

Debt Support Sector Collected Innovation

June 2025

WELCOME



Martin Nielsen
MEGA.AI

Agenda

- Industry Horizon Scan
 - ‘Reading the Tea Leaves’
 - Sector Insights and Trends Survey
 - Industry Trends Discussion
-
- Case Study
 - Wireframe illustration & workshop discussion



Daniel Spenceley
Credit Services Association



Kevin Still
Consumer Duty Services



Chris Warburton
RO-AR.com



Alasdair Skeoch
BPO Collections



Martin Nielsen
MEGA.AI



.... A SHORT FILM !



Daniel Spenceley
Credit Services Association

Navigating the road ahead

Daniel Spenceley, Head of Policy
Credit Services Association

Areas of focus

- Political and economic environment
- Regulatory reform
- Technology, innovation and data

Political and economic environment

- 12 months of Labour Government
 - Economic and political challenges – both out of their control (tariffs; Ukraine) and self-made (winter fuel allowance)
 - Pro-growth agenda driving change in attitude toward regulatory burden
- Next 12-18 months
 - Impact of welfare reform
 - Chancellor to break from fiscal rules and / or campaign promises on taxes?
 - Regulatory reform
 - Transformation of public sector collections

Regulatory reform

- Changing attitude
 - Plans abandoned for 'naming and shaming' and DEI data reporting
 - Commitment to cut regulatory costs by 25%
- Reform
 - Consumer Credit Act / Financial Ombudsman Service / Regulatory reporting and data requirements / Credit information governance
- Next 12-18 months
 - Navigating cumulative reform plus increasing data collection
 - Motor finance fallout
 - Market reports to deliver insight into of regulatory expectations under Consumer Duty?
 - Fair value expectations in a collections context

Technology, innovation and data

- Growing adoption of AI solutions
 - BAU use cases still emerging and solutions not necessarily accessible to SMEs
- FCA intent on becoming data-led regulator
 - FCA increasing data collection – significant burden for firms; opportunity for solutions
 - Has paused its work in consumer credit regulatory return
- Next 12-18 months
 - Continued refinement and adoption of AI solutions and internal approaches to AI (training; monitoring consumer impact; oversight)
 - Firms looking to technology to manage regulatory data burden
 - Genuine ‘tell us once’ solutions? Centralising vulnerability data?
 - More prominent messaging in coming years on quantum computing risk to modern cryptography

CSA – next 12-18 months

- Supporting members to navigate changing regulatory, political and economic environment
- Campaigning on key member concerns
- Continued engagement with key stakeholders at the FCA, FOS, HMT, GDMF, CIGB and others

* UKCCC 2025 – Manchester Radison Blu – 11th September * Bookings open!



Kevin Still
Consumer Duty Services



Reading the tea leaves

...FG21/1, PS21/3, PS22/9, FG22/5, CIMS, PS24/2 (BiFD), PS24/3 (PSD), PS25/3, DORA, FCO

using signs or signals to predict something that's going to happen in the near future

Kevin Still

HSBC UK and Marks & Spencer - £185m redress

“Between June 2017 and October 2018, HSBC UK breached Principles 3 and 6 of the FCA’s Principles for Businesses **by failing to show forbearance and due consideration to customers** when they fell into arrears or experienced financial difficulties. As a result of these failings, at least 1.5m customers were identified who suffered, or were at risk of suffering detriment. **To date, HSBC UK has paid £185m in redress to these customers.**”

- The failings were caused by deficiencies in HSBC’s policies & procedures and the **training of their staff**
- Inadequate measures to identify and address instances of unfair customer treatment

An extract of the HSBC report will be very relevant around **affordability assessments**.

“**Customer circumstances:** HSBC UK entered into payment arrangements or took payments from customers **without conducting appropriate affordability assessments**. This resulted in some customers being unable to afford the payments or maintain their arrangements, which could have put such customers in a worse financial position.”

<https://www.fca.org.uk/news/press-releases/fca-fines-hsbc-6-million-over-treatment-customers-financial-difficulty>

Consumer Duty Board Reports → 11/12/2024

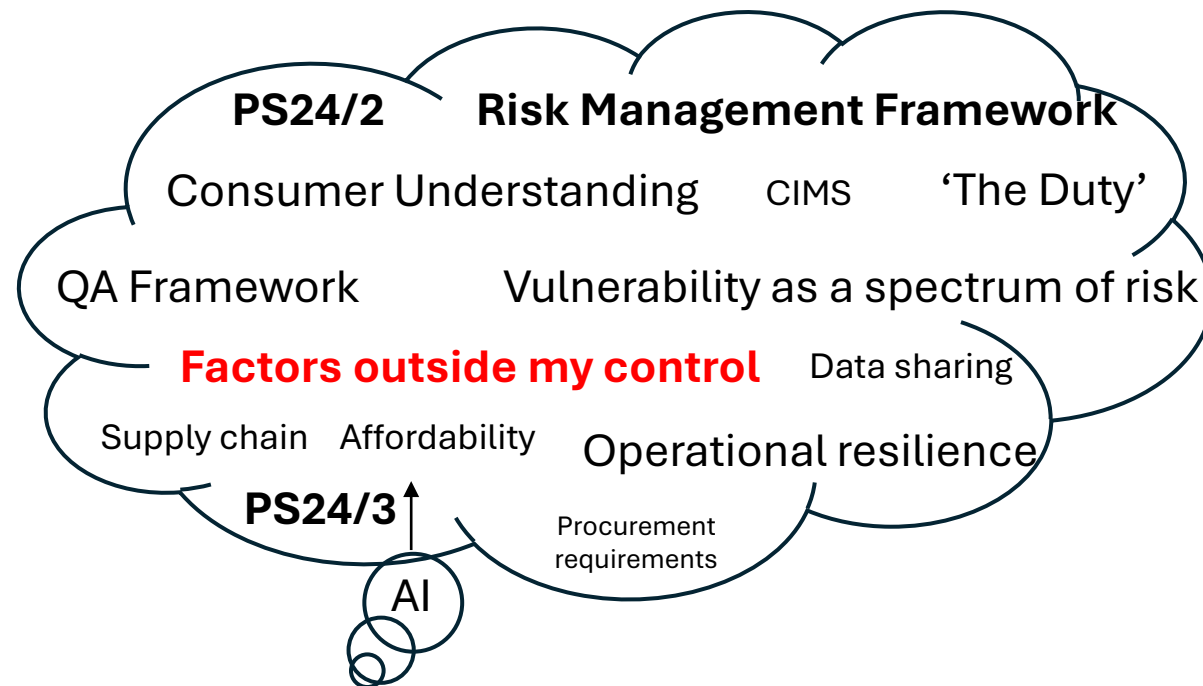
Areas of improvement:

- Strengthen governance
- Fully embed Duty in strategies
- Improve data quality
- Tailored vulnerability support
- Look at whole distribution chain

3 cross-cutting projects to end of 2024/25:

- Review of board reports and complaint handling/root cause analysis
- Review of treatment of customers in vulnerable circumstances
- Review of consumer support outcomes and supporting informed decision-making

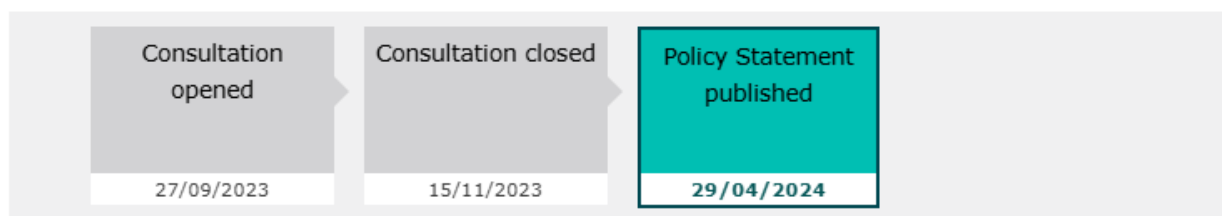
Published on 7 March 2025



Product Sales Data at a credit agreement level



PS24/3: Consumer Credit – Product Sales Data Reporting



Policy statements | First published: 29/04/2024 | Last updated: 15/05/2024 | [See all updates](#)

We set out our final rules and guidance for incorporating 3 new Product Sales Data (PSD) returns into our Supervision manual (SUP 16).

[Read PS24/3](#)

[Excel version of the data elements \(xlsx\)](#)

[See PS24/3: Sales Data Flow Diagram \(PDF\)](#)

[See PS24/3: Performance Data Flow Diagram \(PDF\)](#)

[See PS24/3: Back-book Data Flow Diagram \(PDF\)](#)

PSD returns will require firms to provide detailed information on the initial sale, and ongoing performance, of individual agreements.

With this enhanced data, the FCA will be able to:

- better understand how firms operate and gain **more insight into the market**
- authorise and **supervise firms more effectively**
- **intervene more quickly** and boldly where we have identified risk of harm in the consumer credit market
- reduce our reliance on ad hoc requests for more information from firms

FCA 5-year strategy – now ‘growth’ focused

The FCA's Strategy 2025-2030 focuses on deepening trust, rebalancing risk, supporting growth, and improving lives.

The strategy outlines 4 main priorities:

- **Smarter regulation**: Becoming more efficient by embracing technology and improving processes
- **Supporting growth**: Encouraging investment, innovation, and competitiveness within the financial services sector
- **Helping consumers**: Enhancing trust, product innovation, and ensuring consumers have the right information and support
- **Fighting financial crime**: Disrupting criminals and supporting firms to protect against harm



“Over 7m people in the UK report struggling to pay their bills or debts. Many would struggle to deal with a financial shock. Innovative, competitive financial services help by providing the products people need to improve their financial lives”

<https://www.linkedin.com/pulse/fca-5-year-business-strategy-out-consumer-duty-services-wo5dc/>

<https://www.fca.org.uk/publications/business-plans/annual-work-programme-2025-26>

<https://www.fca.org.uk/news/news-stories/next-steps-consumer-duty-rule-review>

<https://www.gov.uk/government/publications/public-sector-toolkits/debt-management-communications-toolkit-v1>

<https://www.fca.org.uk/financial-lives/financial-lives-2024>

FCA 2024 Financial Lives findings

In 2024, 48% of credit holders who had contact with a lender(s) in the previous 2 years to discuss their financial difficulties said they made the initial contact, not their lender

How the contact with their lender(s) came about, among all credit holders who had contact with a lender(s) in the last 2 years to discuss their financial difficulties (2024)



Communicating with motor finance customers



Communicating with motor finance customers about commission

First published: 19/12/2024 | Last updated: 19/12/2024

Our expectations of motor finance firms following the Court of Appeal's decision in Johnson and others.

“Communications should be designed in a way that encourages consumers to engage with them. Key information should be easy to identify, for example, by using headings or layout”

“Where possible, jargon or technical terms should be avoided”

Our expectations under the Consumer Duty, particularly the Consumer Understanding outcome

Our expectations under the Consumer Duty are outcomes-focused, so firms have a degree of flexibility to adopt different approaches to deliver good outcomes for consumers.

Firms must communicate in a way that equips customers to make effective, timely and informed decisions. This means giving customers the information they need (including information about commission arrangements) at the right time, and presenting it in a way they can understand.

