invest in these products. However, it is also of benefit for us to generate positive revenues from training products engaging sectors beyond our own, for example through our Trading Standards apprenticeship, because our expertise in regulatory compliance has clear relevance to other sectors too.

During the course of 2023 we explored a number of new marketing and sales routes to improving revenues and our recruitment of Dianne Moralee as sales lead for non-member firms has been a real success. I would also like to thank Head of Sales Mark Buckley and all our other colleagues including Chris Tynemouth as Interim Head of Marketing & Events while Colleen Peel has been on maternity leave for all their hard work making UKCCC such a big success in September 2023.

We are determined to build on our Ofsted 'good' rating from 2022 and my thanks to fellow Board member Jane Peacock for galvanising our scrutiny of quality and learning standards through the work of her sub-committee. We will be taking further steps to audit and check our best practices in line with Department for Education (DfE) and Education and Skills Funding Agency (ESFA) requirements in the months ahead.

Public Relations Committee

Committee Chair: Kathryn Morgan

At our committee meeting in September 2023, the Public Relations Committee considered the CSA's forward objectives and plans, which were then discussed subsequently at the full board meeting. We remain focused on encouraging consumers to engage early with their creditors and collections agencies in order to secure and maximise forbearance, signposting to advice, and obtaining the real help that is available.

Combating the myths and misconceptions about our sector is our priority, and while it remains frustrating that too often there are media reports which do not appreciate the time and care that CSA member firms put into customer assistance, we do continually strive to promote our Code of Practice and react to correct misunderstandings in the media where we can.

I am pleased that our regulatory and policy team have promoted some key policy interventions that have made a difference this year. For example, our research paper *Vulnerability: The Inconsistency Problem* received positive coverage in the specialist media and is a thoughtful response to some of the journalism exploring customer care issues we saw at the start of 2023.

Our polling of public attitudes towards collections has also revealed a more positive appreciation of the professionalism of our sector than some might have assumed, and a public understanding of the need for collections to take place as part of the credit cycle.

We look forward to further policy work on action to combat the stigma of debt and to better understand the underlying psychology of attitudes towards indebtedness.

Regulatory & Compliance Committee

Committee Chair: Joanne Cowens

We have had quite a busy year following the FCA's issuing of their portfolio letters for all financial services sectors in January 2023 and of course the implementation of the new Consumer Duty. While I am pleased that our sector has embraced the spirit of these changes there have been some detailed representations the CSA needed to make, including clarification that financial liabilities of failed creditors to provide redress was not automatically something that novates to debt purchasers. I am glad that we succeeded in achieving some clarity and that the FCA now say they have no intention of fundamentally disrupting the basis of our current well-functioning debt sale and purchase market, which of course helps play its part in ensuring credit availability can be maintained in the longer term and fairer prices for consumers.

We have considered several other regulatory responses on behalf of CSA members. For example, the big proposal to harvest account-level data from the FCA has raised serious issues about the proportionality of this approach, the costs of compliance and what this data will be used for. There was good dialogue between the CSA and the Financial Ombudsman Service in 2023 and we have made some positive progress pushing for reforms which require claims management companies to have some financial consequences because otherwise the 'win-or-lose' case fee costs can be unfairly weaponised.

We also had a 'win' with correcting the FCA's approach towards the 'economic crime levy' which was being wrongly invoiced for some debt purchasers who are outside the scope of the money laundering regulations.

If any member firms want us to pursue issues on their behalf, please do get in touch.

Standards and Quality Sub-committee

Sub-committee Chair: Jane Peacock

Following the Ofsted inspection in 2022 and our 'good' outcome, we are eager to drive further improvements in the quality and standards of our learning experiences at the CSA. The quarterly meetings of the Standards & Quality Sub-committee have been focused on the areas of additional attention we believe are required, testing the processes followed by the CSA Learning & Development team, and connecting Board oversight and governance with the delivery of skills and training support at the frontline.

We facilitate observation sessions for CSA Board members, we review the Self-Assessment Report and Quality Improvement Plan to check on actions and progress, and we have been considering matters such as tutor professional qualifications and supporting apprentice workload management.

We will continue to report back into the CSA (Services) Board and my thanks to fellow committee members for their input during 2023.

International Affairs Committee

Committee Chair: Frank Horvath

While there have been no major international policy impacts upon the UK collections and debt purchase sector in the past year, the CSA nevertheless remains a committed member of FENCA, and I am pleased that our Chief Executive remains on their Board and attended their 30th anniversary congress in September. They monitor EU-wide implementation of the NPL Directive which in turn is provoking some interesting reactions from various nation state parliaments and governments.

We have taken the time this year also to review international membership arrangements, and recognise that there are different reasons for firms located in non-UK jurisdictions to wish to maintain an association with the CSA. It has been extremely useful for the CSA to revive dialogue with other sister trade bodies in particular in the United States, where there are useful lessons and circumstances which read across to the regulatory debates that occur within the United Kingdom.

The International Affairs Committee will continue to meet as required, especially if there are questions affecting members and their ability to do business abroad.

We always welcome input from our international membership on agenda items we should be exploring further.

CSA 2023 timeline

January

CSA Learning website
New dedicated website launched to showcase the CSA's learning & development services

Launch of **CSA Consumer Duty Hub** on CSA website

Dianne Moralee appointed **CSA Business Development Manager**

March

Launch of the **CSA Consumer Duty Online Training Module**

Launch of **CSA Learning** LinkedIn page

Tim Anson appointed to CSA (Services) Board

May

Cyber Essentials Plus certification renewed

February

CSA AGM

CSA appoints board members:

Tim Anson
Tim Kirk
Rob Sands

April

First **Trading Standards apprenticeship** cohort begins

June

CSA workshop: Countdown to Consumer Duty

FCA issues portfolio letters for each sector of financial services industry

Rob Sands appointed to CSA (Services) Board

July

CSA secures clarity that the **economic crime levy should not typically apply to debt purchase**

Consumer Duty policy commences for open financial products and services

Jack McHugh appointed
Marketing Executive

Daniel Spenceley appointed
Head of Regulatory Impact

September

CSA UK Credit & Collections Conference (UKCCC) & CSA Awards held at Radisson Blu Manchester Airport

Khian Mistry joins CSA as
Research Assistant as part of a work placement

CSA launches new CLI module: Managing Compliance

November

CSA member survey: collections

Anya Taylor appointed
Learning & Development Administrator

October

Discussion paper: Vulnerability: The Inconsistency Problem

CSA member survey: Debt buyers

December

CSA member survey: End of year feedback

CSA membership



Acquisitions

Although some acquisitions and amalgamations can have a negative impact on the Association in terms of member numbers as well as a financial impact from a reduction in income from membership fees, seeing such growth in the sector is incredibly positive and underpins the importance debt collection and debt purchase have as a vital service to the UK economy.

