



Identifying and managing vulnerable accounts

Deeper insight, fair treatment and better outcomes

The Covid-19 crisis is causing huge disruption to the economy. With the lockdown and enforced working from home in place, both consumers and businesses are struggling to adapt to the new environment. Government interventions like increased support for small businesses through access to additional credit - for example, the Coronavirus Business Interruption Loan Scheme (CBILS) - or the provision of financial support for furloughed employees, goes some way to minimise the strain on businesses and individuals, but we're still seeing rising unemployment, and as some sectors almost grind to a halt, others are under more strain than ever whilst trying to operate in a lockdown and keep their staff safe. For everyone affected, these are highly stressful and uncertain times.

While the FCA and creditors try to strike the right balance between lending sufficiently to support people through difficult times (thus stimulating the economy) and exercising some restraint so as to lend responsibly, there's an inevitable outcome of all the disruption to people's lives; that is, we're likely to see

more cases of vulnerability, both personal and financial as the Coronavirus pandemic is expected to pull the UK into a sharp recession even more severe than the financial crash of 2008.

Vulnerability and debt

Anyone can experience vulnerability, whether short term or prolonged, and the causes can be wide-ranging, from ill-health to a change in personal circumstances such as income shock or bereavement. Vulnerability can lead to increased levels of stress which in turn can detrimentally impact a consumer's decision-making ability, which means a standard approach to debt recovery will not always be appropriate. Moreover, the challenges caused by the current crisis will likely lead to a surge in the number of people experiencing financial strain and apply additional pressure that could be to the detriment of their mental health.

Responding to the increase in vulnerable consumers

We have developed a range of vulnerability services to support organisations in the identification and management of vulnerable consumers as well as providing access to specialist collections capability to drive better outcomes. To do this it's essential to have a deeper understanding of an individual's circumstances in order to then apply the most appropriate treatment. Using data, advanced analytics and access to specialist vulnerability services, we are able to help you manage vulnerability carefully and effectively through these challenging times.

Harnessing the power of data

Our Financial Vulnerability Identifier can help you identify potential financially vulnerable consumers. We use a range of data sources to provide an assessment of cases within your customer base, highlighting those at risk of financial vulnerability, or those who are already in financial crisis.

Specialist debt recovery services

Through TDX Group, an Equifax company, we have access to the UK's largest, most diverse, market leading panel of Debt Collection Agencies who can support organisations with general or specialist collections capability. TDX Group specialise in the management and treatment of vulnerable consumers in debt, having created a treatment path consisting of a small, specially formed group of uniquely qualified and experienced DCAs, a robust conduct and oversight framework, and industry leading standards on the treatment of vulnerability. TDX Group takes a uniquely different approach to vulnerability, as evidence points to improved consumer and creditor outcomes from a more bespoke approach.

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