<https://www.fca.org.uk/firms/information-firms-motor-finance-complaints/communicating-customers-commission>

Setting & testing higher standards

The FCA added an outcome to their commitments to reflect the importance of appropriate treatment of consumers struggling with debt due to cost-of-living pressures

Outcomes they want to achieve:

- Consumers are sold products & services that are designed to meet their needs, characteristics and objectives
- Consumers pay a price for products & services that represents fair value, and poor value products & services are removed
- **Consumers are equipped with the right information** to make effective, timely and properly informed decisions about their products & services
- **Consumers receive good customer service – reinforced by UKRN cost-of-living joint “Dear CEO” letter**
- Consumers have confidence in financial services markets
- **Firms innovate through the Consumer Duty**, supporting the growth of the financial services industry and driving effective competition for customers
- Appropriate access to financial services is maintained
- **Firms support consumers to sustainably manage their debts**



Setting and testing higher standards is fundamental to an outcomes-based approach. Only selling suitable products that provide good standards of customer service is not controversial, but data shows too many well-established firms are still not delivering as they should.

FCA strategy 2022 to 2025

“It is important that consumers understand key information including, where relevant, commission arrangements, so they are able to act on it. Firms should consider how they can most effectively deliver this outcome, for example by consumer testing. Firms should seek to remedy issues where testing suggests this outcome isn’t being met”

Motor Finance Commission:

- Engaging communications
- Relevant information
- Simple, plain language
- Timely communication
- Brokers & lenders working together to drive good outcomes
- Testing & monitoring customer understanding

Duty Board reporting July 2025

Outcome Monitoring Report

- Product & service – signed off Product Assurance Frameworks
- Pricing & value – FVAs where applicable
- Consumer understanding
- Consumer support

- **Vulnerable customers**

- New initiatives/innovations/enhancements made during the year – wider AI adoption
- Root cause analysis from QA Framework and complaint handling
- Future enhancements/changes to business model (e.g. digital first, cloud first, hybrid, outsourcing)
- MI covering KPIs/KRIs
- View across distribution chains and outsourcing arrangements
- Regulatory engagement, including firm specific

“Most firms in our multi-firm work into outcomes monitoring were unable to show how they effectively monitor and take action on outcomes for customers in vulnerable circumstances”

“Only 39% of firms had formal governance bodies or committees that oversee and can influence outcomes for customers in vulnerable circumstances”

Consumer Portal



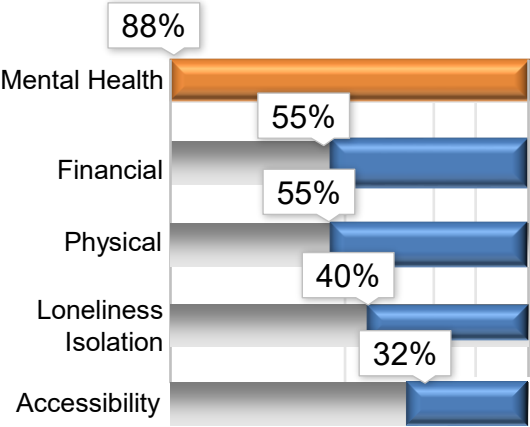
Statistics drawn from registration via the New Consumer Portal launched Jan-2025

Vulnerability is Complex

6.7

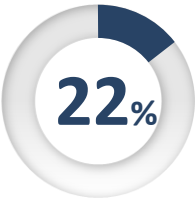
Average number of Vulnerabilities chosen by Consumers

Top 5 Vulnerabilities

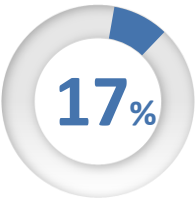


Increase in Other Vulnerabilities

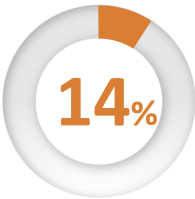
Unlike Business Registered Consumers, Self-Registration is showing higher selections of:



Cognitive Disorder



Victim of Fraud



Unpaid Carer

Self Management of Vulnerability

10%

Actively Managing their Vulnerability

Consumer Portal

The new consumer portal allows customers to manage their vulnerability and seek support services specific to them.

For the first time ever, consumers are empowered to actively modify and update their vulnerabilities.

Ease of Access

Since the launch of the New Consumer Portal, we have received a **2.5X** uptake in registrations compared to the previous average number of monthly registrations.

This is attributed to the Ease of Access for Consumers to register & manage their vulnerability and the mobile adaptive screens.

2.5X

Increase in Self-Registrations

Non-Financial

Consumers who did not select Financial Difficulty

Vulnerability	
Mental health	17.7%
Physical disability	12.4%
Physical health	11.9%
Accessibility	10.2%
Neurodevelopmental Disorders	7.5%
Loneliness/isolation	5.8%
Cognitive disorder	4.9%
Old age	4.0%
Victim of Fraud	4.0%
Lifecycle event	3.1%
Gambling addiction	2.2%
Hearing – Partially deaf	2.2%
Affected Other	1.8%
Coercion	1.8%
Dyslexia	1.8%
Low level of literacy	1.8%
Sight – Partial sight	1.8%
Addiction to alcohol or drugs	1.3%
Coronavirus	1.3%
Low level of numeracy	1.3%
Unpaid Carer	0.9%
Deceased	0.4%

Client vulnerabilities

Over a half (52%) of clients disclosed that they have an additional vulnerability, beyond their financial situation, in 2024. This proportion has fallen by three percentage points, year-on-year, from 55% in 2023.

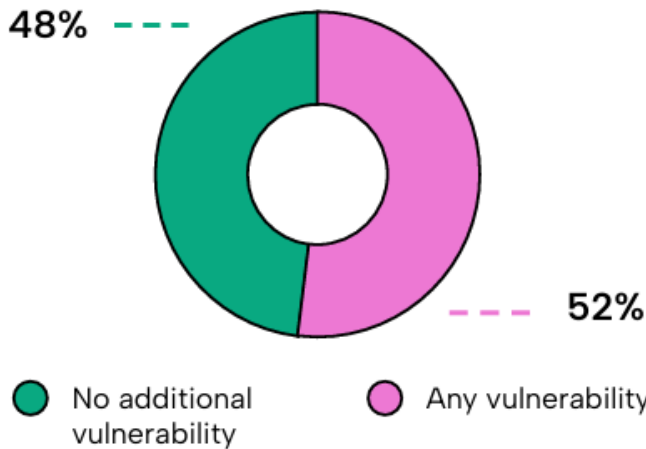
A vulnerability includes experiencing things such as physical, neurological and mental health conditions, learning and development difficulties, hearing or vision impairments, communication difficulties, addiction and many other situations which can make dealing with problem debt more challenging. Clients can have multiple vulnerabilities, and some vulnerabilities can be temporary.

Historically, StepChange clients are most likely to experience a mental health vulnerability, with 36% of clients disclosing this at the start of their debt advice journey in 2024. This proportion is two percentage points lower than both 2022 and 2023.

Vulnerabilities among clients

	2022	2023	2024
Any vulnerability total	55%	55%	52%
Any mental health vulnerability	38%	38%	36%

Vulnerability total 2024



Statistics Yearbook

Personal debt in the UK

January – December 2024

StepChange
Debt Charity

[https://www.stepchange.org/Portals/0/23/policy/syb2024/StepChange Debt Charity Research Statistics Yearbook 2024.pdf](https://www.stepchange.org/Portals/0/23/policy/syb2024/StepChange%20Debt%20Charity%20Research%20Statistics%20Yearbook%202024.pdf)

Consumer Support Survey – Stage 1 closed 5/6/2024

2.6 For the responses in 2.2, what percentage of customer queries were fully addressed on a first call i.e. based on how your firm measures first call resolution (FCR)

(Select exactly 1 answer for each quarter from the options below)



	More than 95%	Between 85% and 94.9%	Between 75% and 84.9%	Between 65% and 74.9%	Between 55% and 64.9%	Between 45% and 54.9%	Between 30% and 44.9%	Between 0.1% and 29.9%	Information not gathered
Q1 2023	☐	☐	☐	☐	☐	☐	☐	☐	☐
Q2 2023	☐	☐	☐	☐	☐	☐	☐	☐	☐
Q3 2023	☐	☐	☐	☐	☐	☐	☐	☐	☐
Q4 2023	☐	☐	☐	☐	☐	☐	☐	☐	☐

2.7 How does your firm currently calculate its FCR?

(Select at least 1 answer – if your firm's FCR is calculated by a combination select all that apply)

- ☐ Days elapsed since first call by customer
- ☐ Call handler asks customer during call
- ☐ Post call phone survey
- ☐ Post call email survey
- ☐ Other internal quality assurance mechanism
- ☐ Information not gathered



Stage 2 closed 16/10/2024

6.3 Does your firm offer dedicated / alternative support channels for consumers in vulnerable circumstances (e.g. your firm only makes available web chat support to all customers, but will offer telephony support specifically to those in vulnerable circumstances)?

(Select all that apply)

- ☐ Dedicated telephone support to customers in vulnerable circumstances
- ☐ Dedicated email support to customers in vulnerable circumstances
- ☐ Dedicated web chat (non AI) support to customers in vulnerable circumstances
- ☐ Dedicated branch support to customers in vulnerable circumstances
- ☐ Other dedicated support channel for customers in vulnerable circumstances
- ☐ Vulnerable Circumstances not captured internally
- ☐ No support channels have such specialist training

Debt Collection Survey – w/c 10 June 2024

➡ Phase one

This will include a short survey to all firms in this portfolio, which will cover questions on the following topics:

- Your business model
- Type of regulated and unregulated debt collection you undertake, including through suppliers if you undertake Utility or Telco collections
- Revenue from both regulated and unregulated debt collection
- Frameworks and oversight you have in place to manage complaints and **quality assurance**
- **How has the Consumer Duty been embedded into your day-to-day operations**
- Consumer complaints (volumes, oversight, resolution process)

Response within 3 weeks of receipt ➡ **Phase Two**

Simplifying communications

2A.5.3 R (1)

— A firm must support retail **customer understanding** so that its communications:

- (a) meet the **information needs** of retail customers;
- (b) are likely to be **understood** by retail customers; and
- (c) equip retail customers to **make decisions** that are effective, timely and properly informed.”

Consumer Duty requirements

— What are Firms required to do? 🤔



Assess Comms

Guidance 5.34

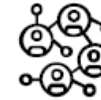
“testing communications where appropriate to support consumer understanding so they can make effective decisions”



Simplify Comms

Guidance 2A.5.7 (2)

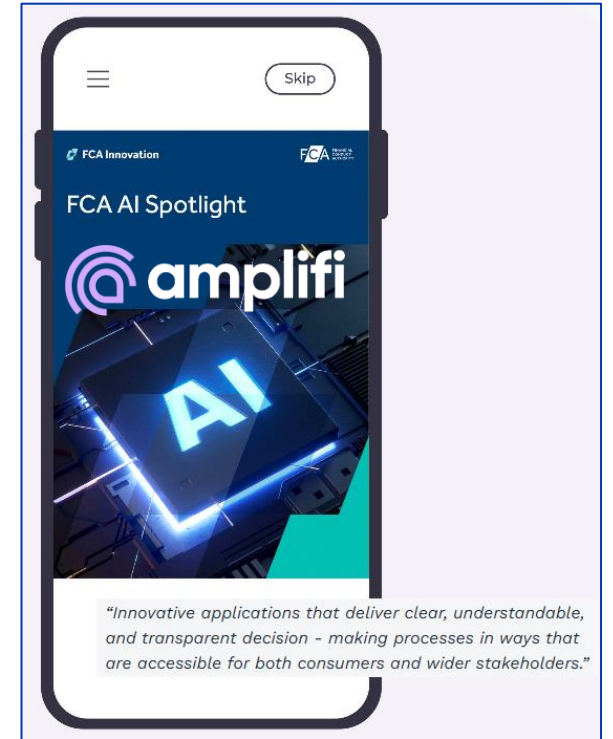
“A firm should use plain and intelligible language and explain the meaning of any jargon or technical terms as simply as possible“



Monitor & Report

Guidance 8.63

“Firms should collect and make use of relevant MI to monitor the impact of communications and identify areas that warrant further investigation...”