For those members who have acquired another CSA Member, it is worth restating the requirement set out in the Declaration of Compliance which states; *“should a member acquire any other member firm of the CSA (or purchase its assets) that member agrees to notify the CSA and to pay the equivalent of nine months of the membership fee that would normally fall due for that member firm being acquired within the year following the acquisition. This will not apply where the acquisition results in a change in the membership fee to a higher fee band.”*

It is also necessary for those members who have acquired another CSA Member to move across to a group membership subscription. This does not affect the benefits of membership each member within the group is entitled to, however, it does create fairness to the voting system at our AGM, with the ‘master’ member having one vote which represents all those within their group.

New members

1 January 2023 - 31 December 2023

For Association membership, 2023 was another year of acquisitions, amalgamations and growth for a number of our members. We also welcomed 17 new members into the Association, and I would like to extend a warm welcome to those new members who joined us in 2023.

- Acquired Limited (Supplier Member)
- Collection House Ltd (Full Member)
- Computershare Communications Services (Supplier Member)
- DebtCo UK Solutions Ltd (Full Member)
- Everchain UK (Affiliate Member)
- Experian Ltd (Supplier Member)
- Glabs Digital Service t/a Financial Cloud (Supplier Member)
- Forecourt Eye Ltd (Full Member)
- Fulmar Services Ltd (Foundation Member)
- Hastings Financial Services Ltd (Affiliate Member)
- JCML Collections Ltd (Full Member)
- Nutun Business Services (International Member)
- Stanford & Green Ltd (Affiliate Member)
- TieTa UK Limited (Affiliate Member)
- United Kash Ltd (Full Member)
- Verify Ltd (Foundation Member)
- Webio Ltd (Supplier Member)

Lapsed members

1 January 2023 - 31 December 2023

As we welcomed 17 new members into the Association, 16 companies either ended their collections activities or decided to lapse their membership:

- akinika Debt Recovery Ltd (Full Member)
- Anderson Strachan Ltd (Full Member)
- A.P Credit Services (Full Member)
- Balbec Capital LP (Intermediary Member)
- Brodies LLP (Affiliate Member)
- Camelot Credit Solutions Ltd (Full Member)
- Daniels Silverman Ltd (Full Member)
- ExpertSource Global Services Pvt. Ltd (International Member)
- Face2Face Contact Ltd (Full Member)
- Jura Incasso C.V. (International Member)
- Lackfords Group Ltd t/a West Country Bailiffs (Full Member)
- Revenue Services Ltd (Full Member)
- Rhino Credit Control (Foundation Member)
- TieTa UK Limited (Affiliate Member)
- The Debt Recovery Bureau LLP (Full Member)
- West View House (UK) Ltd t/a Arkline (Full Member)

Data Gathering Initiative (DGI)

We remain firmly of the view that for any trade association to operate and lobby effectively we must have a real-time understanding of what is happening in our market, an awareness of trends and changes across our membership, and an appreciation of the business pressures members face. We can only do this by gathering accurate data from member firms, but the process requires member firms to respond in a timely, full and accurate way. Thank you to those members who have submitted consistent and accurate data through the DGI annual questionnaire which is linked to membership renewal.

There remains a large number of members who have failed to submit data or submit consistently, which is disappointing. In future we will continue with annual data requests at renewal, but we will be introducing reciprocal arrangements to incentivise data returns. Where a member does not submit data or data appears to be inaccurate, until the data is submitted or rectified, the member will not have access to our analysis of the aggregated data. We believe that member firms ought to value the analysis of the whole sector, on a benchmarking and intelligence basis, and so those firms who cooperate and help by providing us data will have the advantage of that wider sector view. Data collected by the CSA is of course held securely, not shared and only discussed in aggregate on a sectoral basis in the final analysis.

“..for any trade association to operate and lobby effectively we must have a real-time understanding of what is happening in our market, an awareness of trends and changes across our membership, and an appreciation of the business pressures members face.”

Consumer collections – full sector estimate

Again with thanks to those members who have accurately and consistently submitted data through the DGI annual questionnaire, we are able to use our DGI returns and other publicly available data to estimate the amount of consumer payments collected across the sector as a whole. Alongside our DGI estimate of total consumer debt held by the sector, this would suggest that each year typically between 10% and 15% of debts held are collected.

Trend on consumer collection

From the reliable data from limited returns from 2021/22 annual submissions and comparing with equivalent numbers from 2022/23 returns we can establish from the firm-by-firm reports we receive that the overall picture on collections rates has remained very stable despite the post-pandemic and cost-of-living inflationary pressures evident in the past two years.

Stakeholder engagement

We continued to strengthen our relationships with stakeholders throughout 2023, including: quarterly meetings with the FCA which allow both CSA and FCA to share insights and discuss matters of concern; Financial Ombudsman Service (FOS) Consumer Credit Trade Body Forum which are a platform for TAs to discuss common areas of interest with the Ombudsman; Input into the government’s Fairness Group, discussing debt collection in the public sector; HM Treasury and Insolvency Service; representation at SCOR and MALG bi-weekly meetings which are useful to understand the thinking of the advice sector and any impact on members.

Complaints

	2019	2020	2021	2022	2023
Number of complaints	892	454	449	685	624
Formal complaints	222	110	116	157	105
Non-formal complaints	670	344	333	528	519
Number of complaints upheld	92	36	35	50	11*
Number of complaints rejected	130	74	91	107	44

**Remaining still under investigation*

There has been a significant decrease in the number of formal complaints lodged through the CSA in 2023, yet the number of complaint-related enquiries that do not lead to a formal complaint has remained more or less the same. We will continue to monitor trends in this area closely during 2024.

Trends in 2023

Last year (2022) saw an increase in general contact and complaints relating to energy accounts – 24% of formal complaints lodged related to energy accounts. Given the current environment we had expected this percentage to increase, and our records show that 31% of complaints lodged for 2023 related to energy accounts.

