

UNITED FRONT



For Burlington Group, being greenlit to conduct regulated business by three authorities – the FCA, SRA and MoJ – has marked a milestone in offering multi-disciplinary collections services. Fred Crawley catches up with managing director John Ingram to find out how it all fits together

While creditors often work with multiple suppliers for debt collection services, telephone work, litigation and enforcement might come from

three different businesses. For example, Burlington Group managing director John Ingram thinks regulatory change has brought the industry to a position where a “one stop shop” is possible,

and believes his company is in a position to offer exactly that.

When Burlington was founded by Ingram in 2008, it was a collections and recoveries business focused largely on recovering vehicles for the car finance sector. Having started in a small office on New Burlington Street, the business soon opened an operations centre in Surrey, which it retains to this day.

Big deals

After three years of rapid growth, the business expanded into high court enforcement in 2011. Today, its London office – now opposite the Royal Courts of Justice – specialises in high-value enforcement cases and property matters, under the leadership of director Jon Chatfield.

Headline work conducted by this arm includes the successful enforcement of an eight-figure unpaid judgment debt, believed to be the highest value writ of fi fa ever enforced, and an eviction of



OUT OF AFRICA

While outsourcing telephone collections to South Africa via local partners has been going on in the UK industry for a number of years, Burlington Group wanted to take things one step further by opening and operating a fully-owned call centre in the country.

Now, less than four months after it was set up in Q4 last year, the contact centre in the business district of Johannesburg is due to begin its work on 1 March 2015.

The facility, which can seat up to 200 operatives, will open with a team of 25 working on a set of 31,000 accounts on behalf of Burlington's first client in the telecommunications arena. The operation will then be scaled up over the course of the year as Burlington secures more work in and outside of the telecoms market.

While Burlington managing director John Ingram says operating a call centre in South Africa provides significant cost

advantages that can be passed on to clients, there have been several steps taken – primarily the decision to manage the centre directly rather than outsource – to ensure the operation maintains the culture of the group's base in the UK.

The use of a cloud-hosted dialer system means that all compliance activity can be carried out from Burlington's offices in Surrey, while the hiring of Matthew Sherlock, a dedicated training officer with over 10 years' experience in UK DCAs (and much of that on telecoms accounts), will mean that staff are trained according to UK standards from day one.

In addition to Sherlock, a small number of Burlington's UK collections staff are being moved out to Johannesburg to spread the company culture among the locally sourced staff. Meanwhile Leon deJager, an operations manager with experience of running high volume call centres in South Africa, has been hired to manage the facility.

squatters from a 100-room, seven-storey building in Mayfair, carried out by some 30 of Burlington's officers with police support. Harking back to Burlington's original core business, Chatfield's office has also taken on a case involving a McLaren supercar worth several hundred thousand pounds, in which a High Court Master dispensed with a requirement to send notice prior to enforcement due to the risk of asset disposal.

Volume work

While the London team leads on these high-value cases, Burlington's operation in Surrey carries out motor finance work, high volume enforcement work, and all litigation work. The Surrey office has also driven Burlington's authorisation as a Multi-Disciplinary Practice Alternative Business Structure (MDP ABS) under the Solicitors Regulation Authority (SRA), headed up by head of legal practice David Simmons.

Ingram comments: "City centre 'brass and marble' solicitors' offices, and the high legal fees associated with them, don't need to be a component part of a cost-effective, high-volume collections and recoveries operation. Recent casualties in the legal sector illustrate that creditors no longer have the appetite to fund high-overhead, low-efficiency legal operators."

Burlington's most recent move in advancing its multi-site strategy has been overseas – in Johannesburg, South Africa, where it has invested in a fully-owned contact centre for telephone collections work (see boxout). The group's immediate plans for expansion include building headcount in Surrey and in the Southern Hemisphere, as Burlington takes on clients and accounts in both its traditional financial services base, and in new areas such as utilities and telecoms.

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New structures

Ingram feels the biggest factor powering this growth will be Burlington's ability to conduct business under three major regulatory regimes.

Having had high court enforcement officer (HCEO) status for some time, the group made headlines in October 2014 by becoming the first business of its kind to receive full FCA authorisation. Just two months later Burlington received its MDP ABS status from the SRA, becoming only the second business to do so.

An MDP ABS as described by the SRA is a type of alternative business structure that provides a mixture of reserved and non-reserved legal services together with other non-legal services.

The SRA's aim in creating the status was to create a proportionate regulatory framework for the authorisation and supervision of companies providing legal and non-legal services.

Practically, the move meant a reduction of regulatory burdens on companies wanting to carry out reserved legal activity, a removal of barriers to entry into the legal services market, and a widening of creditors' choice by authorising different structures able offer legal advice.

A way forward

In Ingram's opinion, the multi-disciplinary approach adopted by Burlington makes sense as a way forward for the collections industry.

"Debt collection need not be a disjointed service offering", he explains. "Historic regulatory barriers have prevented a joined up service offering, but now regulatory change in several spaces has created the opportunity for service providers to receive authorisation for all necessary components.

"For the first time, UK creditors have the opportunity to use a single service provider to cover their collections, litigation

BURLINGTON GROUP - TIMELINE

2008

- Founded on New Burlington Street, London, by John Ingram with private equity investment
- Jon Chatfield appointed to Burlington's board of directors

2009

- Burlington Asset Finance Collections Team launched
- Operations centre opened in Watchmoor Park, Surrey

2010

- Burlington Pathfinder proprietary web portal and reporting platform launched
- Burlington achieves 53 per cent sales growth

2011

- Burlington High Court Enforcement Team launched
- London office opened opposite Royal Courts of Justice on Strand, London
- Nicholas Todd appointed as Principal HCEO

2012

- Adam Wonnacott appointed as head of sales
- Burlington achieves 83 per cent sales growth

2013

- High Court Enforcement Team successfully enforces highest value writ ever issued for £22m
- Winners of Credit Today 'Enforcement Team of the Year'
- Burlington achieves 76 per cent sales growth

2014

- FCA names Burlington Group as the first fully authorised debt collection principal
- SRA names Burlington Group as the first fully authorised MDP ABS debt collection business
- Contact centre opened in Johannesburg, South Africa
- Winners of Credit Today 'Enforcement Team of the Year'

2015

- Burlington Legal Services Team launched
- Burlington Group awarded 'highly commended' Third Party Debt Collection Team of the Year
- David Simmons appointed to Burlington's board of directors as head of legal practice
- Nicholas Todd co-opted to the High Court Enforcement Officers' Association board of directors
- Adam Wonnacott appointed to the Credit Services Association board of directors

and enforcement requirements in an integrated service – and can potentially avoid the need to maintain multiple procurement streams and supplier audit programmes."

Despite being a relatively new name in the sector, Burlington Group has acted nimbly to stay on top of all the regulatory changes, and

has recognised change in the market as an opportunity to create a new type of debt collection service.

Its multi-site strategy and modern approach to litigation services, plus its traditional UK field force and HCEO credentials, should make it an interesting player once again in 2015. 