Expert guidance, thought-leadership, industry case studies and market insight from key influencers across sectors

Collaboration Journal

Issue 15

Autumn 2023

Together, we can go further

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Welcome

Welcome to issue 15 of the Collaboration Network Journal!

At the time of writing, we're less than two weeks away from our Conference & Awards Ceremony being held in Birmingham, in which we will hear from a range of keynote speakers delivering insightful talks on subjects closely aligned to the central pillars of the Network; improving support for customers and colleagues, and increasing the standard of adherence to regulatory compliance – as well as recognising and celebrating the success of Member organisations through the awards ceremony. This is set to be our biggest in-person event to date, and whilst I'm excited to see so many of our Members for face to face networking, it also has me reflecting on other areas of growth achieved this year.

As a Network, we are rapidly approaching 800 active Members, which is one of the key drivers behind the launch of our new online platform for Members, **CN-X**. We have exciting plans for this new platform which you can sign-up to now. You can also watch a tutorial here.

This platform will enhance your ability to self-service and manage your individual schedule of events, to connect with fellow Members, and to access a wealth of resources.

Meanwhile, by the close of this calendar year, we would have hosted **six in-person events**; with large format conferences held in London and Birmingham, regional gatherings held in Cardiff and Edinburgh, and two Vulnerability Champions sessions held in London. This feels like an exciting evolution when you consider our foundation during the lockdown of 2020, when face to face gatherings felt a distant memory.

This year we also held our first charity fundraiser for Demelza, in which **we raised over £4000**. A big thank you to everyone who supported us with this task, in particular South East Water.

We have also introduced a range of new sessions into the mix for Members, with a new EDI discussion club, and two new Special Interest Groups that will focus on Fraud & Scams, and Collections & Recoveries respectively.

We're also delighted to have a new starter join the Collaboration Network team in Nicola Sinclair, who brings a wealth of experience in the customer service arena having previously led teams at Virgin Media O2 and British Gas respectfully.

We are also embarking on a special research project around the Cost of Living Crisis, and we would love to work with Members around this. If you would like to enquire more about this project, get in touch.

The Collaboration Network is a cross sector organisation that enables learning and the sharing of best practice across a range of topics, and this is perfectly reflected within this, the latest edition of the Collaboration Journal. Ahead you can read articles that cover topics such as Complaint Management, Vulnerability, Consumer Duty, Scams, Inclusive Design, Suicide Prevention, Collections and Recoveries, plus more. I hope you enjoy this edition, and if you would be keen to become a guest columnist in the future, get in contact.

Together, we can go further.

Will Archer
Director & Co-Founder
Collaboration Network

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Reflecting Upon the Complaints Journey: What is Most Important to the Customer?

By
Paula Cornwall

Customer Relations Manager at Ageas

The age-old question of where complaint handling should sit within a business is a common topic of discussion, with some firms choosing to centralise the complaints function, others 100% owned by front-end operations, and a host of variations in-between. Some businesses make changes to their operating model, while others remain steadfast in their chosen approach.

With the FCA's Consumer Duty requirements and an increasingly complex customer base due to factors such as the cost-of-living crisis, now feels a good time to reflect on what feels right for our business to ensure we are doing the best we can for our customers on the occasions when we don't get things right, and they have the cause to complain.

Ageas is a leader in personal lines insurance and we are driven by our strategic purpose, to understand people and simplify insurance.

As Customer Relations Manager within our direct brand sales and servicing function, mine, and my team's priorities focus on signposting customer pain points to reduce dissatisfaction where we can, and when we haven't got things quite right, to make sure the complaints journey is simple for our customers. We are keen support our people with the right tools, knowledge, and systems to deliver a good customer outcome and make improvements to avoid it happening again. We work closely with our Continuous Improvement and Customer Journey teams to help us to provide brilliant service where it matters and great value all the time.

It is my belief that one of the first questions we should always be asking ourselves when looking at the complaints journey, is what is most important to the customer?

Since the start of the Amazon effect, customer expectations in respect of timescales have continued to increase. We see from the July 2023 UK Customer Satisfaction Index (UKCSI) results, people believe businesses they interact with are taking longer than expected to deal with their complaints.

> "Some businesses have moved back to models which were previously commonplace, like escalating dissatisfaction to a central complaints team the moment a complaint is identified."

It also comes as little surprise that the complaints handling overall result scored the lowest satisfaction scores when compared to measures such as customer experience or emotional connection, with the time taken to resolve a complaint scoring the lowest and the attitude of staff scoring the most. We see this broadly reflected across our own customer complaints survey data.

The most positive reactions from customers who have complained were driven from businesses fully understanding the problem and dealing with it immediately, with the UKCSI results also showing one of people's top priorities is for businesses to make it easier for them to contact the right person who can help. With the telephony method remaining the highest channel of making a complaint in the insurance sector, it is clear there is still more to do.

Of course, that shouldn't stop us from challenging ourselves to ensure there is a choice of communication channels open to customers who need to raise their dissatisfaction, however from the current results, more customers are speaking directly to a human when something has gone wrong. With just under 40 satisfaction points

difference between customers who have had a positive complaint experience against a negative experience, and understanding how satisfaction aligns to loyalty and customer retention, it is right that we challenge ourselves to explore all options and operating models, finding the right one for our businesses.

A common approach in an FCA regulated business will often see complaints being owned by their frontline operations teams up to the first three working days, at which time it is handed off to a smaller, dedicated complaints team. This approach does have its benefits, in that it should enable the simpler complaints to be resolved at the earliest opportunity, leaving the dedicated complaints team the time to investigate the more complex issues. However, I am yet to speak with any business which does not come across challenges with frontline ownership such as unnecessary escalations and delays for customers.

Businesses whose frontline operations teams receive and handle 100% of the complaints they receive, with no escalation process, ensure all team members have ownership and accountability for complaints. This also comes with issues such as other department pressures taking priority, often restricting the dedicated and uninterrupted time needed to understand the more complex issues. This may also cause delays.

Some businesses have moved back to models which were previously commonplace, like escalating dissatisfaction to a central complaints team the moment a complaint is identified. These teams may be structured as a contact centre within a contact centre, often with resource moved from the frontline team to the dedicated complaints team. This has the potential to offer a more consistent approach, however, is dependent on the correct identification of dissatisfaction prior to handoff. This may see incorrect identification of dissatisfaction, again causing delays.

There are of course a variety of operating models and structures in between those I have mentioned. There is no one size fits all and each will present challenges. The most important thing to consider is what is important to the customer, design your processes and systems around that, and build your measures and metrics to evidence and identify good customer outcomes. Making sure your business and complaint management systems are doing the hard work for you is so important. We are currently

expanding and investing in our technical capabilities to drive out customer pain points and provide support processes for our end users.

In Issue 13 of the Collaboration Journal, Hayley Fellows from Equiniti spoke of the challenges facing firms as they seek to recruit and retain customer service staff at this time of significant demand and of how the regulatory and economic environment for many firms is adding up to greater demand for specialist customer service. With more of the simple processes automated using AI, or customers being able to self-serve, when a customer does make contact by telephone, e-mail or webchat, the support they often need is more complex. Along with the requirement on these teams to identify and support our vulnerable customers with their needs and businesses seeing more vexatious and abusive customers, the role of a contact centre consultant has changed.

"I believe there will always be a place for a dedicated complaints function, where a small percentage of the most complex of complaints are best placed."

Accepting that with the right recruitment and retention processes in place, our frontline teams have the competency to work in this very challenging environment and are equipped with the skills needed to support our most vulnerable and challenging customers in the most difficult of scenarios, with the appropriate training and tools, they should be trusted to understand, investigate, resolve, and write a complaint response.

Frontline ownership can add real value to a customer who has cause to complain, in the areas that matter most, by fully understanding the problem, dealing with it immediately where possible, and making it easier to contact the right person who can help.

During a recent workshop with representatives from our frontline teams many expressed a desire to continue working with the dedicated complaints team on the formal response when they have built a good relationship with the customer. This allows them to keep ownership and see the outcome through, including writing the formal response for the customer. They pointed out that this would increase their job satisfaction, ultimately supporting staff retention.

I believe there will always be a place for a dedicated complaints function, where a small percentage of the most complex of complaints are best placed, with the teams completing activity such as root cause analysis and second line complaint quality reviews to name a few. However, with the right internal processes, systems, measures and controls, and by removing restricting authorisation limits and decision-making processes, we should trust our frontline people, and support them to do the right thing for customers. That means arriving at a fair outcome for their complaint and delivering what is most important to them.

Paula Cornwall

Paula is Customer Relations Manager at Ageas, one of the UK's largest home and car insurance providers.

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Consumer Duty – How Much has Changed?

By James Daley

Managing Director, Fairer Finance

At the time of writing, a few weeks have been and gone since the FCA's new Consumer Duty rules came into force at the end of July. Although it was heralded as a sea change in the FCA's approach to regulation – and a significant raising of the bar – you could be forgiven for thinking that nothing has really changed.

Financial services products look much they did three months ago. Almost no products have been withdrawn from the market. And most financial services literature is just as hard to read as it ever was.

Under the surface, however, most firms are still busy working through their consumer duty task list. Many of the most visible changes – such as customer journey redesigns, or rewrites of terms and conditions – will take many months to start to be seen. We've been working with banks and insurers rewriting Ts&Cs for the last decade – and in our experience, these projects often take up to a year in large organisations.