Among the remaining complaints the next biggest share is for parking accounts – amounting to 11%, and accounts taken out under consumer credit – amounting to 7% of formally lodged complaints.

Regulation Roundtable Insights

We held six in-person Regulation Roundtables throughout 2023, three in the first half of the year and three towards the end of the year. The Regulation Roundtables are held in Glasgow, London and Manchester, and provide an opportunity for CSA Members to discuss wide-ranging compliance issues, whether it's a particular challenge a single firm is facing or a major compliance change affecting the entire sector. Attendees are able to exchange best practice, share possible solutions to key issues, and discuss how the CSA can help, all while building relationships with their peers.

The 2023 Roundtables touched on a diverse array of topics including the implementation of Consumer Duty; identifying and supporting vulnerable customers; financial crime and the economic crime levy; challenges with template letters and rogue third parties; FCA data requests including its most recent consultation on expanding regulatory reporting; and use of field agents. A snapshot of these discussions is compiled for members in the CSA Insights publication which is released twice a year and is available in the Member Zone of the CSA website.

Regulation Roundtables will continue in 2024 with dates to be released in due course.

Claire Aynsley
CSA Head of Membership
and Compliance



Member specific learning

Throughout 2023 CSA's Learning and Development team has been working closely with the Membership and Compliance team to further develop and expand the digital learning content. The most popular module was the 'Introduction to Consumer Duty', with almost 500 licenses being issued to members. We are building on the fantastic feedback on both the content and the accessibility of the learning material to roll out additional modules in 2024. We will continue to grow our library of digital learning through 2024.

In our discussions with members we have gain insight into the industry's commitment to high quality people services including learning and development. There is so much innovation and best practice in our sector which often goes unrecognised. In 2024 we intend to raise the volume of the conversation about People Services and Learning and Development within our membership. We will be developing opportunities to share best practice and we will discuss how CSA can create resources and content which will add value to members and complement the work of in-house teams. Our intent is to raise the profile of members commitment to people development to regulators and other stakeholders.

Collector Accreditation Initiative (CAI)

We have seen a steady increase in engagement with CAI, with the numbers of individuals taking the test getting close to pre-pandemic levels during 2023. This positive result is also a reflection of the move to having our regulatory compliance team ensure that the question bank is regularly under review and closely reflects our members' needs. Going forward we are implementing improvement plans designed to keep CAI as a top priority for members and allow them to annually benchmark their staff's knowledge and skills.

Performance

During 2023, along with continuing to deliver our core apprenticeships, we also successfully launched our Level 6 Trading Standards Apprenticeship. By December 2023 we had a total of 279 apprentices on board across all the standards we offer with a projection of 300 apprentices by the end of the 2024 financial year.

Our future plans include the launch of the new Governance Officer apprenticeship. We will also be bringing forward proposals to future-proof our learning and development business through the expansion of our commercial training. This will include bespoke and tailored training for members and non-members using our extensive library of learning content and highly rated tutor team.

The Learning and Development team

This year we have been able to welcome two new members to the learning and development team. For the first time we now have a dedicated Business Development Manager, Dianne Moralee. Dianne started with us in January 2023 and has already had a huge impact on revenue generation dealing with non-members for the CSA. We have also welcomed Anya Taylor as Learning and Development Administrator ensuring we are equipped to provide great service to all of our members, employers and learners.

Governance

The CSA Services Board continues to provide governance to CSA Learning with particular focus on the government funded apprenticeship training. Board members have actively focused on the quality of our provision through their involvement in the quality and standards committee. This has included observation of tutors at work and contribution to the annual Self-Assessment Report. As the department embarks on expanding our member-specific and commercial training, their role in ensuring we maintain quality throughout will continue by providing objective oversight of content and delivery. The CSA want to thank the Services board for all their support during 2023.

Strategic partnerships

CSA Learning has continued to identify new partners as well as continuing to build on our established relationships. Most recently as we worked on the new Governance Officer apprenticeship, we established links with the Chartered Governance Institute on which we will be building in 2024 on both content and promotion of the apprenticeship. We are exploring some new opportunities to develop links with specialist organisations who will help CSA Learning and Development to add real value to members.

Future-proofing learning and development

Artificial Intelligence (AI) is a hot topic for the sector. What seems like an explosion in this technology during 2023, has impacted hugely on Learning and Development and education. Regulators in education and training have still to truly catch up on providing guidance and regulation around AI. However, there is no doubt it will impact on the design, development and delivery of learning. Over the coming 12 months we will be continuing to research and track developments in this area to ensure that we continue to bring high quality and credible learning and development services to members.

CSA Apprentices in the UK

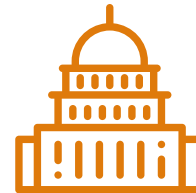
As of December 2023:



Delivering to
279
Apprentices



Working with
128
employers



Including
67
Local
Authorities



64%
CSA
apprenticeship
achievement rate*

**2021/2022 rate published by the Department of Education. National Average was 51%.*

Fiona Macaskill
CSA Director of
Learning & Development



⊙ Collector Accreditation Initiative



collector accreditation initiative

The Collector Accreditation Initiative (CAI) is an affordable, online test that annually benchmarks an individual collector's knowledge and compliance against the high standards our industry demands.

The CAI also provides a key indication of a company's commitment to continuous development and delivering consistently high levels of customer service. Industry compliance and business cultures have changed over the past few years, and therefore the CSA continues to invest in the development of the CAI platform and its question bank.

CAI Results: Year ended 31 December 2023

✓ Collectors who passed:	2,388
🏆 Number of CSA member companies accredited:	62

2023 was another busy year for the Sales department covering the different areas of the CSA from dealing with Learning and Development/Apprenticeship enquiries, new membership enquiries and membership engagement, to working on CSA events across the year.

The main focus has been on engaging with our members through carrying out visits to enhance our awareness and understanding of what our members do, what they want from their membership and how we can best represent the broad spectrum of companies we have within the membership.

Apprenticeships are still a strong focus though we have changed how we manage them, with a new sales role being brought in to the Learning and Development team to concentrate on all non-member enquiries, with all member-related enquiries being dealt with by me.