2024 in summary

— Results for 2024 🚀



Client Productivity

Across multiple clients



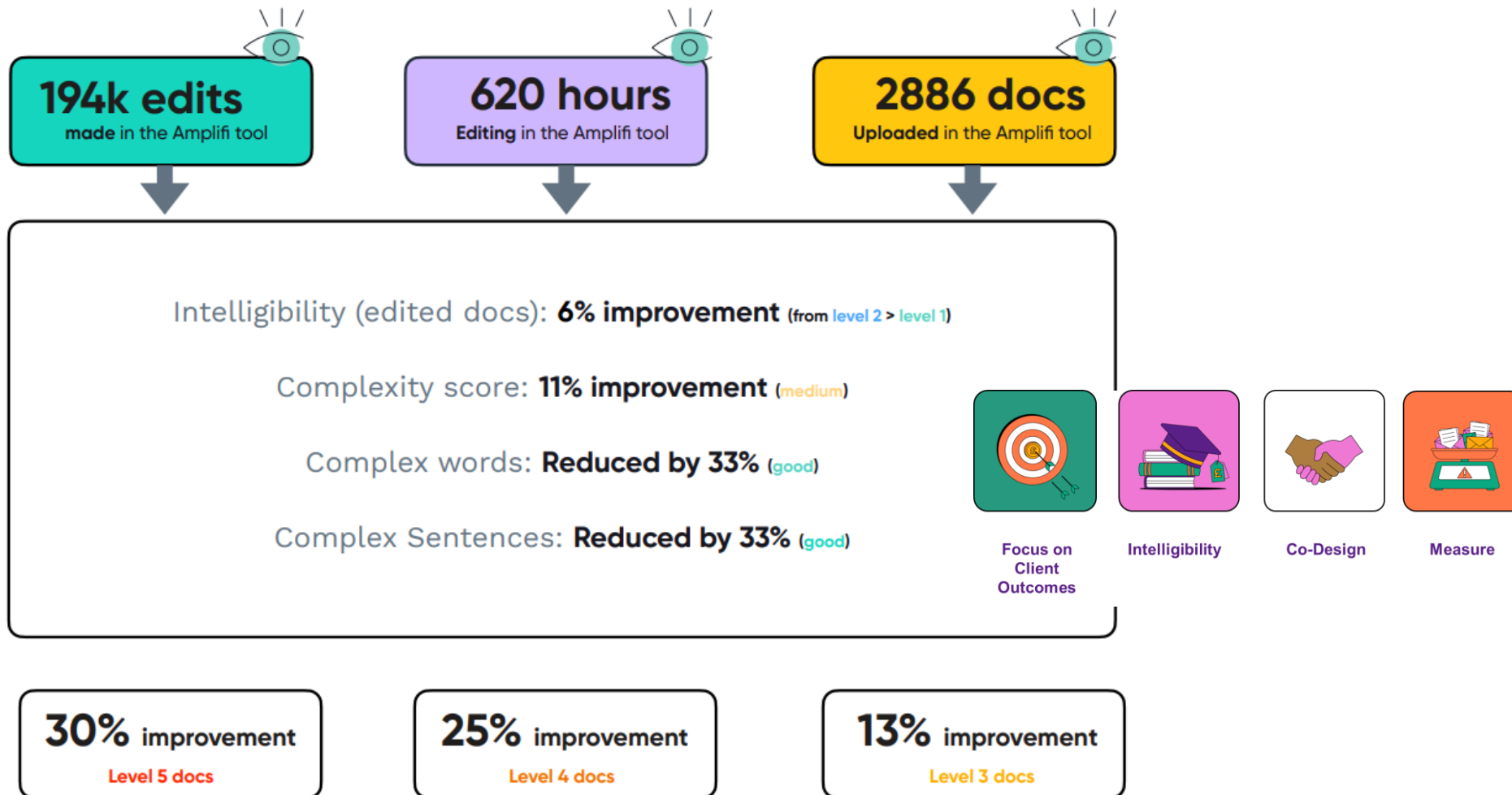
Intelligibility Improvement

Aggregated across all edited client documents



High Risk Document improvement

Average intelligibility improvement



Quality Assurance under the Consumer Duty



**QUALITY
LEVEL**

Debt advice recommendation

Client objectives

Consumer Understanding

Income optimised

Understanding

Pace & Tone

Vulnerability Management

MAX Use of agent-assist tooling

I & E accuracy

Rapport

Right drills

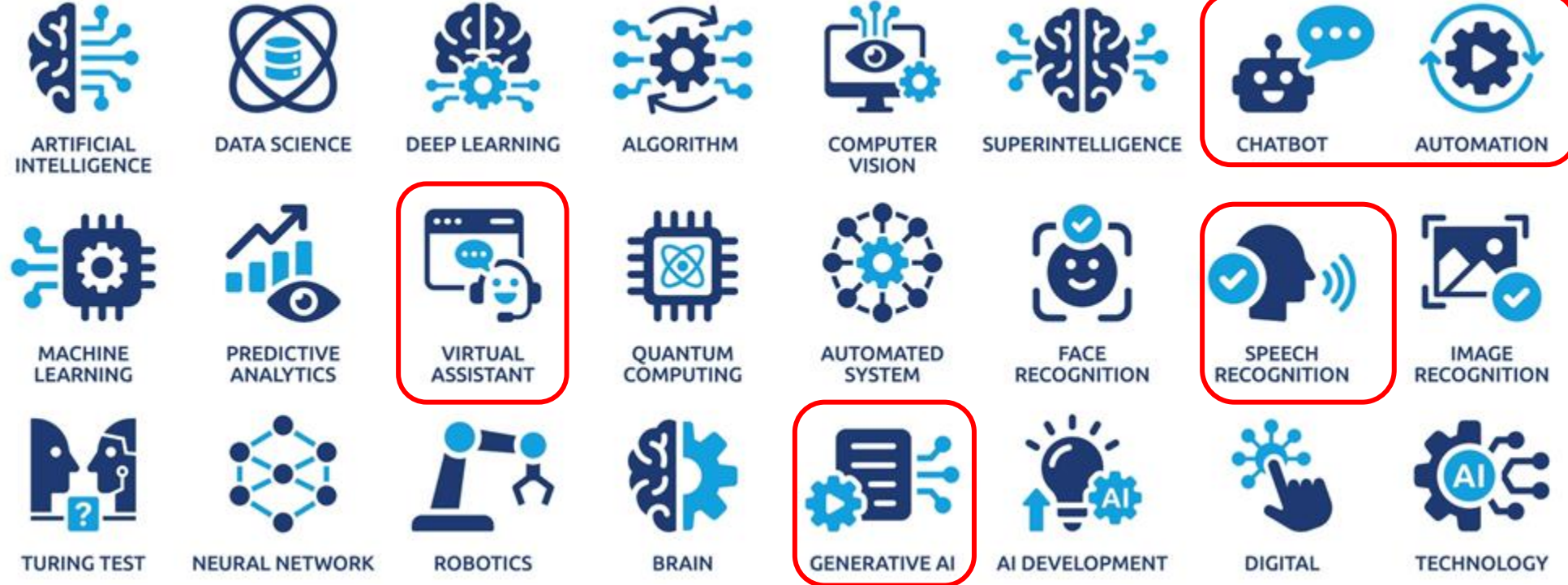
Contact intent achieved



Embedding AI in customer journeys



FCA AI update



“Our supervisory work, as well as research undertaken through the Digital Regulation Cooperation Forum (DRCF), underlines how the speed, scale and complexity of AI may require modified approaches to **firm risk management and governance**. Regulation will have to adapt as well. In particular, the complexity of AI models may require a greater **focus on the testing, validation and explainability of AI models** as well as strong accountability principles, reinforced by corporate cultures operating with openness and transparency.”



Chris Warburton
RO-AR.com

Digital Transformation, where exactly are we...

Spring - Summer Survey
2025

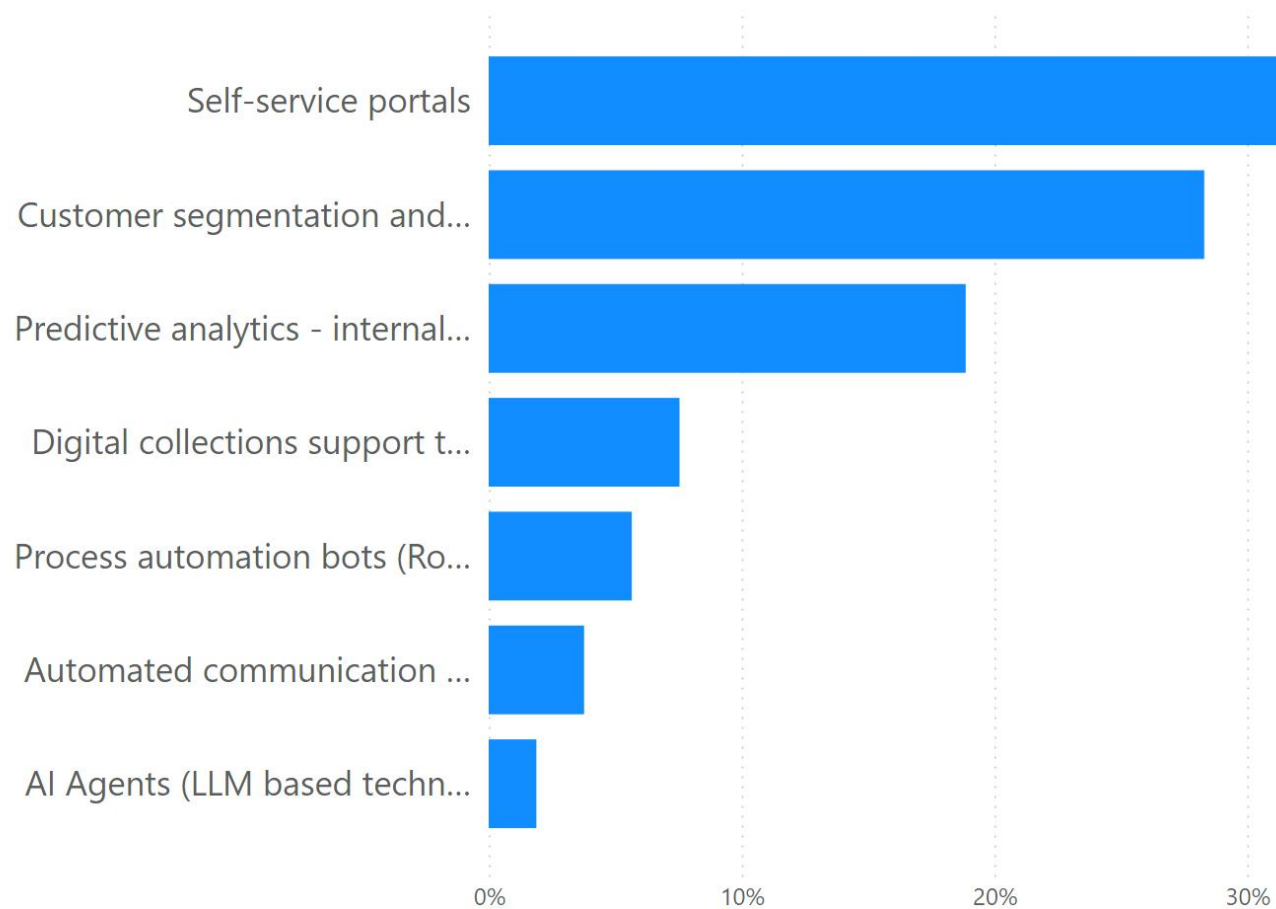
Want a copy of the full survey results...
....add your entry below