Changes to web journeys and letters can also be painfully slow.

Most financial services companies are also busy increasing the amount of data they collect, in pursuit of proving that they are delivering good customer outcomes. And only as those data collection processes are complete will they be able to start to understand and address some of their weaknesses.

> "For those in the industry who take this lack of major change as an indication that Consumer Duty won't amount to much, I'd say that I think you're mistaken."

But as important as clearer communication and good product governance are – it's fair to say that most financial services firms seem to side-stepped the bigger questions asked by the need to prove they are offering fair value. Speculation had been that products might be pulled, rates changed, terms improved – but there's very little evidence of major change in any core financial services market so far.

The only one I've spotted is a couple of banks scrapping overseas charges on their bank accounts – which is surely an effort to justify that they offer fair value given that they are not paying any in-credit interest.

For those in the industry who take this lack of major change as an indication that Consumer Duty won't amount to much, I'd say that I think you're mistaken. Many challenging conversations have taken place in boardrooms over the last 12 months – and a lot of businesses have decided to sit tight and wait to see what their peers do. Safety in numbers.

What we're likely to see from here is the FCA deep diving into one sector at a time – sharpening its guidance on what fair value means in each area, and pulling out examples of good and bad practice. It's also keen to find firms to make an example of. Unfortunately, the snails pace that enforcement in the FCA runs at means that even if the first enforcement case is already underway, we probably won't see and hear the results of it for several years.

Consumer duty will undoubtedly be a slow burn – but I still believe its impact will be significant. In the medium term, its biggest impact will be in terms of better and clearer communication. But in the long run, it will have a major impact on every corner of every financial services market.

Even if your firm is in the camp of sitting tight and watching what your peers are up to – it's well worth understanding exactly where your weaknesses are, and planning how to pivot your business models if and when the time comes. Better still, take the leap today and seize the moral high ground.

James Daley

James Daley is Managing Director of Fairer Finance and Financial Ethics Champion within the Collaboration Network.

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Powering our Communities and Powering Lives

With Jane Crisp

Vulnerability Programme Manager at Northern Power Grid

Have you ever been asked *"What is it you actually do?"*

Jane Crisp, Northern Powergrid's Vulnerability Programme Manager has heard this question all too often. Learn more about her collaborative role for the electricity distribution network operator whose remit is to distribute power to 8 million customers in the North East, Yorkshire and northern Lincolnshire…

"When I first started working in the utilities industry nobody had heard of Vulnerable Customer Programme Managers or vulnerability strategies. At the first company I worked for, I spent my first six months building relationships across the organisation, setting out my stall.

"Prior to joining utilities, I worked in the third sector, spending seventeen years in Ireland working in some of the most marginalised housing estates. My office was in the middle of one of the four 'Estates'. Collaboration was demonstrated with an open-door policy. We recognised that if we wanted people to work with us, and come to us for help, we needed to build trust - not barriers.

"During this time, I worked with a wide range of cross sector and multi-agency services that implemented regeneration programmes to address economic, social and physical regeneration. A lot of my time was spent attempting to collaborate with a large number of services; discussing real issues within the communities we were supporting.

"There were many small, informal, community groups run by residents, but none had gained traction. However, it did provide those living in the area with an opportunity to have their voices heard.

"The eureka 'lightbulb' moment came to us when we brought all people together to join one meeting. Held at the local church, it was one of the most uncomfortable meetings I have ever attended. Those that were previously confident and vocal, were suddenly quiet, while others were angry, (and they let us know it!)

"But, what did we achieve? Whilst it wasn't an overnight change, we slowly built trust. Smaller groups joined together and supported each other. Others looked at funding to support running costs and formalise activities, and by listening and learning from those that lived their lives on the estates, we began to work together with the community on things that mattered to them most.

"Back to the housing estate where my office was located. You may have already formed an opinion that this was a council estate, and in part it was, but many of the older residents had bought their homes under the Government's 'Right to Buy' scheme years previously. However, their homes were now worth much less than they had bought them for, and it was, perhaps, only those with funds via 'ill-gotten gains' who were able to buy for a low price – often with cash.

> "Collaboration might start in a board room, but it should lead to the streets, the communities and the homes of those we represent and those that we think we know better than they know themselves."

"The estate had one way in, and one way out; with a long winding wall full of graffiti. Many residents had contacted me about the graffiti as they were embarrassed by the eyesore, and ultimately, had stopped inviting family round to visit. The council was unwilling to paint over it, as they knew it would be graffitied again. The summer holidays were about to start and the community was doing OK. Summer camps were being arranged, schools were working with parents, police and other multi-agency services were making plans to ensure there were activities for children over the summer…and I boldly suggested that we tackle the graffiti wall as a community project.

"Lack of resources resulted in me begging for free paint from local stockists. Thanks to kind donations, we set about painting the wall over a two-week period. Interest was slow at first, and at times we were heckled as people drove by. But, bit by bit, the community got involved.

Families, children, teachers, the church and the local police all worked together in the sunshine. Even those who had initially mocked us joined in and eventually picked up a paint brush.

"The wall stood graffiti free for at least four months. Why? Because the community had owned and fixed the issue and were proud of their work for their community. It really had been a collaborative, empowered, effort.

"But that summer project wasn't just about the wall or the graffiti. It was about the young people who got involved and who now felt different about where they lived and about those working within their community. I often think of those children, now adults - who may have families of their own.

"Collaboration might start in a board room, but it should lead to the streets, the communities and the homes of those we represent and those that we think we know better than they know themselves.

"Often we think of collaboration as being about those who hold authority - making the decisions and being part of a larger mechanism to 'get things done' on behalf of other people. While we rely on organisations to provide structure, funding, input and insight of those that we support; our customers and service users should have opportunities to power their own lives and co-create services that are fit for purpose.

"So, how does this community cohesion experience transfer to being a Vulnerable Customer Programme Manager at Northern Powergrid?

"It means I'm in touch with reality and everyday issues which take place in everyday lives across our communities. For our vulnerable customers, this insight helps me to understand what support they may need during a power cut.

"My role also involves working with a range of organisations and our own customers to ensure that our services, and performance, reflects their unique needs. Our approach to engagement, understanding our customers' circumstances, how our services work, and how this impacts their lives is essential to support vulnerable people and those who may be less able to collaborate, seek help or represent themselves."

To find out more about Northern Powergrid's free Priority Services Membership, which offers additional support during power cuts, visit www.northernpowergrid.com/care, call 0800 169 2996 or email priorityservices@northernpowergrid.com.

Jane Crisp

Jane is Vulnerability Programme Manager at Northern Power Grid and a Member of the Collaboration Network's Vulnerability Champions Group.

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Inclusive Design: Where to Start?

By Gordon McCullough

CEO at RiDC (Research Institute for Disabled Consumers)

Disability is nothing new. Humans have been living with impairments of different kinds since we have inhabited the earth. Yet it seems that we still have a way to go until we are consistently putting out to market products and services that are accessible to all people, regardless of impairments or health conditions.

At The Research Institute for Disabled Consumers (RiDC), in the last two years we have seen demand increase substantially for our services to help brands, companies, government and organisations to develop better, more inclusive and more accessible products.

My theory is that the Covid pandemic and consequent lockdowns exposed people to the experience of being denied the ability to do and use everyday things. Not being able to see friends and family, to access the shops in the way you want to, or travel on public transport.

People, who has previously lived most of their lives as 'non-disabled', had the experience of being situationally or temporarily disabled in some way. Conversations that before were mostly limited to disabled people, started to be had by everyone - and this filtered into public consciousness.

People realised, through their lived experience, that any individual may be disabled in one way or another at different times in their lives. Yes, there are longer term disabilities: being born with a visual impairment for example or inheriting a genetic condition. But I believe there is also more awareness now of temporary disabilities: an acute respiratory virus (like Covid19) that depletes you so much you can't get out of bed for days; spraining a wrist so you are unable to type, or experiencing such severe anxiety that you can't do everyday tasks.

This is in addition to our situational disabilities: someone carrying a baby under an arm so they can only use one hand, being at a music gig and not being able to understand what people are saying because of the noise. Now there is more awareness that everyone can be disabled – unable to do what they want it is they want to do.

So it follows then, that if services and products are designed in consultation with disabled people at every step of the way, they are also going to work for the rest of the population at all these different times in their lives.

The truth is that people want to use things that work well for them. And they will come back to them time and time again if they do.

So where can you start with ensuring that your products or services are accessible to everyone?

"What's super useful is when employees from across the business (not just designers) can be part of the process - observing and interacting with the focus groups or user testing with disabled people."

1. Assume you know nothing.

Absolutely everyone's experience is subjective. That includes you and it includes disabled people. So it's essential to undertake comprehensive research into the experience of people living with many different types of impairments (mobility issues, hearing & visual impairments, development disorders for example) and ages (disability increases with age) to see how well they use your product or service across the board.

We are constantly surprised with the responses of our consumer panel of disabled and older people when they tell us what it's like using a particular service or product. My favourite time in the research process (which always happens without fail) is when we see a client have that lightbulb moment. The 'that's so interesting, I never thought about that' or 'that never occurred to me before'. We absolutely need this input from a range of voices to get the 360-degree view, instead of a single standpoint. Even if you are the most well researched and informed person in the business, it can never replace the lived experience of a number of people. You also need to ensure your research methods are accessible so everyone can give their feedback effectively.