The number of apprenticeship enquiries increased compared to last year, with the membership providing a growing proportion of apprentices out of the overall number. We have seen larger numbers of learners on our cohorts compared to last year and we are looking at several closed cohorts in the first half of 2024. The expected launch in Spring 2024 of the newly-revised Level 3 Advanced Credit Control & Specialist Debt Collection apprenticeship will bring another training option to our members that has been unavailable for the last 12 months.

Membership enquiries are still coming through covering all membership types and all sizes of companies, which shows the enduring interest in the Association.

This year's UKCCC was again held at the Radisson Blu Hotel at Manchester Airport and saw an increase in the number of delegates, exhibitors and sponsors against 2022, which represented the second consecutive year of increases. We received very positive and complimentary feedback from delegates as covered elsewhere in this report.

In 2024 we will continue to focus on member engagement, assessment of our training portfolio to reflect members' requirements, apprenticeships, the updated version of CAI, the CLI e-Learning modules, bespoke training options, and working towards the UKCCC in September. This is alongside regular events including the Regulation Roundtables

At the end of December, we've had 17 companies (2022: 21) signed up with a further 14 currently in active discussions to become members.

These companies represent new DCAs in our Foundation category, more established DCAs in our Full Member category as well as companies that fall into Affiliate, International and Supplier. I am confident that this will continue in to 2024 and ensure that our member company numbers are maintained across the year.

Mark Buckley
CSA Head of Sales



Throughout 2023 the CSA compliance and policy team responded to a number of consultation papers.

As the voice of the collections and purchase industry, the CSA works extremely hard to communicate member views to key stakeholders, including regulatory bodies and government, with the aim of making legislation and regulation less burdensome and more proportionate for members, and enhancing awareness of the work that members do. Thank you to all members who contacted the CSA to contribute towards our responses.

2023 responses

[FCA: CP23/20: Diversity and inclusion in the financial sector](#)

- Consultation paper (September 2023)
- CSA response (December 2023)

The FCA's consultation paper, 'CP23/20: Diversity and inclusion in the financial sector', proposed new reporting requirements relating to diversity and inclusion. The CSA response highlighted several member concerns, including the timing of the proposals alongside other significant proposed changes to reporting requirements, the scope of the data firms are required to obtain from staff, and the inevitable cost and resource implications of the proposals.

[FCA: CP23/21: Product Sales Data Reporting: Consumer Credit](#)

- Consultation paper (September 2023)
- CSA response (November 2023)

The proposals in this paper could have serious ramifications for CSA debt purchase members, with the FCA proposing to significantly expand the reporting requirements for firms with lending-related permissions. In addition to meeting with the FCA's reporting team to discuss our concerns, we liaised with other financial services trade bodies and engaged with CSA members in developing a robust response to the consultation. We used our response to challenge the overarching premise, which we consider to be excessive and disproportionate, but we also used the response to call for specific revisions to the FCA's proposals, assuming the FCA proceeds with expanding reporting requirements in one way or another. In particular, we recommended that the FCA alter the measure being used to determine which firms are within scope, that it ensure data fields are suitable for the debt purchase sector, and that it extend the proposed implementation timeframe.

[Department for Levelling Up, Housing and Communities: Private parking charges and debt recovery fees](#)

- Call for evidence (July 2023)
- CSA response (October 2023)

The Department for Levelling Up, Housing and Communities (DLUHC) published a consultation proposing changes to the private parking sector. Of particular concern to CSA members were proposals to reduce or remove recovery costs for private parking debts. The CSA's response sets out concerns about the data on which DLUHC is relying for many of its proposals and conclusions, as well as highlighting the implications the proposals would potentially have on both sectors.

[HMT: Ban on cold calling for consumer financial services and products](#)

- Consultation paper (August 2023)
- CSA response (September 2023)

The CSA has written to HM Treasury (HMT) in response to its recent consultation on banning cold calling consumers in relation to the marketing of financial services or products. The consultation did note that the ban is limited to marketing calls with consumers and does not extend to legitimate non-marketing contact. Nevertheless, in the interest of ensuring that HMT does not reconsider the scope, we wrote to them to remind them of the importance of legitimate non-marketing contact.

[SRA: Protecting consumers from excessive charges in financial service claims](#)

- Consultation paper (March 2023)
- CSA response (July 2023)

The CSA submitted a response to the Solicitors Regulation Authority's (SRA) consultation on capping fees in relation to claims management activities by firms regulated by the SRA. The CSA has discussed this topic in the recent past with other financial services trade bodies, and as part of those discussions, it became apparent that we shared concerns about the differences in FCA and SRA regulation of claims management activities. In the interest of simplicity and consistency of message, the CSA's response to the SRA expressed support for the detailed consultation response compiled by the Finance & Leasing Association (FLA) and encouraged the SRA to align its regulation more closely with the FCA's regulation of claims management activities.

[FCA: CP23/13: Strengthening protections for borrowers in financial difficulty: consumer credit and mortgages](#)

- Consultation paper (May 2023)
- CSA response (July 2023)

In responding to this consultation, we highlighted our sector's long-held commitment to providing tailored support to customers. We were concerned that some of the FCA's proposals risked moving away from a case-by-case approach to understanding customer circumstances and could push firms towards unnecessarily excessive information gathering and, ultimately, poor customer journeys. We also pushed back on proposals which could be seen as undermining creditors' contractual rights, with the FCA proposing obligations on firms to waive, suspend, cancel or reduce interest and charges. The FCA is yet to publish a policy statement on these proposals, but this is expected at some point in Q1 2024.

[FCA: CP23/7: Regulatory fees and levies: rates proposals for 2023/24](#)

- Consultation paper (April 2023)
- CSA response (May 2023)

The CSA responded to the FCA's 2023/24 fee and levy rates consultation. In addition to expressing frustration at the ever-increasing cost of regulation, particularly in terms of levies, the CSA has also used the response to reiterate concerns about the collection of the economic crime levy. These concerns have been fed directly to the FCA as part of on-going efforts to resolve the issue but, as the consultation also touches on the collection of the economic crime levy, the CSA felt it was appropriate to highlight those concerns.

FOS: Reporting on business-specific complaints data

- Consultation paper (March 2023)
- CSA response (March 2023)

The CSA responded to the Financial Ombudsman Service's (FOS) two-week consultation on proposals to make changes to the reporting of complaints. The FOS has proposed creating a new category within its business-specific complaints data to record any complaint that is proactively resolved by a "fair and reasonable offer put forward by a business" within 14 days of the FOS requesting the business' complaint file. Such complaints would not contribute to a business' overall upheld rate and would instead be reported as 'proactively settled'.

