



Open Banking Income and Expenditure Assessments

Using Open Banking to improve and enhance the debt recovery processes

Organisations dealing with customers in arrears, need to take reasonable steps to verify a customer's current financial position, usually via an income and expenditure form or other form of financial statement.

In the UK, the Standard Financial Statement (SFS) is increasingly being used as the industry standard to establish what level of repayments a customer can afford. An income and expenditure document like this can often be up to 16 pages long, so can be very time consuming to complete.

Most companies would traditionally complete an income and expenditure assessment over the phone, which can be a lengthy and manual process for both their customer support teams and the customer themselves.

Using Open Banking we can categorise your customer's current account data into Standard Financial Statement format in seconds creating a much quicker path to debt resolution.

Create better outcomes

The ability to quickly obtain a much more accurate picture of a customer's financial situation offers a leap forward in intelligent debt resolution by using data insights to offer repayment plans that are affordable and sustainable. The insights can also help improve identification of financially vulnerable customers, helping to deliver a fair outcome.

Key benefits

We can automate the population of a consumers income and expenditure information, to help you reduce reduce call times without increasing staff costs and arrange more affordable repayment plans.

The benefits of using Open Banking to power your affordability assessments



Reduce manual processes and operational costs

You won't need to ask for copies of bank statements. Bank current account data will be categorised and mapped to Standard Financial Statement guidelines. This will enable you to reduce operational costs by pre-populating manual assessments, reducing call duration by as much as 75%*, as well as saving time and effort for the consumer.



Improve your income and expenditure assessments

An estimated 1 in 3 consumers provide income proof with discrepancies according to the Money Advice and Pensions service. We remove the human inaccuracy and estimations which occur during manual assessments to offer a much more accurate picture of income and expenditure.



Identification of vulnerability

Identifying vulnerability is a vital part of implementing fair and effective debt treatment strategies. Our transaction data insights can offer early identification of financial vulnerability based on changes in lifestyle or financial status and help you to determine why your customer is in arrears.



Reduce repayment plan 'breakages'

More accurate and detailed income and expenditure assessments enable a better measurement of affordability based on individual circumstances - minimising the long-term risk of unsustainable repayment plans. Through on-going monitoring of current account data, we can also help you measure financial shocks or income variations over time to help you offer variable repayment plans.



Assess COVID-19 impact at the end of payment holidays

Using Open Banking to assess affordability at end of a payment holiday can improve your understanding of the impact COVID-19 has had on your customers financial health. Helping you make decisions on customer management and whether there is a case for additional breathing space.



Built-in ID Verification

Using the data Equifax holds, we are able to make use of the banks own verification process to confidently confirm identity and verify they are sharing their own bank account

What our clients think...

"Open Banking has enabled us to auto-populate consumers' income and expenditure, direct from their current account. We have been able to replace much of the burden of data-gathering to get an accurate picture of a person's income and expenditure in Standard Financial Statement (SFS) format. This means our clients can spend more time discussing ways they can improve their customer's long-term debt position"



The Insolvency Panel
Building better outcomes

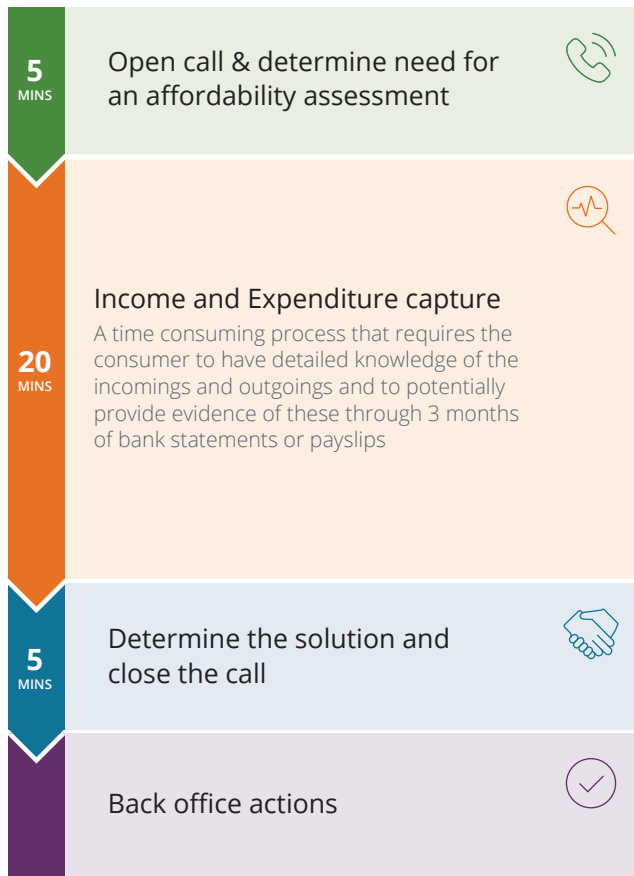
Louise Yates, CEO -
The Insolvency Panel

"The development of our Open Banking collections portal has revolutionised the affordability assessment process for the PSA Finance collections teams creating FTE savings, improving the customer journey and driving an 86% opt-in rate. Using these financial health insights, we have been able to more accurately assess a customer's true financial position, improve outcomes and highlight potential vulnerability. Arrangements and payment plans have demonstrated a 12% increase on the number of payment plans which were maintained using Open Banking insights."



