

# Collections amidst COVID

**Brachers**  
125 years with you

Holistic and compliant  
strategies, including bespoke  
legal action

Wednesday 4 November 2020

# Introductions

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## PARTNER



**Rob Thompson**

Around 30 years' experience in collections and recoveries, with particular emphasis on consumer credit regulated work and legal action.

In 2020 Rob was elected Chair by the members of the Civil Court Users Association (CCUA), who issue around 85% of all money claims in England and Wales.

## DIRECTOR



**Graham Wallis**

25 plus years' experience in debt recovery and insolvency with particular experience in the administration of large insolvency portfolios.

Graham oversees the team's administrative, regulatory and audit functions and has led the team's digital transformation.

## SENIOR ASSOCIATE



**Nicky Alabaster**

Nicky supports Rob and Graham in managing the team.

Nicky's focus is on improving collections effectiveness whilst remaining compliant with our regulatory obligations.

Nicky also takes an active role in the ongoing development, training and mentoring of the team.

# Brachers LLP

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Collections has been a large part of our business for four decades



Team of almost 40 people



Specialising in financial services since the 1980s



One of the first law firms to obtain full FCA authorization for debt collecting, as well as debt administration

# Award-winning

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## **Judges' commentary**

“The firm’s ethos is one of fair and ethical treatment of clients’ customers. Emphasis is placed on the high percentage of cases that have not resulted in legal action, a testament to the team in working with people to resolve issues without the need for litigation.”

“The firm demonstrated an excellent approach to working with vulnerable people, being both a member of Solicitors for the Elderly but also working towards being dementia friendly. A user-friendly portal and behavioural science techniques encourage customer engagement. Feedback from clients and customers is reflective of this.”

*Winners of the Credit Excellence Award 2020  
in the Legal and Enforcement Profession category*

## Aim of today's webinar

**01**

To consider and discuss strategic options.

**02**

What options remain possible and acceptable?

**03**

Very different times....or are they?

**04**

Evolving picture – adaptability is essential.

**05**

These are our thoughts and ideas. Adapt to circumstances.

# The landscape

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- > Increased portfolios/  
indebtedness/ backlogs of  
work
- > Compliance concerns,  
vulnerability, etc
- > New or additional strategies  
to deal with this?
- > Court backlogs and  
challenges
- > Limitations on court action



# The challenges

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Customers with pre-existing arrears?

Who are you dealing with, affected by COVID or not?



Backlogs at creditor/customer level

# Strategic thinking

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Need for a holistic approach



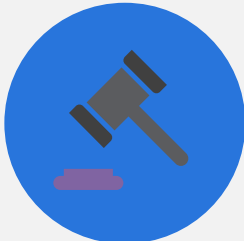
Clarity in communication more important than ever



Digital/Telephone



Legal?



Compliant options?



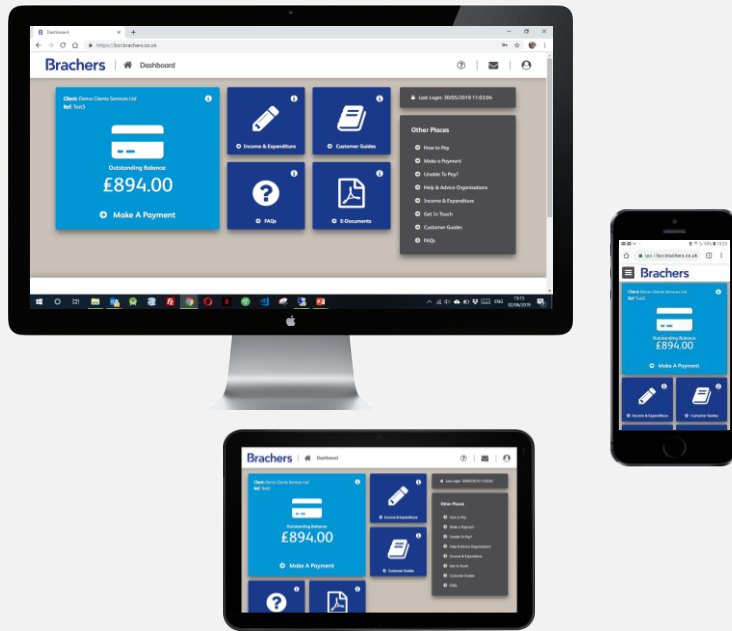
Is this BAU?