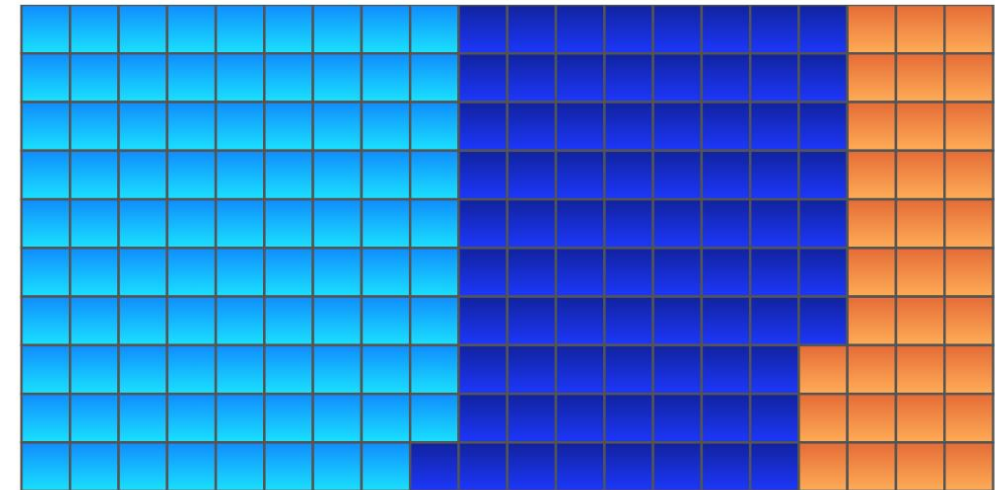
Responses from this event

20

S.1.1 Digital technology implementation

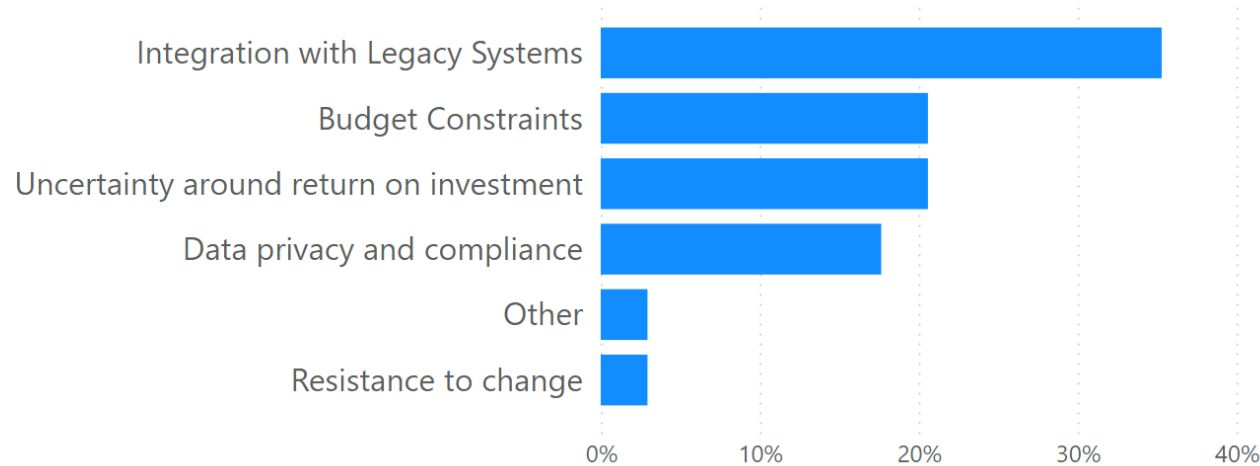


What impact have they had?



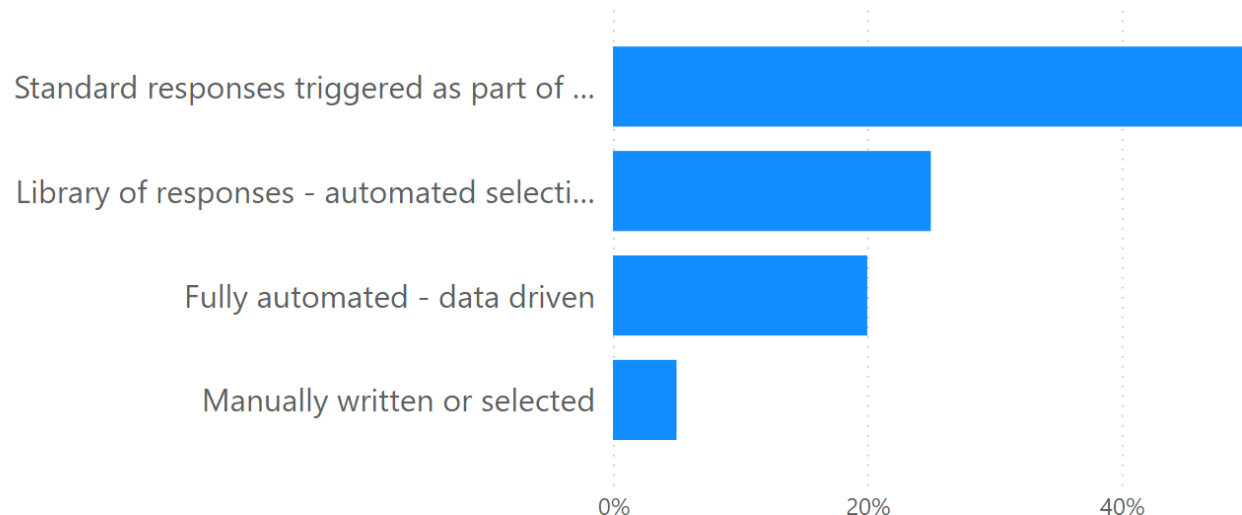
● 2. Moderate ● 1. Significant positive ● Too early

S.1.3 Primary challenges with digital transformation

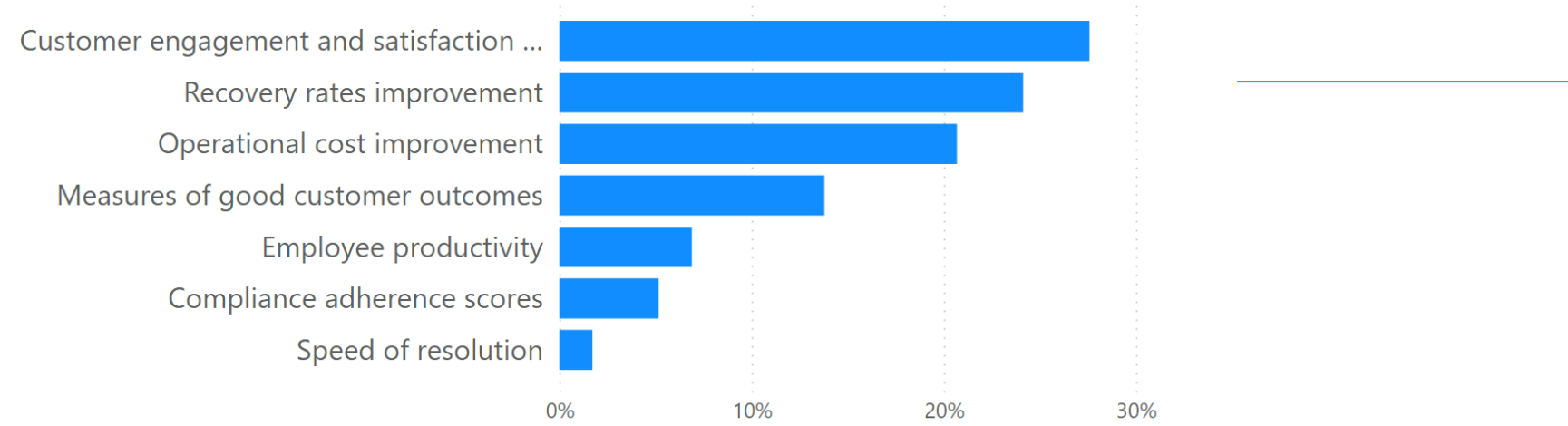


- Volume of change in pipeline
- Increased project demands
- Need for efficient resource allocation
- Impact on delivery timelines
- Stakeholder engagement required
- Continuous monitoring of progress
- Adaptation to changing requirements

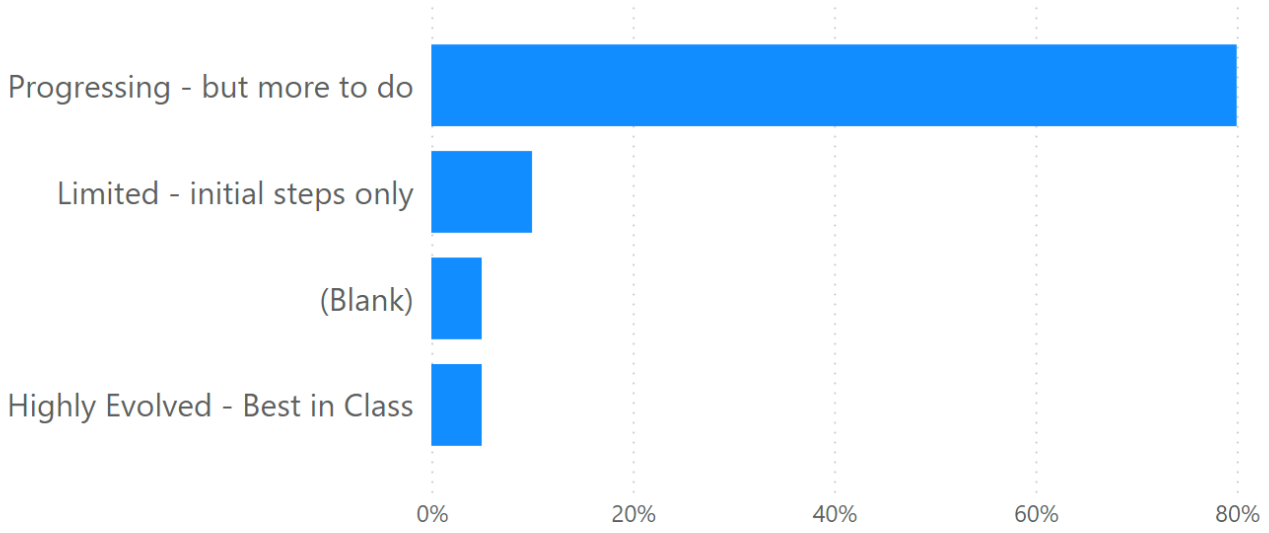
S.1.4 Communications personalisation



S.1.5 Measures of success



S.2.1 Current state of progress: Digital transformation



S.2.2 Largest benefit from Digital

- Customer convenience and operational efficiency
- Self service options for faster engagement
- Consistent results across client collections
- Reducing operational costs and letter expenses
- Improved customer communication channels
- Enhanced customer experience and outcomes
- Leveraging LLM technology for better processes

S.2.4 Overcoming resistance

- Shareholders support transformation efforts
- Focus on cost saving and efficiency
- Exploring digital transformation initiatives
- CEO drives technology adoption
- Need for ongoing ROI and data insights
- Commitment to evolving customer services
- Challenges with prioritizing impactful development

S.2.3 Feedback from customers

- Positive feedback on good services
- Clients want consistent results
- Preference for self-service options
- Concerns about regulation and data risks
- Implementation time affects engagement
- Asynchronous communication is appreciated
- Polarized opinions on service usage

S.2.5 What's next?