2. Start with the disabled perspective every time you are thinking about doing anything.

Inclusive design needs to be embedded as a strategy or set of principles that lives in the DNA of your organisation. It can't be an add on or something that just applies to one service or product. Everyone needs to know and understand the value as well as be a champion for it.

What's super useful is when employees from across the business (not just designers) can be part of the process - observing and interacting with the focus groups or user testing with disabled people. Usually, what they see is not complaints but collaboration and ideas for solutions. Disabled people have been designing and using their own 'work arounds' for the things they use for many years and welcome the opportunity to share their innovations and ideas. It's a collaborative and open approach, and this often triggers the lightbulb moment which completely changes the way people think about disability.

> "It doesn't always cost a lot to change things. That little tweak to a product or a website can make a significant difference to a whole load of people."

Also, when we say start with the disabled perspective, I don't mean just asking the one disabled person you know, or who works for you. A broad range of data is needed for it to be representative, so that means consulting with a wide range of people.

3. Put resource into it - because the benefits that come through are for everyone, not just for disabled people.

The truth is that yes, it can cost more to ensure your product or service is inclusive. The work that goes into this cannot be undercut. But in putting something to market that can be used by *everyone*, you will reap the benefits. It will be not just the purple pound coming back to you (the total spending power of disabled people and their families is estimated at £274 billion a year), but the repeat custom of people who want to use things and services that work

well. By creating something that is inclusive, it works for everyone.

It doesn't always cost a lot to change things. That little tweak to a product or a website can make a significant difference to a whole load of people. The key is finding out exactly what the tweak needs to be.

Wherever stage your business is at, I truly believe you will not regret taking these steps.

My hope for the future is that the products that line our shelves and the services we use daily are no longer branded as 'accessible for disabled people'. They are just really well-designed products that work for everyone.

Gordon McCullough

Gordon is CEO at RiDC (Research Institute for Disabled Consumers)

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About RiDC (Research Institute for Disabled Consumers)
RiDC is the leading expert in inclusive research involving disabled consumers. They are an independent, national charity with over fifty years of experience in consumer research and insight in this specialist area.

RiDC taps into the collective wisdom of their Consumer Panel of almost 4,000 disabled and older people to help brands, companies, government develop better, more inclusive, more accessible products and services.

Guest Column

Best Practice Remediation Programmes – a 7-Step Guide from EQ

By Anthony Eghan

Business Development Director at EQ Charter

With positive customer outcomes at the top of the agenda for all industry regulators, firms have reacted positively to do what is best for their customers. Part of that is a willingness to act when things go wrong, or regulations change, resulting in remediation projects.

Here, Anthony Eghan sets out the best practice 7-step process that enables firms to plan for success when developing such projects.

1 - Objective and Outcome

Once a rectification programme, or potential programme, has been identified, the first step is to define the objective and outcome, and understand what will happen once it is completed. It is also worth asking the question, what does success look like? Success may be defined as all customers mailed, or it may be the number of customers that respond, or the number of customers paid redress. Defining this at the outset will help to determine the later stages.

It is recommended to start by examining the business requirements and any potential regulatory requirements for the campaign, asking key questions such as 'what, if any, evidence do you need to present to the regulator?' and 'what reporting/MI is required'.

It is also important to think about what will happen to the data once the campaign is completed; will it be stored, re-used, and imported to another system, or deleted? Asking these questions upfront helps ensure that the processes and platform design fulfil these simple, but often overlooked, requirements. It is easier and cheaper to put this in place at the outset rather than re-engineer the platform and process halfway through.

2 - Source Data

The second step is to look at the available source data for the campaign. In a typical rectification campaign, all the customers that are affected are loaded into a system for easy referencing and for managing the proactive campaign. The list of customers that are to be reviewed and ultimately processed through the rectification programme will undoubtedly come from multiple systems and be of varied quality and structure.

This task can be complicated further as the same customer can reside in several different internal systems. Not an ideal situation. However, exception reporting can highlight affected customers allowing you to decide if a different approach is required in communicating with and

remediating the individual.

Consideration should also be given on how to cross reference rectification data with existing complaints data to avoid duplicating effort and creating multiple customer communications. At this point a decision needs to be taken that affects the cleansing of the source data and the process design; do you consolidate all customer records from across the group, aggregate the customer record, and contact them once, or do you treat each brand and customer occurrence separately?

The final consideration of the source data is to look at any historical changes to the format and usage of the data fields, and also whether you have 100% trust in the data. There are specialist resources and tools available to cleanse complex and unstructured data sets and to help identify people who have moved or passed away.

> "A lot of time can be quickly consumed building integrations that don't deliver much benefit to the overall process."

3 – Process Design

The third step is process design. In the first two steps, we have defined the objectives, the outcomes, and the source data available. From this we now start to work to design the end-to-end process, firstly looking at how this is to be communicated to the customer and whether the customer has a direct part to play in the process.

If a customer response is required, how does their response affect the subsequent steps in the process? Technology can play an important part in this as some steps can be automated. A decision matrix can be implemented into the

platform's rules engine to drive case workflow as a result of any investigative steps carried out and the customer's response; this in turn drives the next possible set of actions.

As outlined at the beginning, if these cases require evidencing for regulatory purposes, then the completion and timing of these actions are recorded and the correspondence is sent to the customer. Determine if there is any likelihood that some of the cases will become complaints, how will this be recorded and processed?

4 - Technology

The fourth component is technology. Equiniti has already proven that technology is key in the process design, delivering and evidencing the objectives and proposed outcomes, and validating the data that is available to it. Further productivity gains can be achieved through integrating the platform into other systems such as a redress calculator, payments platform, CRM, and document management systems. Other integration options are possible where relevant, such as self-service web forms, emails, and social media.

A lot of time can be quickly consumed building integrations that don't deliver much benefit to the overall process. Therefore, consideration and challenge must be made; How would any integration benefit the process, and is there time in the project to deliver this?

As we will look at shortly, technology has a bearing on the resourcing required to orchestrate a rectification campaign. We recommend always seeking to future-proof any solution where possible for rectification and remediation to ensure that future programmes can be performed using the technology with limited updates or changes.

Further considerations are whether existing technology is suitable for this exercise and if not, do you need to build, buy, or rent a system. Where should any proposed platform reside – in-house or in the cloud? Another consideration with all rectification projects is the availability of internal IT and business resource to support the initial programme design and ongoing support across the lifetime of the activities.

5 - Resources

The fifth part for consideration is resourcing and there are typically two areas that need to be understood.

The first is the company's availability to manage the project and the second is the resourcing to support the rectification campaign. As noted previously, the required IT resource must be available if the technology platform is to be hosted in-house.

Whether the solution is an extension of an existing platform or the installation of a new platform, internal IT will be involved to varying degrees and their availability directly impacts the delivery of the complete solution. However, this requirement is greatly reduced if the platform is to be securely hosted externally and this approach can directly improve the lead time to deploying a rectification platform and starting the pro-active programme of works.

"The location of the resourcing is another consideration. Do they need to be on-site, off-site in a managed facility, or even off-shore? "

The main resource consideration is how will the company provide the people to respond to the enquiries, make any required calls, and investigate and process each case to ultimate conclusion. This is the most costly aspect of any programme and is influenced directly by the process design underpinning any rectification task.

Resourcing is where specialist providers such as Equiniti can help. Whether the platform is hosted internally or externally, people are required to run the exercise and companies do not tend to keep a large resource pool free in case these exercises crop up. Typically, these programmes use a mixture of contract staff overseen by a manager. This approach has proven to work well when the expectation is that the programme is to be short-lived or the lead time is too short to recruit and train internally. Utilisation of contract staff gives the flexibility to ramp up or reduce staff

levels as per demand, ultimately reducing the overall costs of the campaign.

The location of the resourcing is another consideration. Do they need to be on-site, off-site in a managed facility, or even off-shore? Ultimately, the decision on where to locate the rectification team stems from the need to be integrated into the rest of the business. As discussed earlier, if these cases have the potential to turn into regulated complaints or require specialist in-house resource, then this will impact decisions around how the resourcing demands are approached.

6 - Timelines

The sixth part examines the timelines of the remediation exercise, taking into consideration the planned implementation, resourcing, and the rectification and remediation process itself.

Typically, from the outset, the target completion date for the remediation campaign will have been set and this acts as a final check to challenge whether this can be delivered and completed within the timescales given. If not, consultants can review the implementation to find any compromises between functionality and speed that can be made, or whether putting additional people into the process will help progress and resolve it faster.
It is also possible there is no defined end date for a campaign and for the on-boarding of any future rectification programmes. Therefore, this should be considered as part of any initial process and platform design to accommodate future requirements.

7 - Reporting

The final part of the process is reporting requirements. From the very beginning, we looked at what the output and the reporting requirements for the programme should be.

The reports typically delivered as standard are for management, staff productivity, case root cause, redress and payments, and, in some cases, a regulatory report to demonstrate the progress and outcomes of the programme. Additional reports can be defined and created for any specific requirements and the reporting universe can be supplied to be interrogated by the MI/data warehouse solution and data analysis teams. This provides the final piece of the overall solution and gives a complete end-

to-end capability to deliver a successful, compliant, and effective rectification and remediation programme.