# Digital communications

Customer portal

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Make a payment and check current outstanding balance.



Manage account online, including updating contact information.



Secure web chat facility.



E-documents facility, enabling customers to receive digital letters.

# Digital communications

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## Easi-Pay

Frictionless payment links sent via email and SMS

## IVR payments

24/7 automated telephone payment facility

## Informational videos

Animated videos offering an alternate medium to our customer guides

## Treatment tools

Campaign to inform customers of COVID-19 financial support



## Web chat

Secure online chat facility offering another communications channel

## Digital MI

Capturing metrics for payment links and website performance

## Digital workflow

New workflow strategy to increase the number of SMS and Emails sent

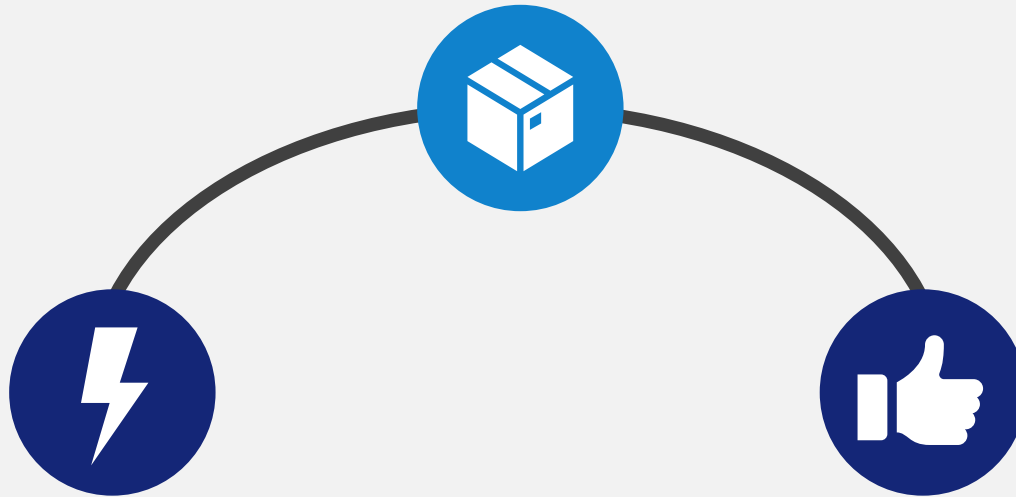
## Online CPAs

Self service facility for customers to set up instalment plans

# The challenges if you do have to take legal action

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## Backlogs at the court



Perfect storm awaits? – customer arrears hitting existing court backlog, numerous applications to lift stays, no extension to time limits (unlike as seen with vehicle MOTs), limited phone hearing capability.

Some positives – Nightingale Courts, courts quick to move to embrace technology when forced to, video hearings, etc.

# Legal action decision making

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You should be using as last resort anyway.



Delay, maybe just has to be accepted – no better alternative anyway?



Clear understanding of how legal action is likely to result in a good result before you start it – should be BAU anyway.

# Legal action considerations

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- Awareness of legal restrictions, e.g. Winding Up, evictions, enforcement agents.
- Awareness of particular problems in courts or regions – avoid them?
- It's a fast changing picture – be adaptable.
- There is a place for legal in the right cases. Delay could be costly.

# What works for us

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## Brachers LLP

Our approach

Flexible and  
bespoke

No legal action  
unless absolutely  
justified

Over 70% of our legal  
placement collections are  
achieved on cases where  
we don't actually have to  
take legal action at all



# Questions and discussion

# Contact details

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## Rob Thompson

Partner

**DD:** +44 (0) 1622 767487

**M:** +44 (0) 7715 055167

**W:** [www.brachers.co.uk](http://www.brachers.co.uk)

Somerfield House,  
59 London Road,  
Maidstone  
ME16 8JH