

Financial Inclusion TechSprint (May 2024) video Transcript.

Team 9 – NatWest

Delegate 1

Hello everybody, great to be here. My name is Barry Shields and I'm representing NatWest today, have been the bank for a while. I'm very embarrassed that not only have I not got a tie on and but I'm actually wearing trainers and the trainers are green as well. So it's the the face of banking I think has changed significantly in the last 10 years or so and maybe for the better, maybe not, I don't know. But I think, I think it's kind of it also reflects a bit that banking has changed.

I think and since I've been in there, there's, there's been a lot more focus on customers and social good. And, and indeed our purpose in NatWest is to help people and communities and businesses thrive. So and that's kind of the approach that we've taken over the last 12 weeks.

We've been a team from NatWest across many of our, our disciplines, but we've been really thinking of us as a trusted friend to individual customers. And if we really know you as a trusted and remember the family, what would be the things that we could do to help you when you're declined for credit? And that has been our big focus.

That's kind of taken into account of all sorts of things that we know about an individual, about their income, their expenditure, their potential vulnerabilities as a person. And, you know, under lending, existing lending, also what we know about the credit process and how that works and other things that are possibly open for individuals. So it was really focused on how to can we really help people today.

We've been working across as little arrows show kind of agile and focus over the last 12 weeks with people from credit risk, from sustainability, from product journeys. It it actually, we've talked about collaboration here, I think across a wider population, but in the bank, it's also quite difficult sometimes to collaborate. And it's amazing how the words FCA in TechSprint have really helped get everybody into the room. So thank you for that. And then we're, we were just saying we're going to run another one whether you're doing one or not, we're going to run an FCA TechSprint after this. And so, yeah. And shortly go on now to our four initiatives.

We did come up with lots of long term and short term ideas, but there's four particular initiatives that we feel we can do immediately today and we wanted to really focus on. So those are to help customers claim benefits that they're entitled to and also to really understand as they're going through that

application journey, how to accurately reflect their circumstance and give them a fair decision. And to help customers know their credit score and what the simple things that they can do to improve their credit score straight away. And also for some customers to help direct them to safe alternative credit providers where we can't help them.

And I'm going to hand the Fiona, I've taken far too long already. Sorry, Fiona. And to go through those in a bit more detail.

Delegate 2

Thanks, Barry. Right. I've got four activities to talk through, 4 customers, 4 slides, 4 minutes. Let's see how we get on.

Uh, so first I'd like you to meet Olivia and she's not real, but our situation is. We know Olivia is potentially looking to borrow money as she browses our Internet pages. Olivia is worried about affording repayments as she has a low income. We know there are many people in Olivia situation and we want to find, we want to use our customer data to find ways that we can help. I'm a carer myself and I know how difficult it is to navigate the whole process around looking at where you can go for help and what help is available. So in the first instance we'll get a message people like Olivia to let them know there may be value in checking the benefits calculator and we'll use a really easy accessible link to do this.

We know customers can benefit by up to £686 per month on average if they are eligible, so this would be a great win in the first instance, but we don't plan to stop there. Our TechSprint has helped us to understand much more about our customer populations and we'll use this to look for further customer journeys and identify points where we can surface the calculator. We'll be tracking the success of this through the customer transactional data as well and looking to make improvements as we go. Gosh, we are right.

Let's go with Simon. So Simon lives with his partner, they have a joint mortgage on their home. And unfortunately last week, Simon's car broke. The clutch cable went, that's it, they need a new car. So one area focus for our TechSprint was living the customer journey through the lending application. We used this experience to spot an opportunity to make things better.

It can be a little confusing to know the right information to provide to when you share your mortgage or your rent payments with another person, but you're the only person that's asking for lending. So we want to make it clear, um, for Simon around what information he needs to provide. So we'll be updating the wording in our lending journey so that this is evident. We'll also be looking at how we can add prompt appropriate times through that lending journey and they can to make sure that the input the accurate information. Alright, then we've got Mia 3 minutes. OK.

So Mia, unfortunately Mia doesn't have a great credit score and by the time she applied for lending, we were unable to approve the request. We know that

credit scores can be very confusing for consumers. So through the analysis that we did in the TechSprint, we were able to better understand the position for our customers and find that although a very high proportion of them seeking credit have looked at their credit score previously. And this is around 60% of customers look at their credit score before they go into lending.

We know there are more that are yet to do this.

We also know that 50% of customers who do use the Know My Credit Score tool actually improve their chances, they, actually improve their credit score within six months. So we want to reach out to those people. We're specifically sending targeted message to encourage those with lower credit scores to access the Know My Credit Score tool. And to make this an even more relevant experience, we'll be going to explore going on to explore ways to let them know how they Know My Credit Score tool could help them personally. So that's where we go next.

Finally, we've got John. So John is in the most vulnerable position. He needs quick access to funds, but he's been declined for several reasons. It's hard for anyone in John's situation and he's unlikely to be accepted for traditional credit.

We know from the analysis during the text, there are thousands of people in John situation where they're applying for low value credit and have multiple reasons to be declined. So people in John situation, we're gonna actually contact them following the decline decision and we'll use this using our existing customer support mechanism. So we'll be making calls out basically to anybody like John and we want to make the experience for John more tailored. So following on from that, we'll be exploring opportunities with DFI and continuing our work with Fair for All Finance to help customers like John. Going to hand over to Joe to wrap up for us.

Delegate 3

Thanks, Fiona. So I'll try and wrap through this quite quickly. So within six weeks, we're going to reach out to a targeted group of customers that we believe will gain value from the benefits calculator that we offer within best. And then in the medium term look to embed this into our borrowing journeys and in the longer term try and make it easier for customers by pre populating it with key information. Obviously that will take more time to ensure we use customer data in the right way for customers with an accurate data. And eight weeks we plan to make improvements to the loan application journey to improve the wording. And from there we'll add to the prompt and as an additional check.

As for the credit score, which is a free tool that we offer to customers and non customers, we will expand our messaging out to customers who we know that are likely to be declined. So this is existing messaging that we do, but we'll expand it out to those that we know that are likely to be declined due to poor, poor credit score within eight weeks. And then we'll look to personalise that

messaging even further in the medium term. And then in the, when it comes to the point where we can't help, um, we've got three things that we look to do, uh, 12 weeks, we'll make out those customer calls that we talked about. If you wanna talk about in the medium term with fear for all finance, which is a prototype that we have designed with, um, or inclusive design panel with charity experts and lived experienced people with lived experience will do that in the medium term. And in the long term, we hope to work with other partners and

I guess to make the most of the solutions that are out there already, the hard work that's been done already to I guess to aggregate the tailored support when credit isn't the answer. And so we'll look to do that in the longer term for our customers too.

Thanks.