- Focus on AI and automation
- Enhance customer portal with self-service
- Explore digital transformation initiatives
- Improve customer segmentation strategies
- Utilize Open Banking for collections
- Measure ROI and outcome reporting
- Understand customer sentiment post-engagement

Thanks

Spring - Summer Survey
2025

Want a copy of the full survey results...
....add your entry below





Alasdair Skeoch
BPO Collections

- Special Support
- Data and Analytics
- Compliance
- Affordability
- Debt Advice



Andrew Gething
Founder & MD: Morgan Ash



Simon Gregory
Data on Demand



Daniel Spenceley
Credit Services Association



Dylan Jones
IEHub



Dave Poole
Money Plus



Martin Nielsen
MEGA.AI



MEGA.AI COLLECTIONS INTELLIGENCE PLATFORM

Welcome back to Collected Innovation

THE FUTURE OF DATA COLLECTION IS HERE

35

Industry Leaders

£180M+

Under Management

250K+

Active Accounts



April 2025: A Wake-Up Call for Our Industry

"Awful April" - The Perfect Storm Hitting UK Households

Inflation Spike

3.5%

Highest in over a year

Consumer Credit Growth

£1.1 Billion

In a Single month

Consumer Confidence

Fell to lowest level since November 2023



The Cascade Effect

When households face rising energy bills, council tax increases, and inflation pressures, they turn to credit to bridge the gap.

Household Financial Stress

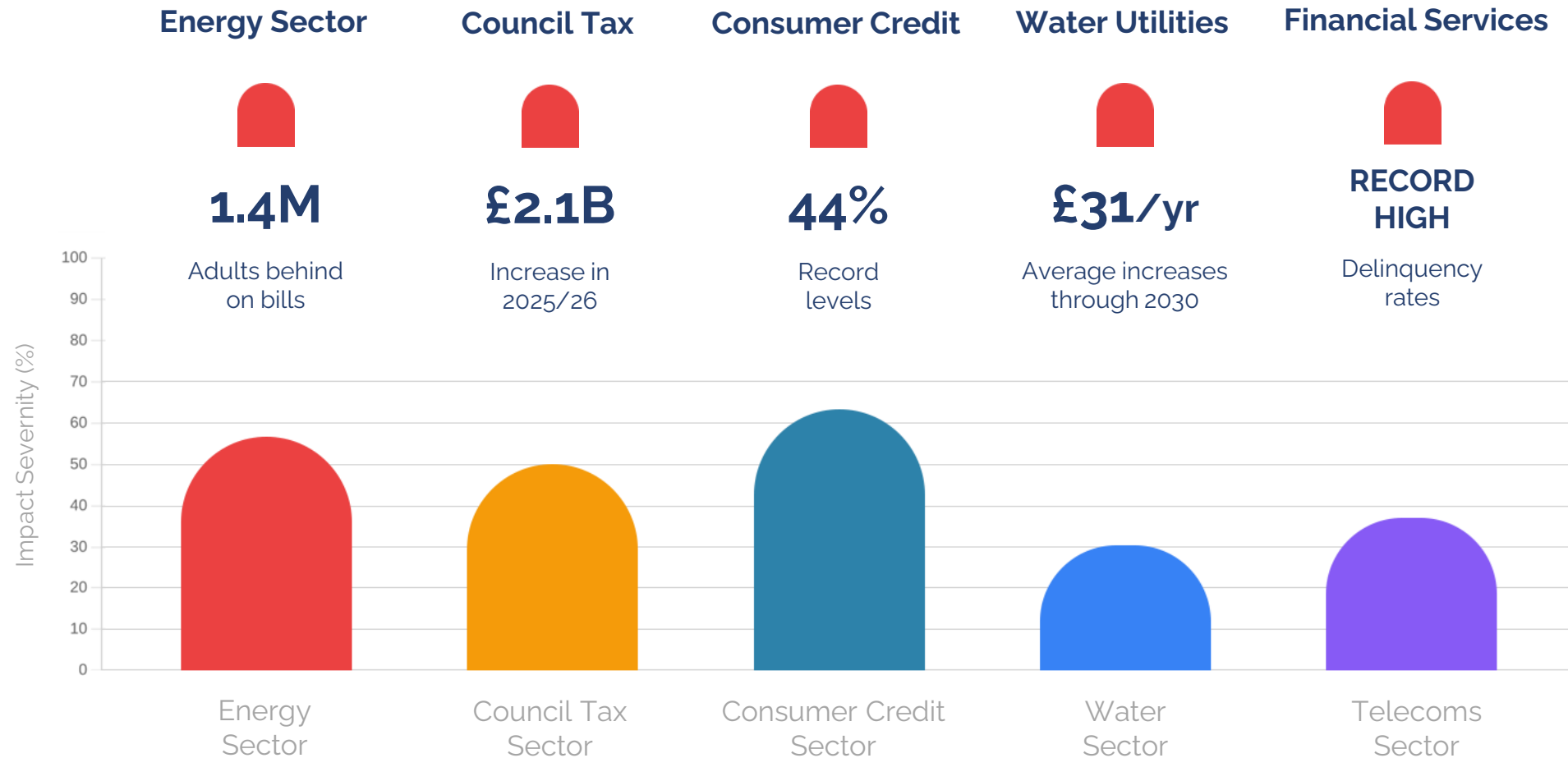


7M

**Adults behind
on bills**

The Scale of the Challenge

Debt Levels Across Key Sectors



Regulation as Innovation Enabler

The Regulatory Response: Forward-Thinking and Supportive



FCA/ICO Collaboration

Joint approach supporting firms in navigating both financial and data protection regulations

✓ Unified guidance framework



Consumer Duty

Reshaping customer outcome expectations with focus on vulnerable customers

✓ Good outcomes priority

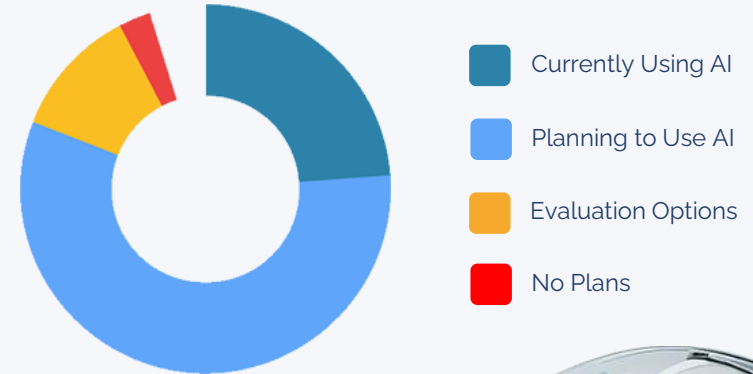


Operational Resilience

ISO, PCI standards now baseline requirements for industry operations

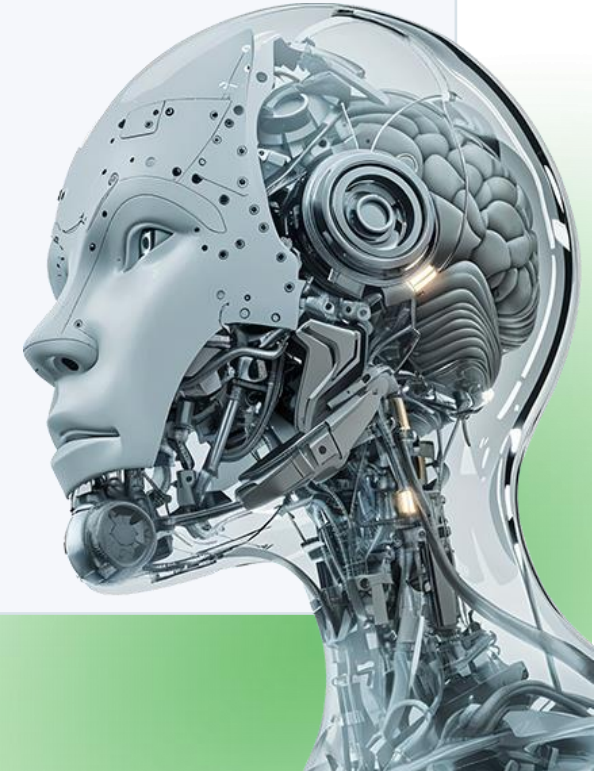
✓ Enhanced standards

AI Adoption in Financial Services



85%

of financial firms using or planning AI adoption



Why Change is No Longer Optional

Industry Transformation Drivers Creating an Inflection Point



Economic Pressure

Cost-to-serve becoming critical success



Can't hire your way out of capacity challenges



Technology Gap

Only 11% currently using AI, 60% planning adoption



First movers gain significant advantages



Market Consolidation

Scale advantages driving M&A activity



Technology capabilities drive valuations



Customer Expectations

Digital-first, empathetic service delivery becoming standard



- ✓ 24/7 availability expected
- ✓ Personalized interactions required



Regulatory Evolution

Proactive compliance vs. reactive response



- ✓ Consumer Duty compliance
- ✓ Vulnerability management priority

The AI Opportunity - Proven Results

McKinsey Research: Measurable Business Impact

40%

Reduction in Operational Expenses

Through advanced AI capabilities

10%

Improvement in Recovery Rates

Better targeting and timing

30%

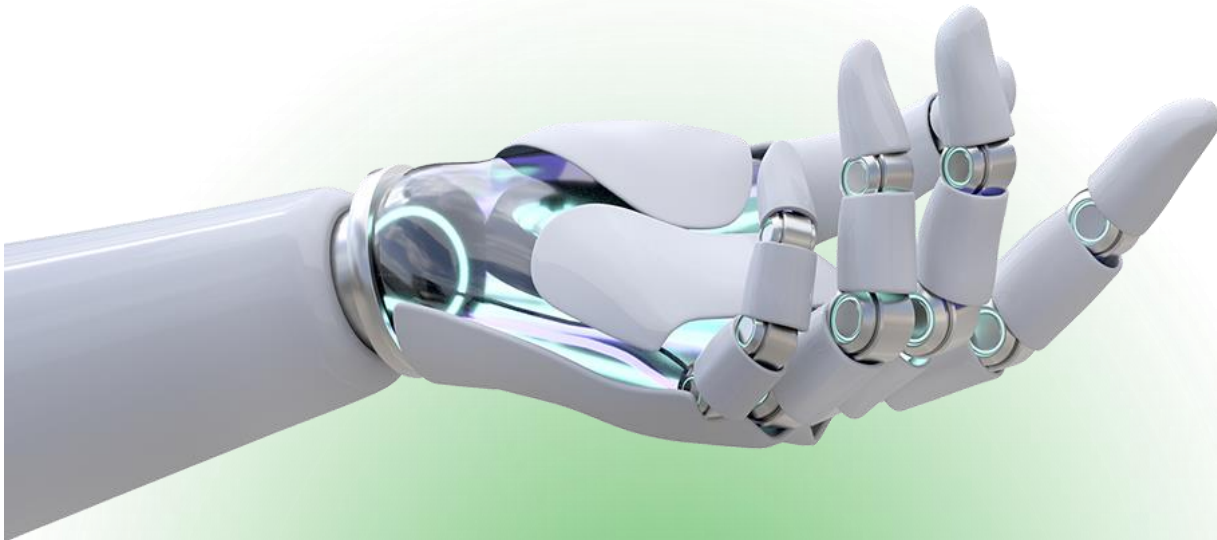
Customer Satisfaction Increase

89%

Vulnerability Detection Accuracy

30%

Productivity Gains



Four Pillars of AI Innovation

How AI Transforms Debt Collection Operations

Predictive Analytics

Optimize resource allocation and prioritize high-value accounts

- ✓ Focus skilled agents on likely-to-pay accounts
- ✓ Maximize efficiency and outcomes