Maximising Partnerships

Remediation programmes are often undertaken at speed and under the regulator's spotlight so getting them right first time is important for both regulatory compliance and customer satisfaction. Whether you have a particular remediation project planned or you would like to be prepared to act quickly when one does come along, EQ can help. Our team of experts has worked on every major financial services remediation project, combining our technology and people skills to make the process efficient and effective for our clients. Please reach out if you have any questions.

To find out more visit - https://equiniti.com/uk/services/customer-resolutions/remediation-solutions/

Anthony Eghan

Anthony is Business Development Director at EQ Charter

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A World without Scammers? Imagine that...

By Anna Roughley

Head of Insight at Lending Standards Board

Scams. It's a word we hear all too often these days. Every text, email link and phone call from an unknown number fill us with that familiar feeling of 'should I answer/click that?'. Sometimes, even though the doubt is there, that text, or email, or person on the other end of the phone is just too convincing, and we go for it.

The thing is, scams don't just display themselves as dodgy links or texts; these are just one type of this crime. Scams can also present as the new friend you meet online, the trustworthy tradesperson who came recommended, or the 'fraud prevention team' who call to warn you of suspicious activity on your account. These criminals are professionals. They manipulate you so that by the point you come to make a payment to someone you think is legit, you're so convinced that it's not a scam, you go ahead, and bam, money gone.

Authorised Push Payment (APP) scams have a devastating impact, not just on people's wallets, but on their mental health, their trust and confidence in others. Scams can bring about feelings of immense guilt, shame, embarrassment; 'why was I stupid enough to fall for that?'. In fact, Canada Life recently reported that out of the people they surveyed who had been scammed or knew someone who had, a huge 55% said it had taken a toll on their mental health.

During difficult times like the cost-of-living crisis when people are feeling more stretched than ever, well that's the perfect environment for these criminals to operate in. To give you an idea of the problem we are facing, I'd like you to think about how long it took you to read those three paragraphs just now? A minute or two maybe?

In the time it's taken to read that, statistically £922 has been lost to criminals.

Doesn't sound like a lot?

That's £55,365 an hour, £1.3m a day, £485 million a year. It's a monumental amount of money funding serious organised crime, not to mention the emotional damage it's caused, which is too catastrophic to put into a figure.

The current picture
Data shows that in 2018, the number of APP scam cases rose by 93 percent. In 2019, the Contingent Reimbursement Model Code (CRM Code) was introduced, the first set of

protections of its kind to help tackle scams. As a result, the rate of increase in scams slowed to 45 percent in that year, 23 percent in the following year, and 6 percent by 2022. Although scams are still having a devastating impact on many, the ten banks and lenders signed up to the CRM Code are working hard to prevent this devastation for their customers.

"If we work together, we can create a world where a call from an unknown number doesn't spark fear, worry, and doubt, and where a text from your mum is just that, a text from your mum, not a criminal."

The Code, governed by the Lending Standards Board (LSB), primary self-regulatory body for the banking and lending industry, sets out standards to protect customers from the harm scams cause. It has three main pillars: to help signatory banks and lenders detect scams, prevent them, and reimburse customers who do fall victim through no fault of their own. The Financial Ombudsman Service recently highlighted that customers banking with CRM Code signatory firms are less likely to be scammed; the Code's prevention tactics are working.

Elsewhere in the industry, the Payment Systems Regulator (PSR) has outlined its position on tackling APP fraud going forwards, and that position is introducing mandatory reimbursement. This is a positive step, but reimbursement does not stop customers experiencing the scam and going through that emotional turmoil and stress. It also doesn't stop the criminal going away with nice full pockets.

So fast forwarding to 2024 when mandatory reimbursement has come into play; what about scam prevention? Simply put, the provisions within the Code requiring signatories to detect and prevent scams and treat their customers fairly cannot fall away, not after so much progress has

been made. Quite the opposite – not only is it vital that signatories continue to implement and improve their scam prevention measures, but other banks and lenders need to follow suit and provide their customers with equally high protections, so the best practice and progress that has been made to date does not disappear.

We know that scams constantly evolve, and so banks and lenders' prevention strategies too have to evolve too to keep pace with that change. That's where a new code, focussed entirely on prevention, comes into play.

At the LSB, we want to build on the momentum the CRM Code has created to help more firms prevent more scams. Signatories of the Code cannot let their hard work go to waste, they must now commit to continue to deliver these high protections. Non signatories cannot assure their customers that they are offering equal protections because they aren't subject to the independent oversight that signatories to the Code are. But by committing to signing up to a new prevention code that includes that oversight, sharing insights with other signatories, and working with the support of the LSB, firms can be assured, and assure their customers, that they are committed to stopping as many scams as possible.

Ramping up scam prevention

So, what will the new prevention standard look like? For starters, it will be suitable for all firms of any size. It'll be flexible but robust, be agile but precise, and most importantly, provide stability whilst encouraging innovation.

Because innovation is key here. We know all banks and lenders differ – from fintechs to challengers, traditional banks to digital offerings, no two firms are the same, and that's why the new prevention code will allow space for innovation. It'll allow banks and lenders to prevent scams in a way that works best their business model and critically their customers. Regulation can often be criticised for stifling innovation, but that isn't the case. Self-regulation, like that of the LSB, allows the space for innovation and agility, and that's why it's suitable for all firms.

What next? We expect CRM Code signatories to continue to show their commitment to prevention and customer protection, and for others to match that commitment, by getting in touch to talk about how our prevention code can work for your business model. This code is for the financial services industry, but the principles can be used for other sectors to build upon, to heighten scam prevent across utilities, telecoms and other industries.

If we work together, we can create a world where a call from an unknown number doesn't spark fear, worry, and doubt, and where a text from your mum is just that, a text from your mum, not a criminal. Will you join us in creating a world that isn't dominated by scammers? Get in touch to find out how.

Anna Roughley

Anna is Head of Insight at Lending Standards Board

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Collaboration to Reduce the Risk of Suicide

By Helen Pettifer,
Director of Helen Pettifer Training

In January 2023, the Government announced that a cross-party Suicide Prevention Strategy would be published this year. Encompassing the NHS, schools, transport services, prisons and the media, with advice from leading suicide prevention charities, it will make an interesting read. A collaborative approach is certainly needed to make a difference.

In 2016, the NHS 5-year Mental Health plan included a commitment to reduce suicide rates in England by 10% by 2020. Unfortunately, that target was not achieved and the number of deaths by suicide has remained high and largely unchanged for 17 years.

I believe we all have a role to play in reducing the number of people who feel they have no other option but suicide. From early intervention to risk management, I share how individuals and organisations are playing a part in reducing the risk of suicide.

Individuals Making a Difference to Those in Crisis

Suicide Prevention Volunteers
Across the country, thousands of volunteers undertake training to respond to calls from those in crisis. There are several suicide prevention helplines and Samaritans alone answer a call every 10 seconds.

Suicide Prevention Fundraisers
Following the death of her brother, Strictly's Shirley Ballas has been sky diving, wing walking and flying down the fastest zip wire to raise funds for suicide prevention charities. Many other individuals are undertaking feats of endurance to raise awareness and money to enable suicide prevention charities to deliver life-saving services to those in crisis.

Suicide Prevention Innovators
A different approach was adopted by a cyber security specialist following her brother's death by suicide. She checked his browsing history and found that his searches had led to sites that gave tips and encouragement to those contemplating taking their life.

Her response was to develop and launch R;pple, a plugin that can be downloaded onto devices. R;pple doesn't track or register any personal information, but suicide searches are intervened. The tool directs the searcher to positive messages and links to support services. She has made R;pple free to download for registered charities, schools, parents and individuals.

How Organisations Can Reduce Suicide Risk
We spend a significant proportion of our day at work, so how we are treated in the workplace can ease or exasperate feelings of desperation. To reduce suicide risk, the company culture should be respectful and inclusive. Every member of the team must feel valued, with opportunities to connect and collaborate. Issues such as bullying need to be promptly addressed, whilst all positive contributions should be recognised and rewarded.

> "A Government Strategy is welcomed, yet there is an opportunity to make a bigger difference if more businesses embrace suicide prevention as part of their duty of care and workplace risk assessments."

In addition, an environment where employees feel able to raise concerns can aid early intervention. An open and tolerant culture encourages individuals to seek support. As a starting point, share information on crisis helplines and support services in communal areas as well as internal resources.

Thirdly, I believe it is important for all members of the team to feel prepared and confident in responding to a crisis. They need clear information on what to do if colleagues or customers disclose suicidal intent.

How to Respond to Disclosures of Suicidal Intent
As a founder of WASP-UK, I believe it should be mandatory for all workplaces to have a Suicide Prevention Policy. This outlines the steps the organisation is taking to manage risk, as well as specifying the course of action following

suicide disclosures. To encourage this action, WASP-UK has produced a free, downloadable policy template which can be edited to fit your company.

You may not believe that this is relevant to your employees or clients, but suicide is not restricted to a specific demographic. I found that the demand for my Managing Suicidal Conversations training course has been consistently high this year. A growing number of staff are reporting disclosures and they want to know how to handle this situation with sensitivity and confidence. They are aware that with the right approach, their actions can save a life.

Play a Part in Suicide Prevention

A Government Strategy is welcomed, yet there is an opportunity to make a bigger difference if more businesses embrace suicide prevention as part of their duty of care and workplace risk assessments.

Positive work environments, open and collaborative conversations, access to support without judgement and clear advice on responding to disclosures all make a difference. Lives can be saved.