HMT: Reform of the Consumer Credit Act

- Consultation paper (December 2022)
- CSA response (March 2023)

In March 2023, we responded to HM Treasury's consultation on reform of the Consumer Credit Act, criticising the absence of detail in the government's proposal for reform. We once again encouraged government to focus its attention on key areas in desperate need of reform, including the not-very-consumer-friendly statutory notices and the conflict they now create with firms' Consumer Duty requirements, and the sanctions regime, which sees firms financially penalised for the most trivial non-compliance. To date, progress on reform remains slow and we continue to await further action by the government.

FCA: Credit Information Market Study

- Interim report/discussion paper (November 2022)
- CSA response (February 2023)

The CSA issued a response to the FCA's Credit Information Market Study which looks at remedies aimed at addressing concerns identified by the FCA in the market

2023 has seen a small amount of staff turnover. Former CSA Head of Policy, Henry Aitchison, left the Association in November 2023, following nearly five years in the role. We thank Henry for his time with the Association and wish him the very best in his future career.

We are delighted to announce that Daniel Spenceley moved into the Head of Policy role from 1 January 2024, from his previous position of Head of Regulatory Impact.

Dianne Moralee (Business Development Manager - L&D) was appointed into a permanent role in June 2023, and continues to concentrate on developing new opportunities with non-members within the apprenticeship and learning and development space

In order to support the increased activity in L&D, Anya Taylor was appointed as an administrator in November 2023. Anya's role is to assist the Senior L&D Consultant, Zoe Dellow, and Apprenticeships Coordinator, Arran Hope, by supporting apprenticeship enrolments, invoicing, organising cohorts and administration of general L&D products and services.

Despite substantial growth, administrative resources have been carefully managed and the department is only just now reaching its pre-Covid levels of administrative support. We continue to work with a growing pool of Associate tutors to deliver the technical expertise required for our apprenticeship standards.

July 2023 saw the promotion of Chris Tynemouth from Marketing Manager to Senior Marketing Manager. Chris is also now acting as Interim Head of Marketing & Events while Colleen Peel is on maternity leave. The Marketing & Events department has been strengthened in the meantime by Marketing Executive, Jack McHugh, who is with us on a fixed-term maternity cover contract.

Finally, we have been pleased to offer a work placement opportunity to Economics Student, Khian Mistry. Khian joined us in September 2023 as a Work Placement Research Assistant and he will be working with the CSA as part of a university placement until April 2024. His key responsibilities are to assist on collating data and analysis, and to help source relevant information to assist with weekly updates to members.

The Board has also recommended that Independent Chair, Tom Chandos, be reappointed for a further one-year term and the membership will be asked to ratify this appointment at the AGM in February 2024.

Ashleigh Johnson
CSA Head of
Internal Operations



This year has been dominated by the implementation of the Consumer Duty. We have been engaged with members and the FCA to understand, and try to influence, how the duty applies to members. We will continue to be engaged with this into 2024 with the pending application of the Consumer Duty to closed books and supporting members with the annual report making sure that they understand how to ensure ongoing compliance.

As part of this work we have been looking at the impact of the Consumer Duty on due diligence in relation to debt purchase. For the year-end we have produced an updated working draft of the CSA due diligence process document. Early in 2024 we will be working closely with our purchaser members to produce a document that is intended to work for both smaller and larger member firms. We are also hoping that the document may prove to be a useful basis for discussions with the FCA and sellers or their trade associations, but will need to see the format of the final document.

We encountered some frustration in the second quarter with the introduction of the economic crime levy. When the levy was first proposed we had pre-emptively engaged with both the FCA and the Treasury to make clear why it should not apply to our members. The very basic legal position was that neither debt purchase nor debt collection activities were subject to the Money Laundering regulations. At the time of the proposals we could not get any definitive response from the FCA and so went direct to Treasury who confirmed that *“firms solely operating in the debt purchase sector are not within scope of the Money Laundering Regulations. Firms which carry out other activities which fall within scope of the Regulations alongside their debt purchase activity must still register with the appropriate supervisor for AML supervision.”* Unfortunately the FCA did not accept this from Treasury and went down a route of trying to align liability to pay the levy to FCA permissions and regulated activities. This was at odds with the Money Laundering regulations themselves.

Sense prevailed but in practice some members ended up paying the levy and

obtaining a refund later. The intransigence on this by certain parts of the FCA was very disappointing. We were supported by our own trade association contact in the FCA in these discussions which we appreciated.

There is constant change in Money Laundering regulation so we will need to be vigilant to avoid any scope creep that could result in our purchase members being treated as ‘lenders’ or carrying out ‘lending’ in the future. We are aware that there are moves in the EU context to include “certified debt collectors” within the scope of the proposed anti-money laundering regulation (2021/0239 (COD)). Our European trade association FENCA is lobbying against this inclusion. EU member states seem to have different approaches to whether purchasers are subject to anti-money laundering regulations but the proposal by the EU Parliament to include debt collection is, we believe, new.

There has been little movement on the proposed CCA reform but we understand that Treasury is expected to publish a detailed consultation document and will be seeking views on “an array of policy issues” (FCA regulatory grid Nov 23) in H2 2024. This will, of course, be a key focus for CSA.

As we reported last year, the Directive on credit servicers and credit purchasers (the NPL Directive) was agreed and published at the end of December 2021 and member states were required to adopt measures implementing the Directive by 29 December 2023 and to apply those measures from 30 December 2023. The member states are all at differing stages of implementation and we have been following this. We hope to be able to share a document setting out how this is being implemented by the various member states early in 2024. FENCA is asking its members to populate a document with the position in their member states which should be a useful resource for any member firms carrying out business in Europe.



Angela McClean
CSA General Counsel

2023 saw the continuation of the regular CSA Virtual Members' Meetings (VMMs), a series of free online meetings exclusively available to CSA Members where the latest industry news and developments, alongside updates from the Association, are covered and discussed. Nine VMMs were held in 2023, with their ongoing popularity reflected in total registrations increasing by 30% over the previous year.