Vulnerability Detection

Identify at-risk customers before they ask for help

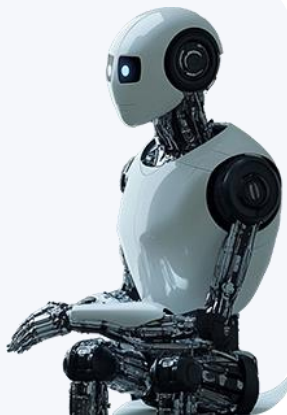
- ✓ Shift from reactive to proactive support
- ✓ Prevent customers from reaching crisis



Quality Assurance

Real-time coaching and compliance monitoring

- ✓ Continuous rather than periodic QA
- ✓ AI-powered real-time coaching



Voice AI

Natural conversations that feel human, not robotic

- ✓ Customers prefer to traditional IVR
- ✓ More empathetic interactions



The Partnership Approach

Integration, Not Replacement

Enhance Existing Systems

Rather than replace them - work with your current technology stack

Integrate with Current Partners

IE Hub, VRS, payment portals - seamless connectivity

Augment Human Capabilities

Instead of eliminating jobs - make your team more effective



Gradual Implementation

With measurable milestones and proven results

Continuous Improvement

Based on real-world performance and feedback

Maintain Relationships

Keep the processes and partnerships that work

SETTING THE SCENE



Kevin Still
Consumer Duty Services

EVIDENCING CONSUMER DUTY – BOARD REPORTING

Outcome Monitoring Report

- Product & service – signed off Product Assurance Frameworks
- Pricing & value – FVAs where applicable
- Consumer understanding
- Consumer support

- **Vulnerable customers**
 - New initiatives/innovations/enhancements made during the year – wider AI adoption
 - Root cause analysis from QA Framework and complaint handling
 - Future enhancements/changes to business model (e.g. digital first, cloud first, hybrid, outsourcing)
 - MI covering KPIs/KRIs
 - View across distribution chains and outsourcing arrangements
 - Regulatory engagement, including firm specific



Andrew Gething
Founder & MD: Morgan Ash

What the FCA requires

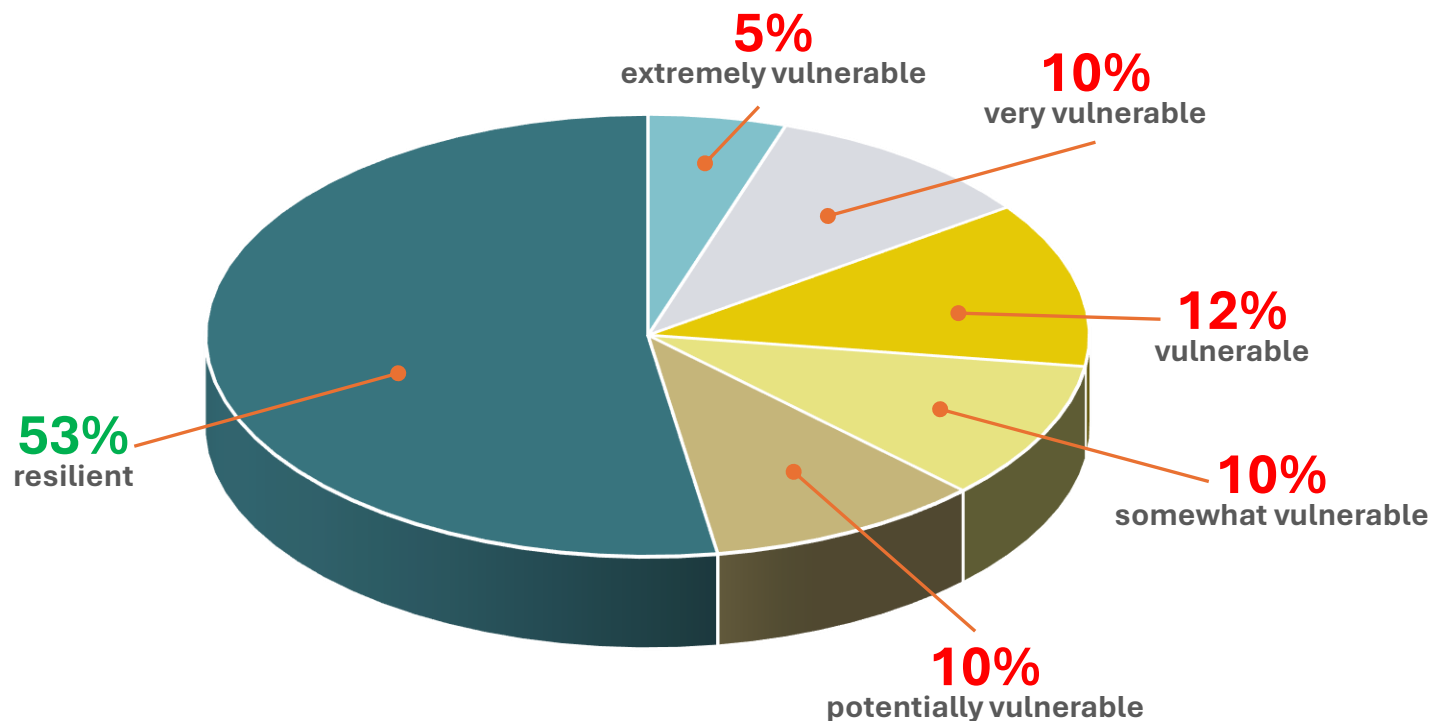
- **Understand** customers' vulnerabilities and act to reduce harms.
- **Monitor** consumers throughout product and service lifetimes.
- **Report** on outcomes for vulnerable people, compared to the resilient.
- **Assess** products/services and fair value – for vulnerable people.
- Maintain **evidence** of doing this.

MorganAsh

Understand. Monitor. Report. Assess. Evidence.

How do you identify vulnerable customers?

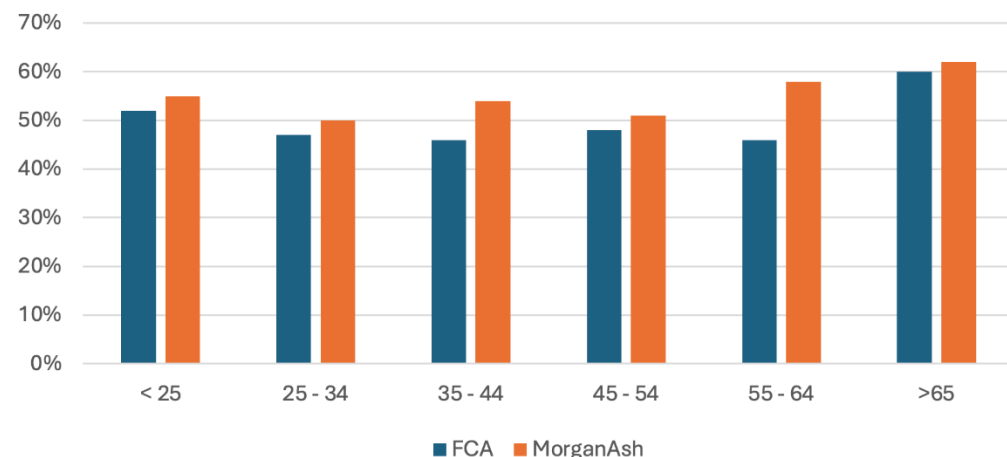
It's not unusual for firms to identify **less than 10%** of customers as vulnerable....



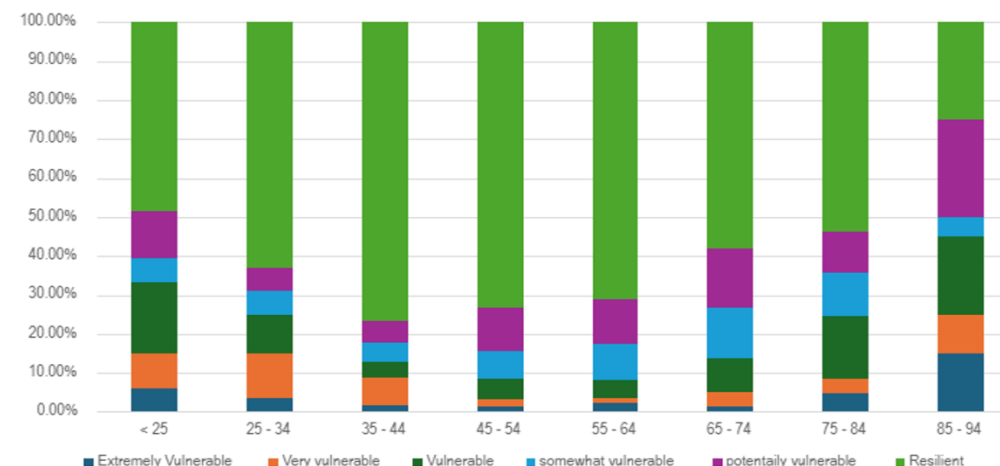
...when they should identify the (roughly) **50% of all people** who are vulnerable in some way.

THE POSSIBLE
Compliant firms **know** who is vulnerable, with a granular level of severities.

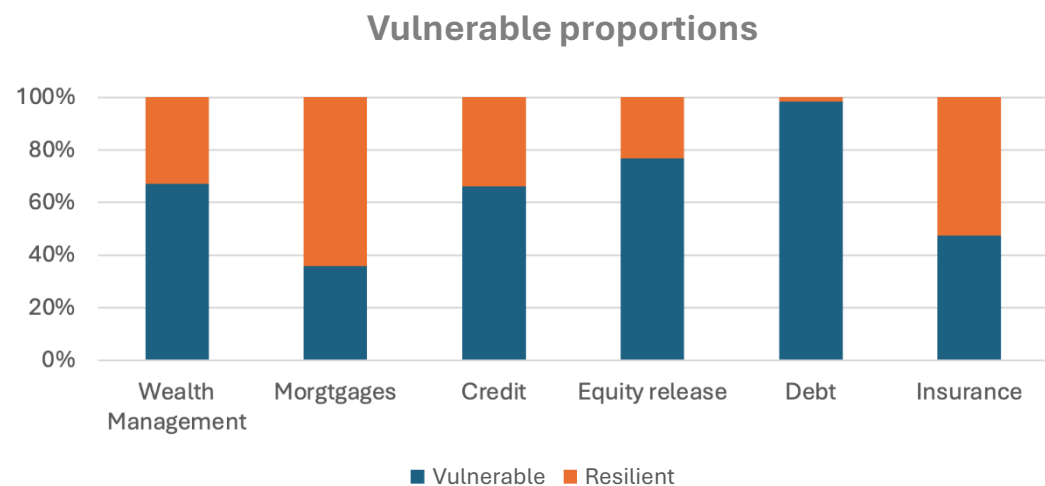
How to support the vulnerable in an efficient way?