Helen Pettifer

Helen Pettifer is a Non-Executive Director of the Collaboration Network. She is a customer service consultant and trainer, specialising in consumer vulnerability since early 2018.

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Collections and Recoveries – Supporting customers within an evolving economic and regulatory landscape

By Matthew Drage
Managing Director, Square 4 Partners

The UK has been gripped with economic uncertainty since 2020 following the Coronavirus pandemic. Since then, the UK and the rest of the world have been navigating a series of events, such as the war in Ukraine and the current cost of living crisis which has seen spiralling interest rates as a result of inflationary pressures, increasing energy and food costs, all of which continue to stress consumer circumstances and their financial capability.

With a backdrop of economic uncertainty, the FCA's Consumer Duty Guidance for open products came into effect on 31 July 2023. What does the Consumer Duty mean when taken alongside the 'cost of living crisis' for supporting customers in financial difficulty?

FCA's Borrowers in Financial Difficulty Project (BIFD)

Following the pandemic, in March 2021 the FCA launched their BIFD project. The aim of the project was to monitor, gather insights and act where customers were not treated in line with the Tailored Support Guidance (TSG). This consisted of firm surveys, consumer research and multi-firm work, which included 69 assessments across 65 firms.

In November 2022, the FCA released its final findings outlining four key areas for firms to focus on to improve outcomes for customers in financial difficulty:

> "With any new product to market or alterations to existing products, it's important to focus on all aspects of the possible customer journey."

1. Engagement;
2. Effectiveness of conversations with customers;
3. Helping customers to consider and access money guidance and debt advice;
4. Fees and charges.

Within their findings, the FCA provided a clear direction for firms to focus on. This included encouraging customer engagement, staff resourcing and training, providing appropriate tailored support in line with customer's individual circumstances, making customers aware and helping them access money guidance or not-for-profit debt advice and lastly ensuring fees and charges for customers in arrears are reasonable and proportionate to the costs incurred by firms.

In June 2022, the FCA sent their Dear CEO letters about the rising cost of living. The FCA further reiterated their expectations of the application of their TSG, noting its relevance to customers in financial difficulty, leaving no room for failure in application or interpretation.

Consumer Duty

In July 2022, the FCA published its final Consumer Duty Guidance. As Sheldon Mills, Executive Director of Consumers and Competition speaking in May 2023 in the run-up to Consumer Duty implementation noted "We will all become ever more outcomes-and data-driven – which means focusing on results over processes - ever more attuned to the needs of consumers".

We explore each outcome of the Duty below, weaving in broader regulatory expectations with regard to evidence of consumer outcomes.

Outcome 1: Products and Services

Collection and Recoveries (C&R) teams will generally not be the product owners, the team will sit within the operational arm of an organisation. With any new product to market or alterations to existing products, it's important to focus on all aspects of the possible customer journey. So now more than ever, it would be best practice to include the firm's C&R subject matter experts at the earliest stage of any project or product design as well as ensuring they're part of any product or project approval process.

The inclusion and enhancement of governance will help factor and understand all downstream impacts to customers and the business. It will highlight key risks to systems, existing processes and policies. By adopting this approach, firms will be taking proactive steps to avoid any foreseeable harm.

Outcome 2: Price and Value

With any C&R activity, inevitably there will be costs to support customers in arrears. Traditionally, this has been

offset by firms charging interest on arrears, late payment fees, failed payment fees and broken promise fees, for example. The FCA, via its various handbooks, sourcebooks and publications has always been quite clear to firms, ensuring that any fees or charges are reasonable and proportionate and that customers are not overcharged and are designed so that firms are not commercially benefitting.

Within the BiFD findings, the FCA found that firms have wide-ranging charges for similar activities. They also noted the volume of charges and subsequent unpaid accrued interest resulting in an escalation of debt for the customer.

Firms should consider, what is the value of the service they are providing when customers hit financial hardship. Firms should review the volume and the skill set level of their teams and if they are appropriately armed to support customers, whether are they supporting pre-arrears as well as customers in arrears, their suite of forbearance options available and whether are there any third-party partners that can also support customers. These are all factors that can provide real value to customers, especially if they eventually lead to sustainable rehabilitation and customer behavioural transformations.

Outcome 3 and 4: Consumer Understanding & Support

In line with the FCA BiFD findings, key areas of focus should be:

1. Engagement
2. Effectiveness of conversations with customers
3. Helping customers to consider and access money guidance and debt advice

Firms need to ensure their communication strategies are reviewed regularly and understand the different mediums of communication and the success rates of each channel in reaching customers. Firms should also review the wording of customer communications.

Once successful contact has been made with the customer, firms should ensure that those conversations are geared to understand customer circumstances which should lead to appropriate treatment with the applicable forbearance. Customers need to be fully informed so that they understand the information provided and any subsequent consequences they may incur.

Finally, customers need to be signposted to free independent debt advice. Firms should support the customer through this process either by directly connecting them or clearly laying out how they may be able to access free debt advice. Pertinently, as part of any referral, firms should talk to customers about the benefits of this service.

"The FCA is on the path to becoming a 'data-led regulator' and expects firms to harness the data available across the business to act as evidence."

Vulnerability

With all aspects of customer treatment, vulnerability should always be a key focus in any customer interaction and firms should ensure they are compliant with their obligations under FG21/1. With customers being in arrears, their proximity to vulnerability is significantly increased. From a C&R perspective firms should have appropriately designed and implemented policies and processes supporting customers with low financial resiliency. Firms should also pay due regard to any additional needs customers may have, ensure they are appropriately flagged, and tailor their support and communications so that those customers receive good outcomes and avoid suffering any personal or financial detriment.

Evidencing outcomes

The above is a small snapshot of some of the areas that firms can focus on to demonstrate good consumer outcomes, which has been brought into much sharper focus by the implementation of Consumer Duty. It is critical that firms are able to evidence the outcomes being achieved from the good work and efforts put into having practises that are robust, fit for purpose and support effective advice and good outcomes that demonstrate value for their customers.

The FCA is on the path to becoming a 'data-led regulator'

and expects firms to harness the data available across the business to act as evidence. Outcomes Monitoring is a key component of Consumer Duty and plays a vital role in supporting a firm's case in complying with the Duty. It is, therefore, a given that implementing a robust outcomes monitoring framework and reporting mechanisms to enable visibility of outcomes throughout the customer journey should be an important element of any firm's risk and control framework. This will not only support good governance and decision-making but also a firm's attestation that it is compliant with the Duty.

In summary...

Firms should review the success or failures of forbearance offered to customers and continue to monitor holistic customer behaviour, across the journey. Where firms identify harm, ensure they identify it as soon as possible and act swiftly to prevent further harm and remediate any impacted customer. The new Consumer Duty alongside existing regulatory initiatives, and the FCA's focus on data in a 'show me, tell me' approach puts the impetus on firms to evidence the good outcomes they are delivering for customers against, what is and continues to be, a very challenging economic background.

If you would like to discuss any aspect of your firm's Collections and Recovery approach or would like further information, please get in touch at: hello@square4.com.

Matthew Drage

Matthew is Managing Director at Square 4 Partners

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The Age of AI & Vulnerable Customers

By

Paul Bellamy

Compliance Project Manager at Next

The term artificial intelligence was coined way back in the 1950's but the more recent proliferation of powerful cloud computing and big data, coupled with innovative techniques like deep learning, has supercharged developments in the field.

November 2022 felt like a watershed moment as ChatGPT blew up, reaching 100 million users within 2 months - by way of comparison, Instagram took over 2 years to reach that level. As a consequence, AI has been thrust firmly into the public consciousness. The breadth of its knowledge base and the human-like fluidity of its language generation has prompted widespread contemplation about what this breed of technology could mean for the world and in particular, for jobs.

Identifying and supporting vulnerable customers might not be the most obvious application of the AI revolution, but it's certainly one I care about! Drawing from my experiences, this article explores a couple of use cases, beginning with applying more basic AI and then onwards from there. Finally, I contemplate the direction of travel, both in the vulnerable customer space and more generally.

Vulnerable customer application 1: Targeted QA & Analysis
The ability to convincingly generate language and images is the latest progression in AI, it builds on the foundation of more established capabilities in text recognition and audio transcription.

By this point, many large service organisations have some sort of voice analytics capability. At its most basic, this can be deployed to search for keywords that may indicate a vulnerable situation e.g. "homeless", "Dementia" "Autistic". Here's some reflections on this starting point:

1. Even this relatively crude approach is an effective way of finding relevant interactions to review and analyse. We quickly realised some terms work really well, whereas overs may generate false positives e.g. the transcription engine sometimes mistook 'cancer' and 'cancel'.

2. Being able to pinpoint and play the relevant call segments to senior management is a simple but powerful technique to land the key themes and challenges with real impact.

3. This same ability to pinpoint relevant interactions allows risk-based Quality Assurance. Of course, you should expect the results of targeted QA to look different to the results of QA based on a random selection of interactions. This needs to be thought through in terms of sample, targets and reporting.

4. Having well connected data makes things more efficient and less manual. For example linking the transcript data with CRM data to establish whether a customer received the expected outcome.

5. Taking this further is the concept of auto QA, whereby AI completes a scorecard for 100% of interactions and assesses whether an advisor responded in the right way to things like a vulnerability or complaints trigger. The output is compiled into dashboards and complimented with targeted human QA. We've not got there yet. Clearly there's challenges around cost, implementation effort and accuracy but it feels like the natural direction of travel.