Following feedback from members, the CSA Regulation Roundtable schedule for 2023 returned fully to a face-to-face format for the first time since 2019, with meetings being held in Glasgow, London and Manchester. In addition to the value attained by those attending the events, the wider membership also received a summary document following each set of meetings covering the areas discussed. CSA Insights No.12 and 13 were published last year and they can be found within the event and webinar materials section of the CSA website.

In June the CSA hosted an online Consumer Duty workshop, with the agenda covering areas such as how the Duty would change the work of the industry, investigating complaints and enforcing the Duty and culture and governance.

Throughout 2023, 11 CSA Supplier Member Webinars were held where CSA Supplier Members had the opportunity to deliver a short session on a topic within their area of expertise. These free events offer CSA Members an additional series of free events covering a diverse range of subject areas. In 2023 the CSA reviewed these webinars and moved to a new hosting platform, offering improved features and an easier registration process. All CSA Supplier Member Webinars are also made available on-demand, and can be found on the CSA website.

In September 2023 the CSA's flagship UK Credit & Collections Conference (UKCCC) and CSA Awards returned to the Radisson Manchester Airport. For the second consecutive year we saw an increase in delegate numbers for both the conference and the awards, and post-event feedback

from delegates, sponsors and exhibitors was excellent.

Keynote presentations from The Telegraph's economics editor, Szu Ping Chan, and the FCA's Jonathan Phelan was followed by four specialist breakout streams each dedicated to a key industry theme, with the programme concluding with a European update and a session on mental health from presenter and former New Zealand international rugby player Robbie Hunter-Paul.

“For the second consecutive year we saw an increase in delegate numbers for both the conference and the awards”

The CSA Awards again provided a platform to celebrate the achievements and commitment of members firms, and the opportunity to present Denise Crossley and John Ricketts with CSA Honorary Memberships for their valuable contribution and service to the Association.

In December 2023 the UKCCC and CSA Awards were shortlisted for Event of the Year (under 500 attendees) at the Trade Association Awards 2024 - at the time of writing the winner has yet to be announced.

Email remains the main outlet for all Association communications to members. A communications plan is in place to ensure that the CSA shares a balanced mix of content to members, who have full control of what kind of emails they wish to receive via the email preferences tool available at the bottom of emails or through signing in to their online accounts.

In early 2023 the CSA launched a new standalone website, CSA Learning, focused specifically on the promotion of the training products offered by the CSA, and to showcase the dedication of the industry to attaining and maintaining the highest of standards. The website enables the Association to provide to information to visitors about the established CAI programme, the ever-growing portfolio

of apprenticeship standards offered by the CSA, the CLI series of modular online training courses and the Consumer Duty online training module that was launched in March 2023.

In January 2023 a dedicated Consumer Duty Hub went live within the Member Zone of the CSA website to help members understand the Duty as it relates to debt collection and debt purchase.

LinkedIn remains the main social media platform utilised by the CSA, with the Association's main account currently having just under 5,000 followers. In early 2023 a new page was launched to allow the CSA's learning and training products and services to have a dedicated presence on LinkedIn. LinkedIn also provides the Association with a platform to participate say in events such as Debt Awareness Week and National Apprenticeship Week.

The CSA's YouTube channel, the central location for all of the Association's video content, saw an 11% increase in total views in 2023 compared to 2022, equating to a 47% increase in watch time (hours).

Throughout 2023 the CSA continued to produce press releases, blogs, news pieces and reports in-house. This output is distributed through a mix of utilizing the CSA's own channels (website, email and social media) as well as via publications like Credit Connect, Credit Strategy and T-CNews. Our media output continues to aim to promote the Association's services and the work of our members, as well as reinforcing the message of the CSA's #heretohelp campaign.

The 2023 CSA membership end of year survey found that 63% of respondents stated that they 'regularly' access CSA materials and/or events - and in 2024 we aim to increase this number through raising awareness of the range of benefits available as part of CSA membership.

In August 2023 CSA Head of Marketing and Events Colleen Peel commenced maternity leave, and Jack M'Hugh joined the department as Marketing Executive.

Chris Tynemouth
Interim Head of
Marketing & Events





UK Credit and Collections Conference & CSA Awards

The CSA's UK Credit & Collections Conference (UKCCC) is the leading annual event for the collections and debt purchase sector. Open to CSA Members and non-members, it brings together professionals from across the industry to discuss issues faced by firms, their customers and stakeholders.

“The UKCCC has established itself as a flagship event for the debt recovery and collections sector that continues to grow in influence with a unique range of speakers.” - *Attendee testimonial*

Attendees

The UKCCC's growing popularity was reflected in the 219 attendees present for the conference, with 173 attending the Gala Dinner & Awards - the **second consecutive year of an increase in attendance**.

Programme/speakers

The 2023 programme provided a wide range of topics, with plenary sessions complimented by specialist breakouts focusing on specific business-critical areas.

“The heart of any conference lies in its presentations, and the UKCCC did not disappoint. The speakers were industry experts who provided valuable insight into the current financial landscape with a particular focus on Consumer Duty.” - Attendee testimonial



4.5 STARS

Overall UKCCC 2023 rating



4.4 STARS

Speaker rating

Source: post-event survey of attendees



CSA end of year member survey

The CSA's end of year member survey is an anonymous survey regarding how we've performed as your trade association and what your priorities are for the year ahead.