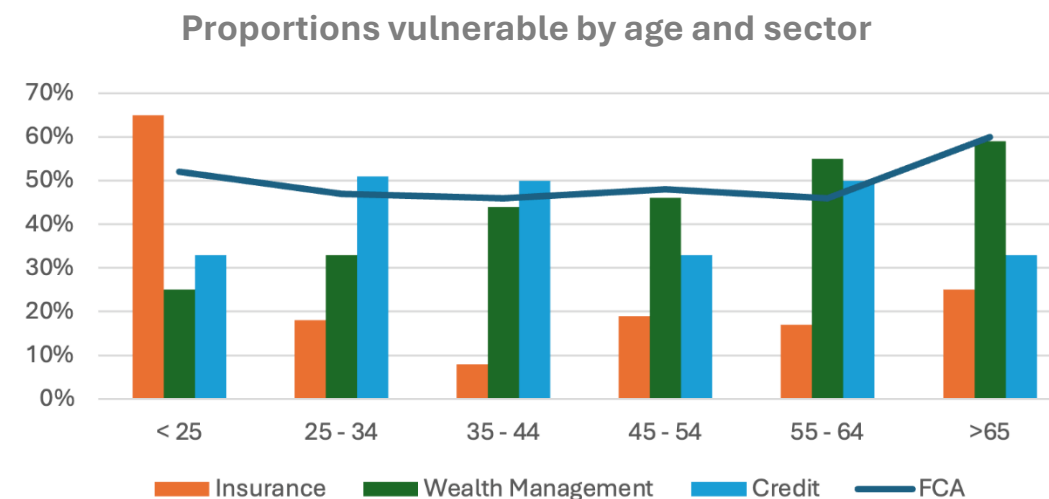
Proportions vulnerable by age



Resilience rating by age

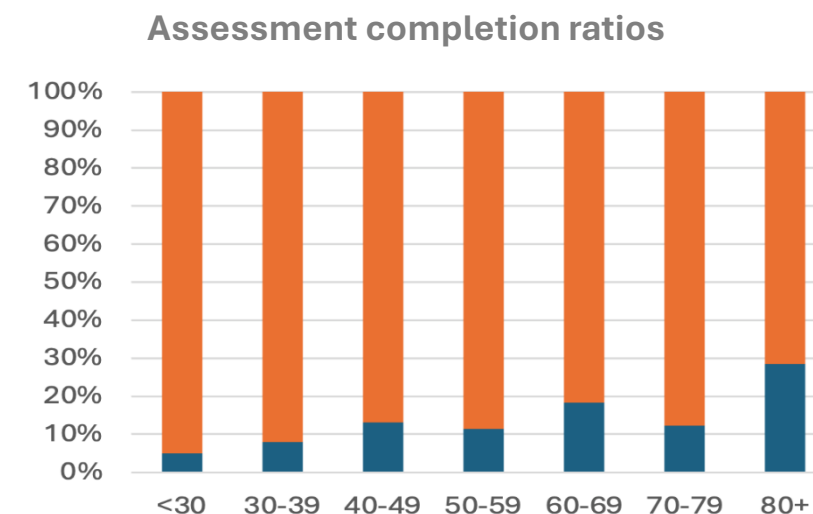
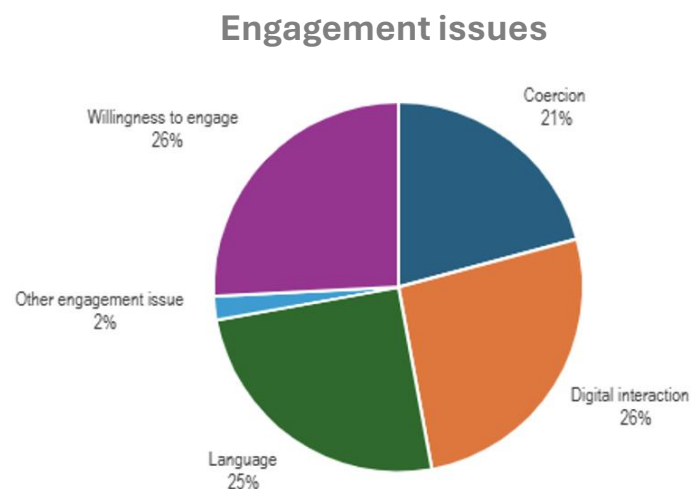
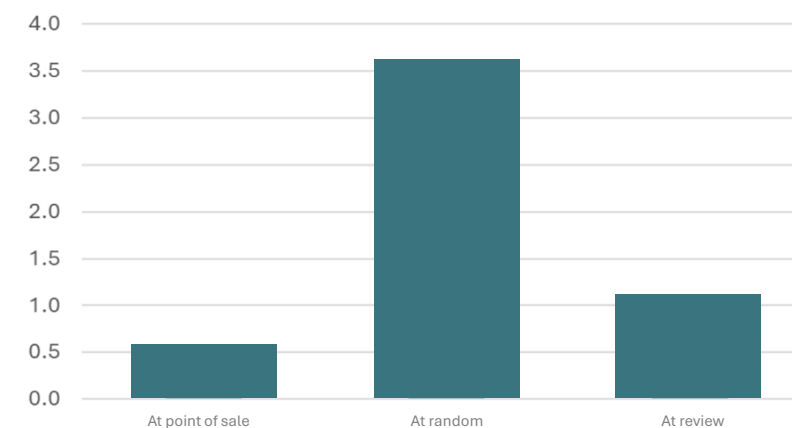
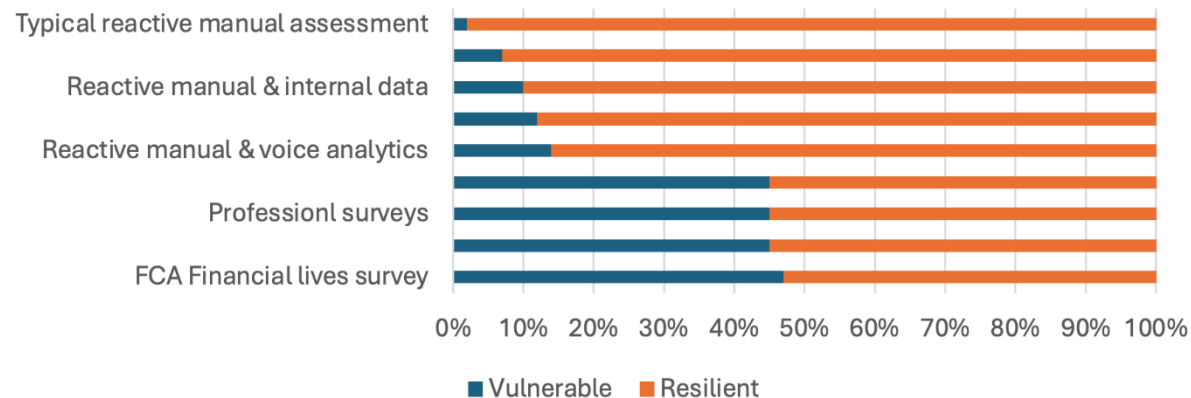


Vulnerable proportions

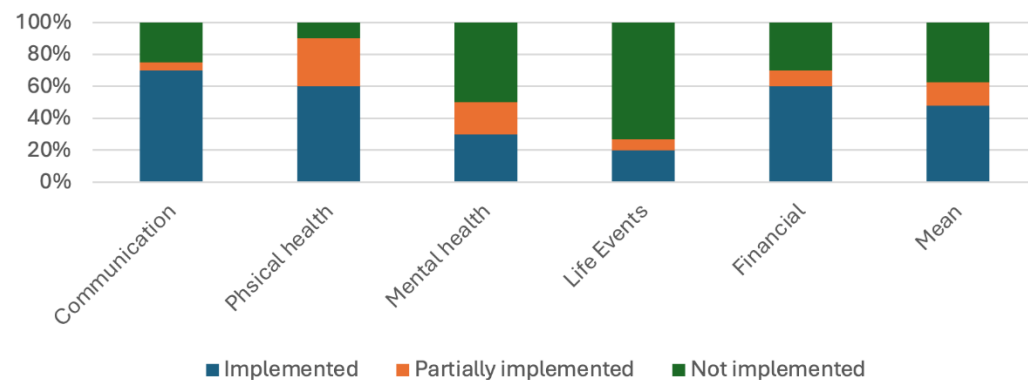


Proportions vulnerable by age and sector

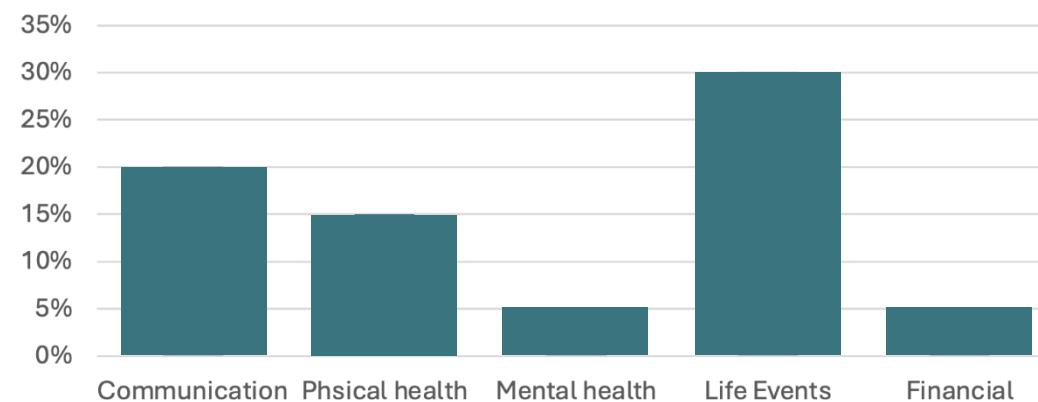
Customer engagement and identification



Understanding support pathways and outcomes

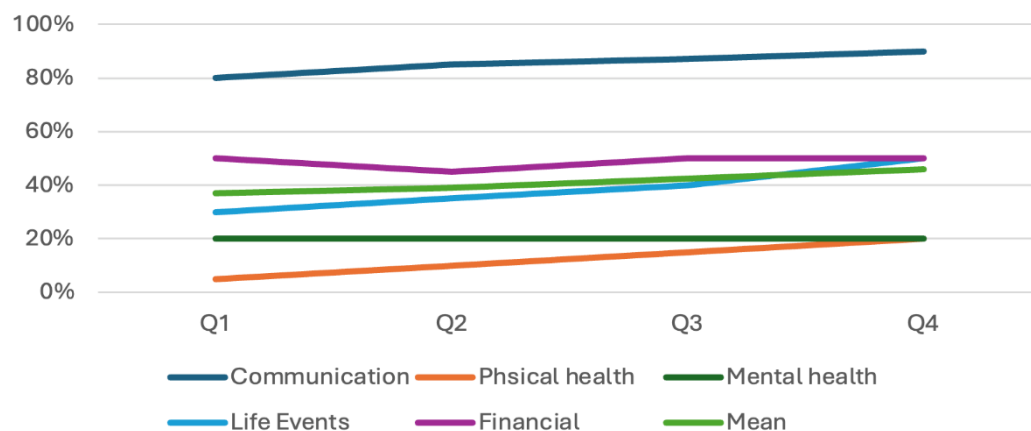


Success of support suggested, by category

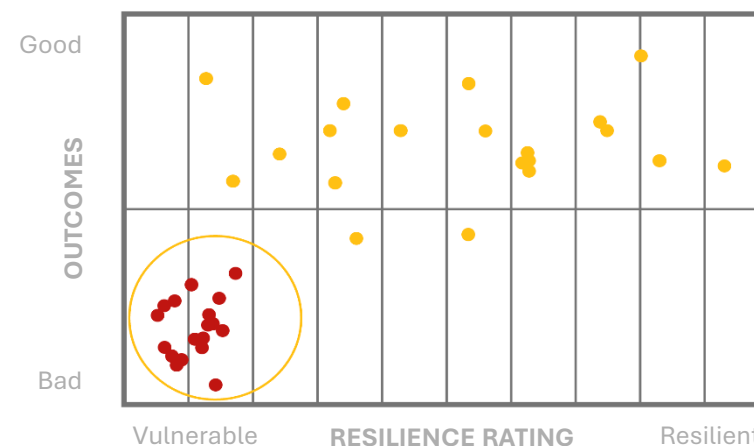


Proportion of support recommended, by category

Trend of acceptance of support pathways



Vulnerable cohort identification and reporting





Simon Gregory
Data on Demand



The next phase in our data service offering to help our clients better Identify, Engage, Monitor & Support consumers in vulnerable circumstances.