"Did the customer say *'stress'* figuratively in relation to frustrations with a service delay, or was it a broader reflection about their mental health?"

Vulnerable customer application 2: Service recovery process
When you have data that highlights a host of interactions that contain a potential vulnerability indicator, this naturally creates the opportunity, or perhaps the obligation, to attempt to recover the situation where this trigger was missed in the first instance. Here's four points to consider:

1. Unless the AI has capability beyond simply identifying keywords (i.e. can contextualise with natural language

understanding), some form of manual triage is required to determine things like; did the customer mention 'autism' in relation to themselves or a relative? Did the customer say *'stress'* figuratively in relation to frustrations with a service delay, or was it a broader reflection about their mental health?

2. There's no second chances at a first impression. What I mean by this is that when a customer opens up about their situation, this is a unique opportunity. If this is not seized upon, it's often difficult to get hold of the customer again and even where you do, it can be a tricky conversation to navigate. Also consider a situation where a customer has, in passing, mentioned something like 'hospital'. Depending on the circumstances, this may or may not constitute a vulnerable situation. The opportunity to explore this was at the point it was mentioned, it doesn't necessarily feel proportionate or appropriate to follow up retrospectively.

3. Building reporting on the back of the process is a good way to pinpoint the department or locations that struggle more with identification. It can also highlight the success rates in relation to responding to different drivers of vulnerability.

4. To be clear, all the challenges and imperfections discussed above do not detract from the fundamental necessity of the recovery process. Its an important safety net and ensures more customers receive the right support.

Vulnerable customer application 3: Real-time advisor assistance

There's no second chances at a first impression...but maybe AI can help ensure we get it right in the first instance? Generative AI technology can now transcribe a conversation with minimal lag and use this to drive real-time prompts, coaching and assistance. We're in early stages of piloting such a tool to identify vulnerable triggers, flag them to the advisor and guide a supportive conversation. Here's the things we'll need to get right:

1. Model testing, refinement and accuracy. Too many false positives will undermine confidence and ultimately turn people off from the tool. For this reason, I think it's better to place a high bar when it comes to the confidence threshold the system needs to present a nudge, even if this means not flagging some potential triggers.

> "In a hybrid world of human and AI customer service, it stands to reason that the USP for human agents is skills like emotional intelligence and the ability to build rapport, this is likely to be valued over things like handling speed and process discipline."

2. The prompts need to feel helpful and supportive to the advisors because done wrong, this could feel like big brother is watching… and policing. The same consideration applies to managing instances where data suggests the advisor failed to act on a prompt.

3. The prompts need to be as seamless as possible from the perspective of both the advisor and the customer. Again if done wrong, it could be a distraction or result in questioning that is awkwardly shoehorned into a conversation. Its prudent to start small and simple, then build from there.

What lies beyond this?

The path of automation begins with processes that are the simplest and most rules-based. Increasingly complex tasks then follow, but I expect conversations with vulnerable customers, which are nuanced, emotional and inherently personal, are towards the back of the queue when it comes to passing the baton to generative chatbots and the like.

In a hybrid world of human and AI customer service, it stands to reason that the USP for human agents is skills like emotional intelligence and the ability to build rapport,

this is likely to be valued over things like handling speed and process discipline. Even where AI can make a convincing play at empathy (try Pi AI if you'd like to see a worthy attempt), there's the more fundamental question about who people will want to open up to and share their sensitive data with.

Information Security and Data Privacy considerations demand that companies proceed with caution. Concerns centre on the risk of data being compromised and a lack of control or transparency around its usage. Employing closed rather than open-source models may go some way in controlling the risk. Coverage of generative AI has also highlighted phenomena like 'hallucinations' (where responses aren't true or based on training data) and 'data leakage' (where responses disclose sensitive information).

Of course the disruptive impact of AI in the workplace extends far beyond customer service roles. I expect success in this new age will increasingly belong to those who can most effectively and responsibly incorporate AI assistance into their roles, to improve efficiency and outsize their personal impact. In equal part, these high performers will also excel when it comes to empathy, relationship building and human qualities.

Paul Bellamy

Paul is Compliance Project Manager at Next

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Guest Column

Scope's Disability Energy Support Service – Supporting Disabled People through the Energy Crisis

By Tim Vanstone,
Programme Lead – Energy and Utilities at Scope

The energy crisis that we all are currently facing has amplified issues that go beyond fluctuating energy prices and supply concerns. The impact of the crisis has disproportionately affected those who are most vulnerable, particularly disabled people. Add in other Cost-of-Living challenges into this mix and the impact is unprecedented, with disabled people having to make devastating decisions about what to prioritise.

Over a third of disabled adults feel that their impairment or condition has an impact on how much energy they use and 9 in 10 (91%) are worried about energy bills. (Scope – Cost of Living Report Nov 22)

Scope's 'Disability Price Tag 2023' report shows that on average, disabled households (with at least one disabled adult or child) need an additional £975 a month to have the same standard of living as non-disabled households. If this figure is updated to account for inflation over the current period 2022/2023, these extra costs rise to £1,122 per month.

On average, the extra cost of disability is equivalent to 63% of household income after housing costs.

The average extra costs rise to £1,248 per month where there are two disabled adults and at least two children in the household. And for households with one disabled adult, one non-disabled adult and at least one child, the average extra cost is £634.

In May of this year (2023), Scope and ITV joined forces to highlight 'The Cost of Breathing'; a TV advertising campaign showing the impact of the Cost-of-Living crisis on disabled people who rely on electrical equipment such as CPAP (continuous positive airway pressure) machines to breathe, hoists to get in and out of bed, and communication devices to speak.

The Disability Energy Support Service was launched in September 2020 with the aim of reaching disabled households in vulnerable situations and improving their ability to meet and afford their energy needs through improved energy efficiency, income maximisation and reduced outgoings. The service is free to customers and is delivered through a team of Energy and Utilities Advisers.

Since January 2021, Scope has received 13,424 referrals to the service. 57% of those referrals were received in 2022; a 281% increase in referrals when compared to the 2,020 referrals received in 2021. In the first six months of 2023, 3,627 referrals, with 71% of those referrals received in the first three months.

Disabled People and their families can access the service by either registering via Scope's website https://www.scope.org.uk/disability-energy-support/ or by telephone: 0808 8010828.

"Many of our Customers contacted us concerned about the increased cost of bills with their previous direct debit amounts not meeting the amount of their usage."

Customers can choose if they would like to speak with an Adviser or receive advice through email. Advisers navigate Customers through key information and agree actions to take that are appropriate for their household's specific situation. A bespoke action plan is agreed between Adviser and Customer and a copy is sent to the Customer via email. In accessing the service, Customers can:

- Be aware of and apply for benefits they are entitled to but are not currently accessing.
- Switch to lower cost energy and social tariffs where possible.
- Gain knowledge of energy and water saving strategies
- Have increased awareness of/access to grants and other entitlements relating to energy (insulation grants, warm home discount awareness, fuel vouchers etc).
- Have agreed debt repayment plans or write off with debtors. (NB. Advisers don't agree these for customers)

- Have improved wellbeing.
- Have greater awareness of their energy and water legal rights.
- Where appropriate, be signposted for additional support, e.g., employment.
- Be signposted to other partners for further energy efficiency and heating measures, central heating systems, insulation, and boilers.

In the last financial year, the service supported over 8000 disabled people with issues related to their Energy and Utilities usage.

Over 2000 Customers were supported with either pre-payment or credit meter fuel vouchers.

Over 5000 disabled people were provided with Carbon Monoxide Awareness information and over 4000 Customers were registered for their network's Priority Services Register. 35% of Customers accessing the service were signposted for further support from Scope's employment, information and advice and family support services.

Many of our Customers contacted us concerned about the increased cost of bills with their previous direct debit amounts not meeting the amount of their usage. Direct debits set are causing Customers to go into bank overdrafts and debt. They are reducing how long they switch their heating on for, even to the detriment of their health – many reporting to only switch it on for an hour in the morning and an hour in the evening to keep this at the absolute minimum.

We have seen increased demand for options such as fuel vouchers, giving some immediate financial and stress release, no matter how small the amount. Due to the rise of household energy costs effective support of a voucher has gone from 8.3 days in 2022 to 5.4 days in 2023.

Customers continue to report that they struggle to get through to their supplier. Often, they will leave issues as they don't have the personal energy to keep trying. The wait and attempts to speak with their supplier add to their stress and anxiety, reporting they give up as a result. Scope is working with Suppliers to set up direct lines for Advisers to contact Supplier helplines, to help disabled customers in desperate need.

The energy crisis has not gone away. Disabled People will face another period of high stress and debt; extremely worried about paying bills and putting food on the table this winter.

Tim Vanstone

Tim is Programme Lead - Energy and Utilities at Scope, the disability equality charity in England and Wales.

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Navigating the FCA's Consumer Duty: Using Data to Identify & Protect Vulnerable Consumers

By David Turley
Lead Data Insights Analyst at Outra

The Financial Conduct Authority's (FCA) Consumer Duty came into effect on the 31st of July 2023 and has been dubbed the "biggest regulatory change since the Retail Distribution Review" of 2012. The duty is representative of the increased attention around protecting vulnerable consumers in the face of the UK's cost-of-living crisis and off the back of the Covid-19 pandemic.