83%

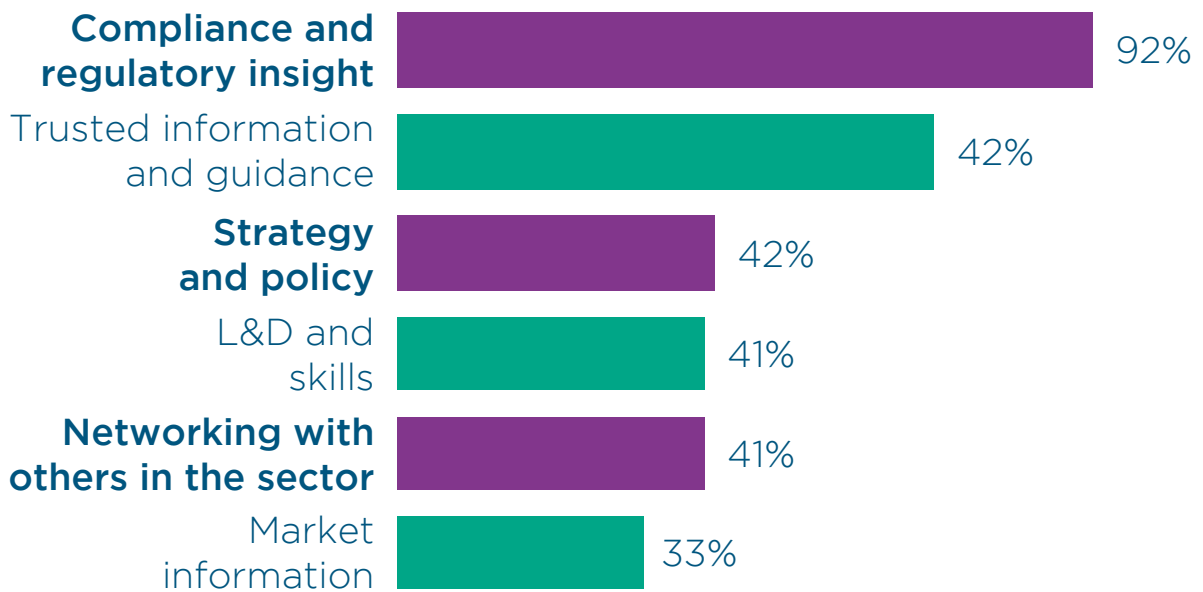
rated the services provided by the CSA as **Excellent** or **Good**.



91%

access CSA materials or events **Regularly** or **Occasionally**.

What do you find the CSA most useful for?



* Respondents could select more than one answer



92%

'definitely would' recommend CSA membership to a non-member firm.

What are the top two reasons your company is a member of the CSA? **Reponses included:**



Collaboration with others to understand changes in our sector.



Access valuable resources (e.g. code of conduct).



To help be a part of shaping best Code of Practice in the industry.



Being part of a trade body to give comfort to our clients.



Having industry representation dealing with government bodies and regulators and to put concerns and issues to them.



Benchmarking and industry practice across the sector.



Security in being part of an official organisation that is up to date with new procedures and regulatory changes etc.

Looking to 2024, what topics would you find it most useful for the CSA to focus on? **Reponses included:**



Regulatory changes

Navigating Vulnerability

Networking Opportunities

Compliance Developments

Cost of Collections

Consumer Duty

Finance report

As your Association we aim to generate a surplus each year to maintain financial strength, while looking to control costs and increase sources of income outside pure membership fees. So, it was pleasing to see us return to profitability this year with a pre-tax surplus of £34k for the year ended June 2023, compared to a deficit of £98k the year before. Also, we have maintained that positive progress into the current financial year as we look to rebuild our reserves which were depleted with the impact of Covid. We continue to have confidence in our business model of a vibrant membership organisation supported by an active training arm.

Membership income

Membership income is our most important source of income and key to us being able to provide the range of services that support our members. Revenue rose year-on-year in line with the percentage increase approved by the board and we have also seen a high level of renewals into membership year 2023/24.

Conferences and events

The events that we put on every year continue to be well supported. In particular our annual conference where we have seen attendances grow each year since the event was cancelled in 2020 due to Covid. The conference included in the results here was held in September 2022 when we saw particularly strong support from sponsors and exhibitors, as well as our members. The conference for 2023, as covered elsewhere in this report, saw continued growth in delegates and the results will be included in the numbers for the year ending June 2024.

Learning and Development

Learning & Development comprises our apprenticeship program, our online training products – the Collector Accreditation Initiative (CAI) and Collections Learning Initiative (CLI), and also bespoke training.

Our apprenticeship income increased and we saw growth across most of those that we offer and that has continued into the current year. The apprenticeships that we offer are specifically in line with the objectives of the Association and promote a positive image of the industry for Members and those who come into contact with them. With regards to the apprenticeship levy it is worth noting that any unutilised levy payments are simply lost and in effect become another payroll tax, so we would urge Members, even those who are not levy payers (who only have to pay 5% anyway), to review the courses offered by the Association to ensure they make cost effective use of the training that is available.

We have a flexible and scalable model with our tutors and are able to respond quickly to changes such as the move to online teaching, but we have added some back office resource in terms of our quality, compliance and project management capability.

The CAI remains an important resource for members as it provides independent verification of learning and knowledge of your teams. We have invested in a new platform and overhauled the question bank in collaboration with members make it more user friendly, improve the reporting of results and expand the range of questions which we believe will further increase take up.

Staff and promotional costs

Our people-related costs remain by far our largest expense and the increase reflects a pay increase (though below the rate of inflation). A number of services such as data collection and PR have been brought wholly in-house which has also seen a reduction in those costs compared to prior year. We continue to scrutinise all staff-related costs very closely.

Establishment and overhead costs

Cost control remains a key focus for all staff but we have seen an increase in travel and board costs as we returned to more face-to-face meetings as we look for greater engagement with members and attendance at events, and move from a pure online model. We also benefited from a one-off refund of rates which was a delayed credit arising from Covid.

Professional and bank charges

Accountancy charges reflect work done by our external auditors Robson Laidler who continue to support us on payroll and tax computations. I can also confirm that we have received clean audit opinions on our Annual accounts for the year to June 2023.

Balance sheet

We had a substantial cash balance of £247k at the year end. Our self-billing model means many members trigger renewal invoices shortly before the year end, and with many paying fees promptly this helps support the balance sheet; for these, in addition to those fee invoices which increase trade debtors, there is a corresponding offset within deferred income and accruals. The reduction against prior year reflects some larger members paying in July rather than in June. Note prepayments includes amounts in respect of apprenticeships where teaching has been completed but we have yet to receive funding from ESFA. As we grow our L&D business, so this balance will increase.

The Intangible asset represents the internal cost of producing the Collector Learning Initiative online modules which has been capitalised.

We will be looking to increase the strength of our reserves over coming years by continuing to generate modest profits as we saw this year and year to date trading is also positive in this respect.

Other Information

Note I am happy to report that we received a clean opinion from our external auditors, Robson Laidler, and while these numbers represent a consolidated position, copies of the statutory accounts are available on request.