KYVC provides clients with:

- 1 Single point of access to multiple data services and vulnerability partners
-  The most comprehensive coverage of vulnerability indicators directly attributed to regulatory requirements
-  Flexibility to consume the data variables most relevant to your business

Strategic Partners



iDVU is a unique dataset covering over 5 million short-term, high-cost loan applications, helping identify customers showing signs of financial distress before they reach crisis levels. This dataset includes real-time indicators of financial hardship, such as high-cost credit usage patterns and borrowing for essential expenses.



Infinian is a loan data database that goes beyond traditional credit scores, capturing additional vulnerability indicators such as reliance on payday loans, high-cost credit dependency, and frequent short-term borrowing. This dataset highlights individuals who may not yet be in financial difficulty but are exhibiting early warning signs.



The Vulnerability Registration Services is a centralised registry where individuals self-report financial, mental, and physical vulnerabilities. This dataset ensures businesses can proactively support customers who have explicitly identified themselves as needing assistance, enhancing responsible customer management.



The Insolvency Service provides authoritative data on individuals and businesses undergoing financial collapse, including bankruptcies, IVAs, and debt relief orders. This official dataset is a vital tool for identifying customers already in serious financial difficulty, enabling organisations to intervene appropriately and prevent further harm or miscommunication with insolvent individuals.



Mortality Manifest is a national register of deceased individuals, compiled from multiple verified sources to ensure accuracy and timeliness. This dataset helps organisations maintain up-to-date records, preventing the distress caused by contacting the deceased and ensuring compliance with best practice around sensitive data management and customer engagement.



Policy in Practice offers dynamic household-level affordability insights through its Better Off Calculator, which models real-time benefit entitlements and disposable income. This data identifies customers at risk of financial hardship due to changes in employment, income, or support, providing a forward-looking view of affordability and vulnerability beyond traditional credit indicators.

Sample Monthly Vulnerability Insights Report

iDVu Variables	FCA Characteristics of Vulnerability	Customer 1 Paying	%	Customer 1 Arrears	%	Customer 2 Paying	%	Customer 2 Arrears	%
Portfolio		132,833		7,743		13,195		1,172	
Data On Demand - iDVu Match		4,345	3.3%	1,920	24.8%	1,693	12.8%	737	62.9%
SelfEmployed	Income Shock, Inadequate or erratic income.	269	0.2%	129	1.7%	33	0.3%	25	2.1%
Unemployed within last 12Months	Income Shock, Inadequate or erratic income, Over-indebtedness.	6	0.0%	8	0.1%	5	0.0%	1	0.1%
IncomeUnder15K	Inadequate or erratic income, Over-indebtedness, Low Savings.	229	0.2%	82	1.1%	99	0.8%	62	5.3%
LoanApp for DebtRepayment - PastYear	Income Shock, Inadequate or erratic income, Over-indebtedness, Low Savings.	440	0.3%	227	2.9%	161	1.2%	59	5.0%
LoanApp for Bills - PastMonth	Income Shock, Inadequate or erratic income, Over-indebtedness, Low Savings.	35	0.0%	12	0.2%	11	0.1%	4	0.3%
LoanApp for Emergency - PastYear	Income Shock, Inadequate or erratic income, Over-indebtedness, Low Savings.	666	0.5%	387	5.0%	269	2.0%	128	10.9%
LoneParent	Bereavement, Income Shock, Releationship Breakdown, Caring Responsibilites, No or low access to support.	385	0.3%	341	4.4%	101	0.8%	70	6.0%
Divorced_Separated	Income Shock, Releationship Breakdown, Caring Responsibilites, No or low access to support.	302	0.2%	164	2.1%	56	0.4%	32	2.7%
Retired	Retirement, Income Shock, Inadequate or erratic income, Low Savings, No or low access to support.	43	0.0%	12	0.2%	5	0.0%	1	0.1%

Example Board Report Summary

Portfolio	Avg Vulnerable Customer % Last 12 months	Vulnerable Customer % Last Month	Avg Disclosed Vulnerability % Last 12 Months	Disclosed Vulnerability % Last Month
Credit Cards	27.0%	25.0%	4.0%	5.0%
Personal Loans	16.0%	16.0%	3.0%	3.0%
Motor Finance	33.0%	36.0%	3.0%	5.0%
	Avg Undisclosed Vulnerability % Last 12 Months	Undisclosed Vulnerability % Last Month	New Vulnerability Flags Last Month	Vulnerability Cure Level Last Month
Credit Cards	20.0%	18.0%	3.6%	2.0%
Personal Loans	13.0%	13.5%	3.0%	0.5%
Motor Finance	30.0%	38.0%	6.2%	4.4%
	Most Common New Vulnerability Signals			
Credit Cards	Loss of Employment			
Personal Loans	Loan Parent			
Motor Finance	Health - Physical Disability			

Get your **FREE** portfolio report:

<https://knowyourvulnerablecustomer.com>



Kevin Still
Consumer Duty Services

2024 in summary

— Results for 2024 🚀



Client Productivity

Across multiple clients



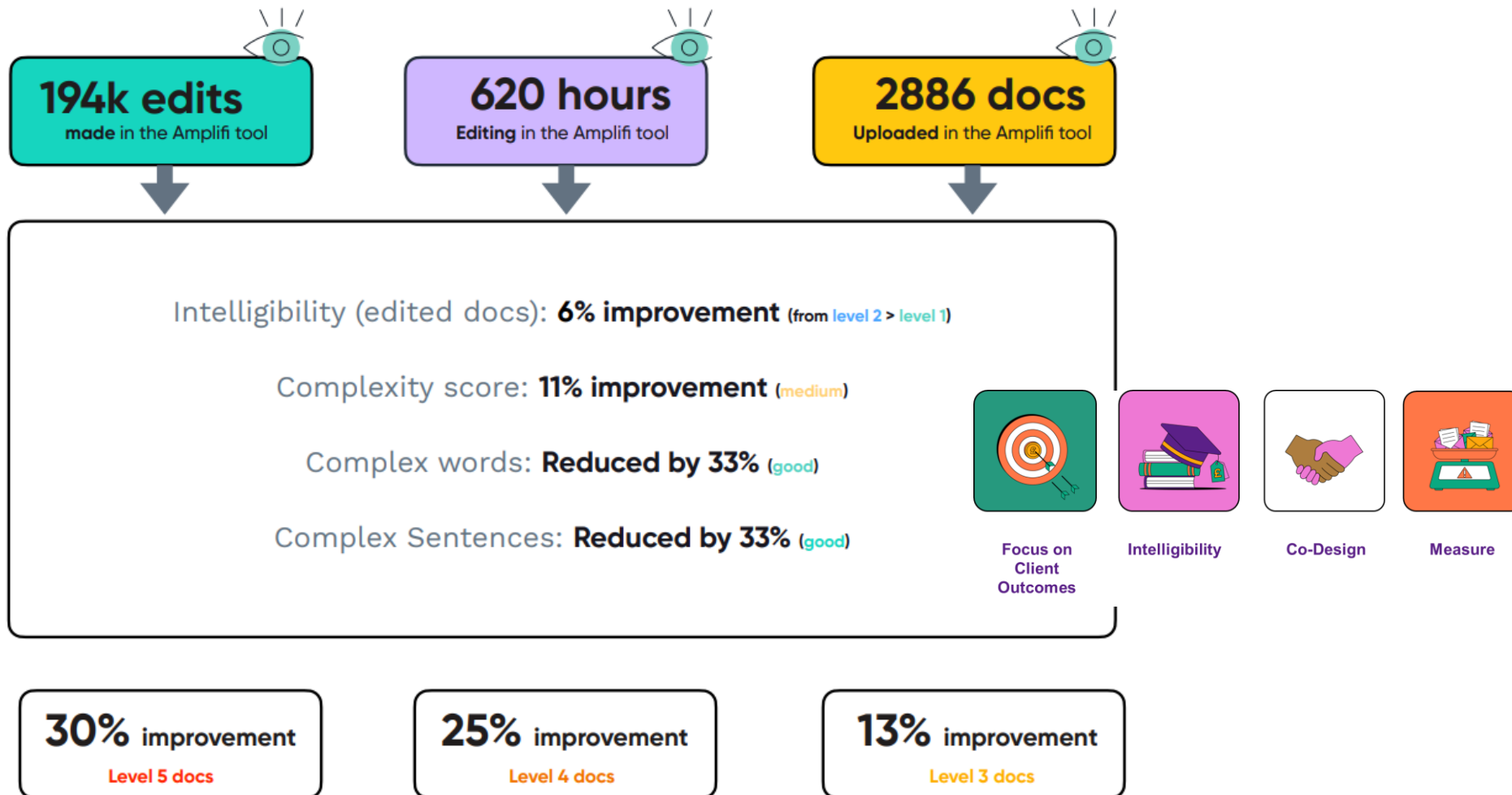
Intelligibility Improvement

Aggregated across all edited client documents



High Risk Document improvement

Average intelligibility improvement



- Special Support
- Data and Analytics
- Compliance
- Affordability
- Debt Advice



Andrew Gething
Founder & MD: Morgan Ash



Simon Gregory
Data on Demand



Daniel Spenceley
Credit Services Association



Dylan Jones
IEHub



Dave Poole
Money Plus

WORKSHOP: WHAT DOES GOOD LOOK LIKE?

- Debt Advice
- Special Support
- Data and Analytics
- Compliance
- Affordability

TOP 3: Priorities

- ☐
- ☐
- ☐

TOP 3: Barriers

- ☐
- ☐
- ☐

TOP 3: Enablers

- ☐
- ☐
- ☐

TOP 3: Actions and Solutions

- ☐
- ☐
- ☐

THANKS

Benchmarking Survey



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-  www.ro-ar.com