But what does the duty mean for companies and how should it be treated in both the short and longer term? Whilst advisers are currently highlighting the significance of making this duty a long-term commitment to be inherent in their operations, we must not forget the pressing nature of vulnerability and stress the urgency of protecting these consumers.

What is Consumer Duty and how should companies conform?

The FCA's flagship regulation is designed to actively ensure that the affected companies are correctly complying with the duty's provisions. Following the wide breadth of content published by the FCA around the policy, companies are expected to now, fully understand the policy and they should also expect a similar level of openness from the FCA regarding any breaches.

In preparation, companies have been expected to demonstrate their commitment to the duty by expressing their understanding of the new regulations and producing data and information that show how the duty has been embedded in their company's operation. The pre-

implementation stage of the policy ensured that all companies had their initial plans prepared by October 2022.

In response to these initial plans, the FCA was able to review and identify three elements that were lacking in readiness for the introduction of the Consumer Duty. These were:

1. Effective prioritisation – ensuring the duty and its implementation is being treated as a priority.
2. Embedding substantive requirements – preventing companies taking complacent approaches.
3. Working with other companies – ensuring information is being shared between companies across the distribution chain.

The FCA will be examining companies closely on these three areas now that Consumer Duty has begun and will be enquiring on the steps companies have been taking to address them.

"Making the best use of complaints and the root cause analysis they provide can help build trust with both your customers and regulators."

As for implementation concerns, the FCA hopes to see companies adapt their plans and treat them as "live" documents to encourage up-to-date data and information around vulnerabilities within the respective companies. Once more, treating the Consumer Duty as a "live" document will encourage the regulations to be incorporated into the operational business activities. Functioning in this way can provide long-term coverage for companies under the FCA as it will be a constantly developing document.

Cross-company communication is required to extend the scope of the Consumer Duty regulations across all stages of the distribution chain. The data expected around this are any formal meetings or changes to business operation

under the duty between distribution chains.

The main goal of the regulation is ultimately to protect the vulnerable consumers in the UK so the main priority for businesses is to deliver good outcomes and maintain a degree of a "level playing field" for all customers as opposed to a mere blanket approach.

With anticipation around strict repercussions to be set in place in July 2024, it is not only companies in the Financial Services sector that ought to be proactive in their approach towards the Consumer Duty. Insurance, utilities and similar sectors must ensure that they have all their ducks in a row in identifying and protecting their vulnerable customers.

The Vulnerability Registration Service

The FCA has worked very closely with the Vulnerability Registration Service, and the new Consumer Duty regulations subscribe to the aspirations and the work that the VRS has been championing for years now.

The VRS provides a central place for those vulnerable customers who are looking for support and guidance when it comes to making financial decisions. It is a platform for customers to identify themselves as vulnerable and start seeking assistance as well as performing as an additional safeguarding device.

What is Outra doing, here?

In collaboration with the VRS, Outra has launched the Outra Vulnerability Index which provides actionable intelligence to help firms identify financial vulnerability.

Outra has used data science to score every household in the UK based on their similarity to households that have already registered with the VRS - with those that score highly being at greater risk of financial vulnerability. The robustness of the model is derived from Outra's unique partnership with VRS and the weight of data that it can utilise to understand and predict the household characteristics that define vulnerability.

The Vulnerability Index can assist companies facing FCA regulations to:

- Proactively manage financial risk.
- Intervene early to support vulnerable customers before they seek help.

- Plan future vulnerability strategies.
- Increase customer retention.

Data shows that around 700,000 of the capital's four million households have no cushion of protection from the continuously rising cost of living. It also demonstrates that there is a lack of infrastructural support for vulnerable consumers, thus stressing the requirement for long-term proactivity around this area.

Box ticking VS long-term

The Director of Technical Connection for St. James Palace, Eddie Grant, has emphasised the long-term benefits of Consumer Duty and the plethora of business opportunities that may derive from it. Like the FCA also highlighted, Grant explained that the Consumer Duty should be treated as "an ongoing process: not something that has to be done and dusted on day one of the new legislation."

Grant has consistently advocated for improving consumer access to finance and has long campaigned for better financial education. He believes that this new regulation gives way to a new era of financial education and has great potential with long-term and ongoing commitment from businesses.

Although it is vital to ensure that Consumer Duty is thoroughly established within a company's long-term infrastructure, there is a sense of urgency surrounding the duty that needs addressing. With nearly 2.5 million UK households at "high risk" of vulnerability, as identified by Outra, businesses need to act at speed and work to better predict where action is required.

Understanding vulnerability is a matter of urgency for companies since another winter overwhelmed with the cost-of-living crisis is suddenly mere months away. Utility companies must work harder to know their customers and ensure their protection as we enter another difficult season for bills.

With predictive and regional data, Outra's data can provide insight into consumer characteristics and identify customers who may require financial support. Being proactive in this field is essential in the face of the cost-of-living crisis and proactivity requires anticipation of potential vulnerability. Complying with the FCA's Consumer Duty is mutually beneficial as it protects the rights of the typical vulnerable consumer and aids companies' understanding of occasional spikes or losses in consumers and debt levels.

So, where do we go from here?

The Consumer Duty is not a 'far in the future' target. It is and will become even more so, an integral part of day-to-day business for financial firms. Akin to other company standards like the Equality Act, the Consumer Duty should not be taken lightly. While some regulatory provisions take a bit longer to be the 'norm', the Consumer Duty carries a matter of urgency in the current socio-economic climate and companies must start acting on it now.

David Turley

David is Lead Data Insights Analyst at Outra

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To find out more about how the Outra Vulnerability Index can help your organisation provide actionable intelligence to help identify and support financially vulnerable customers even before they require help, please visit www.outra.co.uk

How technology can help support the Financial Industry in meeting Consumer Duty

By Ollie Wright

Head of Financial Institutions Team at Estate Search

Protecting vulnerable people is a particular focus at Estatesearch. Now with the introduction of the FCA's new Consumer Duty principle, we have a unique opportunity to help the financial industry support the needs of its customers. Consumer Duty promotes higher and clearer standards of consumer protection across financial services, and firms must now 'act to deliver good outcomes for retail customers'. Committed to helping them meet this principle, we firmly believe that technology can support a best practice approach, particularly for those customers that are considered vulnerable.

Founded in 2018, Estatesearch provides technology and services to legal professionals that help to demonstrate due diligence when dealing with probate and court of protection cases. But in reality, what we do is part of a bigger mission to bridge the communication gap between financial institutions, legal services and the general public. As one of the founders of the Vulnerable Banking Group (https://vulnerablebanking.org), we are advocates of Consumer Duty and ensuring that customers are treated fairly.

It is estimated that there are billions of pounds in dormant or 'gone away' accounts in the UK. This includes £1.45 billion and rising in banks and building societies, £3.4 Billion in investment accounts and £640 Million in dormant share registrations. Furthermore, there is thought to be anywhere between £27 billion and £200 billion in unclaimed pension pots and life insurance policies. Our Financial Profile Service gives executors, beneficiaries, deputies and attorneys peace of mind through comprehensive, efficient and demonstrable due diligence in identifying the true extent of their client's financial footprint. It's essentially a search of financial records to better understand a data subject's connection to one or more financial firms.

Through the process of developing the service, we formed relationships with almost 200 banks and financial institutions in the UK, but the identification and confirmation of data subject profiles is still often a slow, manual process. Currently, many financial institutions need to search multiple databases to respond to each request. Even via email, requests can take around 14 days.

In the first quarter of 2023 alone, we sent over 650,000 legal notices to financial firms, asking them to confirm if they held records relating to deceased subjects or those that had lost mental capacity. This is an enormous undertaking

and understandably it places pressure on those firms to react accordingly and confirm whether they have a profile match. We are under no illusion that we haven't played a part in creating this particular administrative burden, in our constant efforts to educate about the need for profile searching in a law firm's due diligence process. It's important to note though, that in centralising the process, financial institutions can now begin to streamline the way that they deal with enquiries and consider how technology can play a part.

"Data security is an ongoing concern for all firms, particularly where data is being exchanged with third parties."

Furthermore, now that Consumer Duty is in force, we can begin to tackle the problem in earnest, forming deeper partnerships within the financial space to advance technology adoption and explore new developments which help deliver better outcomes for vulnerable consumers more quickly.

So, where do we start? The answer is fairly simple.

We've recently completed development of a bespoke automation tool for financial institutions. This Application Program Interface (API) is ready to be implemented across businesses countrywide, providing firms with an automated data analysis tool.

Records can now be analysed more efficiently, allowing institutions to confirm if they hold financial profiles for the subject and allowing them to respond far more quickly than previously possible.

Our notices can be pulled through the API straight into the firm's database, where it can be automatically filtered in relevance to the request. Any cases which require further

investigation can be quickly identified and those notices where there is 'no match' are returned back to us with no extra work being created for the firm. Having already delivered the API to two major high street banks, we have observed improvements in response times and reduced resources required for institutions to respond to notices.

This development supports best practice for financial firms, helping them to comply with Consumer Duty principles and improve outcomes for vulnerable people.

As a conscientious technology provider, prior to undertaking this development project, we were keen to take steps to understand where our services could sit within the financial industry and what impact we could potentially have. On speaking to the regulators, we quickly realised that there were some common misconceptions that needed to be addressed around access to information when the subject is deceased, specifically in relation to data security and GDPR.