Tom Feest, Head of Collections and Recoveries - PSA Finance

A typical affordability assessment call with a consumer can take over 30 minutes to complete:



Open Banking



Open Banking can be injected at this point of the process to auto-populate the consumers Income and Expenditure assesment



By accurately categorising current account data we can deliver significant benefits



Reduces the time of income and expenditure call for consumers from 30 mins to as little as 7 mins*



Automating the population of a consumers income and expenditure information



Reduces operational costs associated with an income and expenditure assessment



Improved accuracy leads to better consumer outcomes and a more sustainable repayment plans

* BPO Analysis of Income & Expenditure calls, 2019.

Our turnkey solution offers some incredible benefits



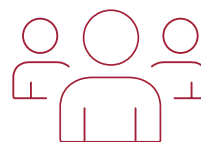
We can get an Open Banking solution set up within 7 days



Offering real-time data retrieval to provide key debt insights mapped to SFS standard



Open Banking combined with bureau insights for increased accuracy



Intuitive, easy to use dashboard with unlimited users

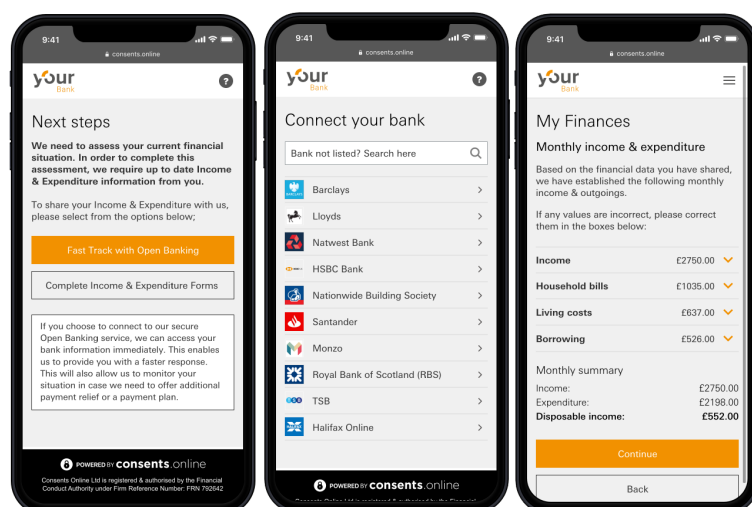


Available without any IT integration or development costs

How does it work?

We are able to provide a streamlined, accurate and automated income and expenditure assessment through the following steps:

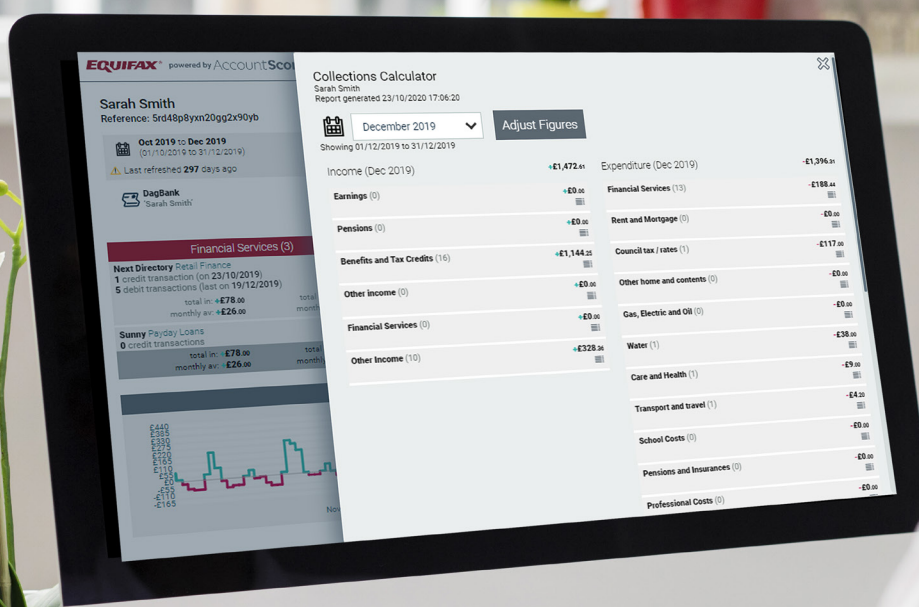
- We build your own portal to access customer current account data and capture relevant personal information
- Your customers are given the option of either a fast-track Open Banking route to share their income and expenditure information in seconds or complete the information manually using an online form
- Customers choosing the fast-track option are taken through the Open Banking consent process to share transaction data from their own current account, which typically takes less than 30 seconds.
- You receive real-time notifications when a customer completes their journey.
- We combine Open Banking data with bureau insights to populate your dashboard.



Deployment

Our Turnkey option includes your own customer portal to manage consent without the need for any IT integration. We can also embed the consent process into your existing consumer journey via a simple i-frame.

We provide you with instant secure access to our intuitive dashboard or we can help you to consume automated income and expenditure insights via an API link into your existing workflow.



Why choose Equifax?

Our real-time, end-to-end Open Banking integrated solutions are already helping our clients use data to create better outcomes for both consumers and companies involved in the recovery of debt.

Contact us to book a demonstration today
eumarketing@equifax.com