



The DBC for Collections

POWERED BY  intelligent environments



Wednesday 18 October, 8.30am till 12 noon, Law Society, London



Jake Beavan
Policy Manager
Citizens Advice



Credit Strategy (CS): You're sitting on the panel at the Digital Banking Club for Collections Live Debate. What drew you to be involved and what are you most looking forward to at the event?

Jake Bavan (JB): I think new technologies offer exciting opportunities to help vulnerable consumers deal with debt. But certainly in energy they are still quite new and companies have concerns about using them. I am always keen to contribute my thoughts and listen to what others are saying on this area.

CS: How do you define vulnerability?

JB: I agree with ofgem's approach that anyone who is more likely to suffer significant detriment due to their characteristics or circumstances should be considered vulnerable. However for different areas of the market it should be possible to identify core categories of people who should be offered extra support. Generally in energy this will be people who could suffer serious health impacts from loss of supply such as elderly people, very young children or those with long term health conditions.

CS: At what point does forbearance go too far?

JB: When the detriment to the consumer caused by the forbearance is predicted to outweigh the detriment caused by its withdrawal

CS: What is the potential of digital technology in helping, and spotting, vulnerable consumers?

JB: In energy there is great potential offered by smart meters. It should be possible to use the data to identify customers who are struggling to afford to heat their home and keep the lights on - particularly for prepay users. The data could also be used to provide advice about bringing those costs down.

CS: What do you believe has been the most visible changes in the industry over the last year?

JB: In energy there has been a noticeable uptake across the industry in development of specialist debt teams to deal with vulnerable consumers. Prepayment price cap has brought prices down for many low income consumers. The proliferation of new suppliers has given rise to some innovation but also some questionable practices, particularly around debt paths for vulnerable consumers.

CS: Looking ahead a year from now, how do you see the structure of the market changing?

JB: Introduction of smart prepay will hopefully improve the experience of many low income consumers. We hope to see more price protection for other low income consumers. In debt there is set to be a cap on warrant charges which may dissuade suppliers from pursuing that route in some cases.

CS: What is going to be the biggest area of investment for your organisation over the coming year?

JB: We are planning further in-depth research into prepayment meters and affordability as well as further work on bringing down energy costs for consumers.

Brought to you by:

**CREDIT
STRATEGY**