Data security is an ongoing concern for all firms, particularly where data is being exchanged with third parties. Whilst the API doesn't collect or exchange sensitive data with us, it's important to note that we have stringent information security measures in place to ensure data protection. Earlier this year, we gained ISO27001 certification and are constantly monitoring and managing potential risks factors for our clients and partners.

If you are reading this as a representative of a financial firm, your organization is already receiving our vulnerable data subject 'profile search' notices. We invite you to collaborate with us on this initiative, so that we can understand your processes and see where our technology can assist you in meeting your obligations when it comes to Consumer Duty. Please email me at ollie.wright@estatesearch.co.uk for more information.

Ollie Wright

Ollie is Head of Financial Institutions Team at Estate Search

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Complaints Management Improves Ombudsman Oversight, Landlord Services and Tenants' lives

By Neil Martin

Senior Marketing Executive at Civica

The concept of social housing within the UK, dates back to the late 19th century, accelerating massively following the Second World War with the need to replace derelict and destroyed housing and rehome the returning soldiers. This economic and social stabiliser continued through the next 35 years increasing the availability of affordable housing.

In 1980 the Government 'Right-to-buy' policy, initially envisaged to improve citizen capital wealth, accelerated the purchasing of social housing, well above the rate new social homes could be built to replace them. Ongoing recent government austerity measures meant the modern-day safety-net for the housing needs of 21st century society is becoming tattered.

Despite Government grants for local authorities expected to rise by 3.2% in 2023-24, this is following more than a decade of austerity which has drained the reserves of local councils, leaving insufficient funding to effectively grow their housing stock.

effectively, deciding any remedial action or compensation when appropriate.

According to the latest report from the Housing Ombudsman Service, covering the period from October to December 2022, they resolved 1,263 resident complaints, in comparison to only 819 in the previous quarter – a substantial increase of 54%.

More insights from this report suggest the need for a robust record keeping system to effectively and efficiently handle complaints. This is based on the fact that 67% of investigations upheld in favour of the tenants in were due to housing provider record management issues.

A modern-day complaints solution
Housing providers, by maintaining an effective complaint handling solution minimise the risk of complaints occurring in the first place, and any unresolved complaints being escalated to the ombudsman. By allowing tenants self-

Number of new social homes built	126,000 average each year	94,140	44,240	7,528
Year	1945-1979	1980	1983	2021

From a high of 5.5 million social rent houses in 1979 down to around 3.8 million in 2021, this reduction of availability combined the aging condition of housing stock has resulted in a large volume of disputes and complaints needing to be handled by the housing authorities. Vital housing services are under-resourced and vulnerable to mismanagement and inefficiencies; with every resolution delay and each error increasing the stress, inconvenience, and financial hardship for tenants.

This makes it essential to have an effective dispute resolution mechanism in place to improve both landlord services and tenants' lives. This system should comprise a modern complaints management system, working in tandem with tenants and landlords, with an independent, unbiased, ombudsman service providing oversight.

In England and Wales this role is filled by the Housing Ombudsman Service, and the Scottish Public Services Ombudsman handling regulation across the border, they support and resolve disputes between landlords and tenants

service to submit any issues using their preferred channels, automating real-time responses, and providing handlers all needed information and proactively prompting action and at the time needed, this optimises efficiency. Using real-time data available in such a system can help identify root causes to action prior to complaint reoccurrence and the reallocation of resources to manage bottlenecks.

By greatly reducing number of escalated cases to the ombudsman, and when this does occur being able to provide the ombudsman with a casefile bundle in the required format, this ensures clarity and ease of investigation for all parties.

Other benefits:

1. **Resolving disputes smoothly:** An ombudsman can help resolve disputes by acting as a neutral third-party to mediate between landlords and tenants. Taking advantage of a modern complaint management system, means they have all the information to hand in order to resolve conflicts and help maintain better relationships

between landlords and tenants.

2. **Reducing stress and anxiety:** Disputes with landlords can cause significant stress and anxiety for tenants. An ombudsman can provide a safe and supportive intermediate for tenants to voice their concerns and work towards a beneficial resolution. A complaints management solution facilitates this safe space and eases concerns.

3. **Improving communication:** An ombudsman can help to smooth communication between landlords and tenants, with all the information provided by an advanced complaints management system, the ombudsman services can prevent mismanagement scenarios and resolve issues with optimal outcome. This also helps build trust between landlords and tenants.

4. **Improving the quality of landlord services:** By providing an independent, secure and easy to use platform for resolving complaints, the landlord can identify areas to improve their services. This can lead to better service delivery and greater satisfaction for tenants.

Overall, an ombudsman service plays a crucial role in improving the quality of landlord services and tenants' lives, by acting as a neutral and impartial party for dispute resolution. With landlords empowered by advanced complaints technology they can prevent avoidable conflicts and promote a more harmonious living environment for tenants. The process of Ombudsman, landlords and tenants working together, along with an effective complaint handling provision can quickly and fairly resolve disputes, building strong and positive relationships, benefitting everyone involved.

For more information on complaints handling for housing and other sectors contact Civica on 03333 214 914 or email casemanagement@civica.co.uk.

Neil Martin

Neil is Senior Marketing Executive at Civica

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Why Suicide is a Workplace Issue

By Kate Laird

Team Administrator at City Mental Health Alliance

Trigger Warning: This article discusses the topic of suicide

One in five adults will have suicidal thoughts at some point in their life, yet suicide is still heavily stigmatised. This stigma stops people from talking about it and is a barrier to prevention and intervention. However, it has been shown that talking about suicide will not put the idea in someone's mind, but it will make the topic less taboo.

World Suicide Prevention Day (WSPD) on 10th September offers businesses an opportunity to increase understanding about suicide, challenge stigma, signpost to support and provide people with the confidence to spot warning signs and have intervening conversations.

Impact of suicide

The suicide of a colleague has a lasting impact on a huge number of colleagues. Businesses have a responsibility to minimise unhealthy working environments which cause significant stress and which may contribute to poor or worsening mental health.

The unique relationships we build and the regular interactions we have with our workplace community means colleagues are well positioned to identify when someone is struggling, have an intervening conversation and signpost to support.

Businesses are well placed to provide and signpost to mental health and wellbeing support. Employers can arm employees with skills that will go beyond the workplace. Challenging stigma and upskilling employees to have a supportive, intervening conversation with someone who is struggling could be important for not just colleagues, but friends, families and even strangers.

The role of business

An important part of suicide prevention is to have a holistic and inclusive strategy to employee wellbeing. As part of this wellbeing strategy, businesses should actively address the risk of suicide.

World Suicide Prevention Day (WSPD) provides a chance to start, or continue, this journey. Here are just a few ideas for marking the day, but bear in mind that employees from different communities, cultures and demographics have different interactions with suicide and this should be reflected in any initiatives.

1. Share stories

Storytelling is important for building understanding and challenging stigma. On WSPD, share the stories of lives lost, lives saved through intervention and those bereaved by suicide. You could sensitively recruit for volunteers who are able to share a relevant experience or you can use the stories which have been shared in public forums.

"You could invite expert speakers / people who can share lived experience as standalone speakers or as part of a panel event."

2. Educate

WSPD is an opportunity for increasing knowledge and skills so employees are more likely to spot warning signs and more confident in starting a conversation about suicide. You can share free online learning from Zero Suicide Alliance (https://www.zerosuicidealliance.com/training) or workplace mental health modules via Wellbeing in the Workplace from the Samaritans (https://www.samaritans.org/how-we-can-help/workplace/wellbeing-workplace/).

The Time to Talk resources include conversation starters – whilst they don't specifically relate to suicide, they help to open up conversations about suicide (https://timetotalkday.co.uk/download-a-pack/#/~/embed/resources/collection/759/?resource-id=29168&active-tab=Download).

Also, Everymind Australia provides suggestions on appropriate language when discussing suicide (https://everymind.org.au/understanding-mental-health/mental-health/language-and-stigma).

3. Events

Host specific events to mark WSPD and engage employees. You could invite expert speakers / people who can share

lived experience as standalone speakers or as part of a panel event. Alternatively, a more informal option is to allocate coffee hours or drop-ins to allow colleagues a safe space to discuss the topic. Ensure a Mental Health Champion (or equivalent) is available in case anyone needs support.

4. Signpost to wellbeing support

WSPD is a chance to reshare and clearly signpost to mental health support, including internal wellbeing offerings and external helplines. Consider asking a business leader to share resources recognising the importance of WSPD and signposting to support. This should include a reminder that people should not wait to use the support when they feel at crisis point, but access support earlier on. Also, sharing real life experiences of colleagues who have used your wellbeing support services, e.g. via a blog, can be a helpful to show their value.

5. Reflect on existing policies and processes

WSPD is an opportunity for leadership, HR and wellbeing teams to review the business's approach to suicide policies, including prevention, intervention and postvention. The BITC toolkit is a helpful resource in giving ideas on how employers can reduce the risk.

We know that it is a difficult topic to talk about, but it is for businesses to lead the way and have the courage to start having these tough conversations and help de-stigmatise suicide.

N.B. *Suicide is an emotional and challenging topic, with which we may have had personal experiences. Please remember help is available; you can contact the Samaritans 24/7 on 116 123, CALM on 0800 58 58 58 – 5pm to midnight every day and Papyrus (prevention of young suicide) 24/7 on 0800 068 41 41. For more information on suicidal feelings and available helplines, please see the NHS website.*

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