Peter Hayle
CSA Director of
Finance & Operations





Consolidated income statement for the year ended 30 June 2023

	2023 £	2023 £	2023 £	2022 £	2022 £	2022 £
Income						
Annual subscriptions		996,934			925,265	
Conference and events		145,835			99,822	
Learning and development		1,024,426			957,218	
Other income		20,903	2,188,098		19,360	2,001,665
Less: cost of sales			792,884			756,824
Gross surplus			1,395,214			1,244,841
Staff and promotional costs						
Salaries	988,907			920,809		
Social security	94,123			100,774		
Pension	22,120			26,019		
PR, marketing & advertising	22,194			60,225		
Training	3,911	1,131,255		2,904	1,110,731	
Establishment and overhead costs						
Computer	24,410			25,937		
CSA Board, meetings and travel	18,879			12,793		
Insurance	14,440			13,361		
Irrecoverable VAT	37,609			32,009		
Maintenance, leases and equipment	8,898			5,536		
Miscellaneous	12,546			13,806		
Printing, stationery and postage	2,090			2,187		
Rent and utilities	43,206			58,236		
Subscriptions	18,859			18,755		
Telephone and helpline	16,561	197,498		12,821	195,441	
Professional charges						
Audit fees	8,275			8,085		
Accountancy fees	2,511			1,362		
Legal and professional	12,425	23,211	1,351,964	14,887	24,334	1,330,506
Operating Profit/(Deficit)			43,250			(85,665)
Bank interest receivable			1,820			112
Depreciation			(11,551)			(12,590)
Profit/(Deficit) on ordinary activities before taxation			33,519			(98,143)
Corporation tax			(6,615)			(4,274)
Profit/(Deficit) after taxation			26,904			(102,417)
Reserves brought forward			60,568			162,985
Reserves carried forward			87,472			60,568



Consolidated balance sheet at 30 June 2023

	2023 £	2023 £	2023 £	2022 £	2022 £	2022 £
Fixed assets						
Intangible assets			18,673			19,759
Tangible assets						
Fixtures & fittings	6,097			8,477		
Computer equipment	5,276			7,113		
		11,373			15,590	
			30,046			35,349
Current assets						
Trade debtors	390,173			366,909		
Other debtors/prepayments	265,721			227,775		
Cash at bank	247,209			363,103		
		903,103			957,787	
Current liabilities						
Trade creditors	(99,173)			(78,881)		
Other creditors	(5,838)			(4,985)		
Accruals	(50,307)			(13,596)		
HMRC creditor	(36,657)			(32,623)		
Deferred income	(653,400)			(802,464)		
Corporation tax	(302)			(19)		
		(845,677)			(932,568)	
Current assets less current liabilities			57,426			25,219
Total assets less current liabilities			87,472			60,568
Capital & reserves						
Retained earnings			87,472			60,568



Policies, reports and points of interest

CSA reports

(previous reports available at www.csa-uk.com/csa-reports)

Vulnerability: The inconsistency problem

This discussion paper takes stock of the changing landscape of vulnerability policies pursued by different organisations and sectors across the UK.

HM Treasury's Women in Finance Charter

The HM Treasury's Women in Finance Charter (the Charter) is a commitment by signatory firms to work together to build a more balanced and fair financial services industry. Credit Services Association supports this initiative and became a signatory to the Charter in December 2019 and our name was added to the list of Charter signatories on gov.uk in June 2020.

We recognise that a balanced workforce is good for our activities as a trade body and very important for our activities as a training provider. We also strive to encourage an inclusive culture for all our staff.

Some of CSA's members already subscribe to the Charter and by doing so in our own name as an Association we aim to promote gender diversity in the financial services sector that we serve.

The CSA's Women in Finance Statement including targets, can be found here:

www.csa-uk.com/women-finance-charter

Voluntary statement on slavery and human trafficking

Modern slavery is a crime and a violation of fundamental human rights. It takes various forms, such as slavery, servitude, forced and compulsory labour and human trafficking, all of which have in common the deprivation of a person's liberty by another in order to exploit them for personal or commercial gain.

The Credit Services Association is making a voluntary statement on modern slavery and human trafficking relating to section 54 of the Modern Slavery Act 2015. The CSA's voluntary statement on slavery and human trafficking can be viewed here:

www.csa-uk.com/human-trafficking

Safeguarding & Prevent Duty Policy

The CSA is an equal opportunities employer and is committed to ensuring the safety and wellbeing of its people and learners. We are committed to promoting open debate and free expression within our learning environments, while recognising the need to challenge prejudice, eliminate discrimination and prevent radicalisation. We aim to develop our learners, and our people, to be effective citizens in a democratic society. The CSA's Safeguarding & Prevent Policy can be found here.

www.csa-uk.com/resource/resmgr/docs/general/safeguarding_and_prevent_pol.pdf

Mental health voluntary statement

The CSA wants to promote an environment of mental wellbeing in which the individual can realise their potential and can cope with the normal stresses of life; and be able to work productively and fruitfully, and make a contribution to their community.

The CSA's mental health voluntary statement can be viewed here:

www.csa-uk.com/mental-health-policy

Cyber Essentials

The CSA renewed both its Cyber Essentials Basic and Cyber Essentials Plus certifications in the first half of 2023 and work is underway with renewal for 2024.

Since 2019, CSA has held Cyber Essentials Basic accreditation, a self-assessed information security standard which is a minimum requirement for bidding for some Government contracts and is required by the Education & Skills Funding Agency for acting as an Approved Apprenticeship Training Provider.

In December 2020, the Association also underwent the Cyber Essentials Plus assessment and was awarded a Certificate of Assurance that we comply with the requirements of the scheme, and the CSA has held Cyber Essentials Plus accreditation since 2020. Cyber Essentials Plus is the audited version of the basic standard and involves a series of tests that provide a further level of assurance that the technical and procedural controls required to mitigate common internet-borne cyber attacks, have been successfully implemented within the organisation.

Cyber Essential Plus assessing organisation, Waterstons Ltd, said: "The assessment of Credit Services Association validated that the organisation has excellent technical information security controls in place, which fulfil the requirements of the Cyber Essentials Plus standard."

CSA Statement of Competition Law Compliance

As a trade association it is important for the Credit Services Association to act in accordance with Competition Law. The CSA Statement of Competition Law Compliance sets out our approach to compliance with Competition Law and can be viewed here:

www.csa-uk.com/resource/resmgr/docs/general/csa-comp-law-statement.pdf



www.csa-uk.com



www.csa-uk.com/csa-learning



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