



Vulnerability and cost of living challenges

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What VRS data tells us

When individuals are suffering extreme financial hardship and when that is influenced by other circumstances like mental health

The propensity for customers to become seriously indebted and fall victim to unregulated lending

Where people are victims of loan sharks or economic abuse

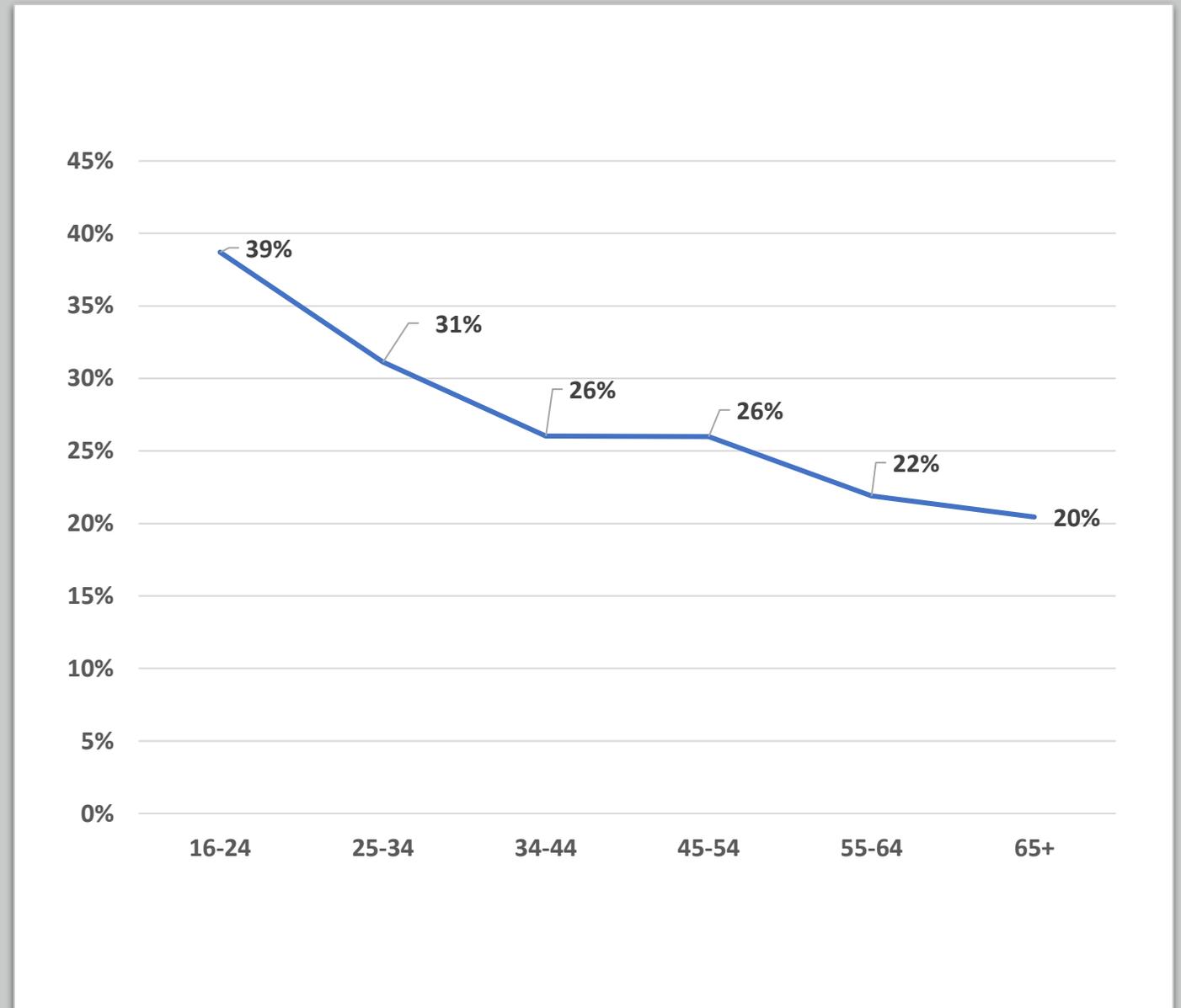
If a customer is affected by mental or physical health, life events or accessibility

If an individual is deceased typically in advance of appearing on a mortality register

If an individual's financial affairs are being managed by a third party

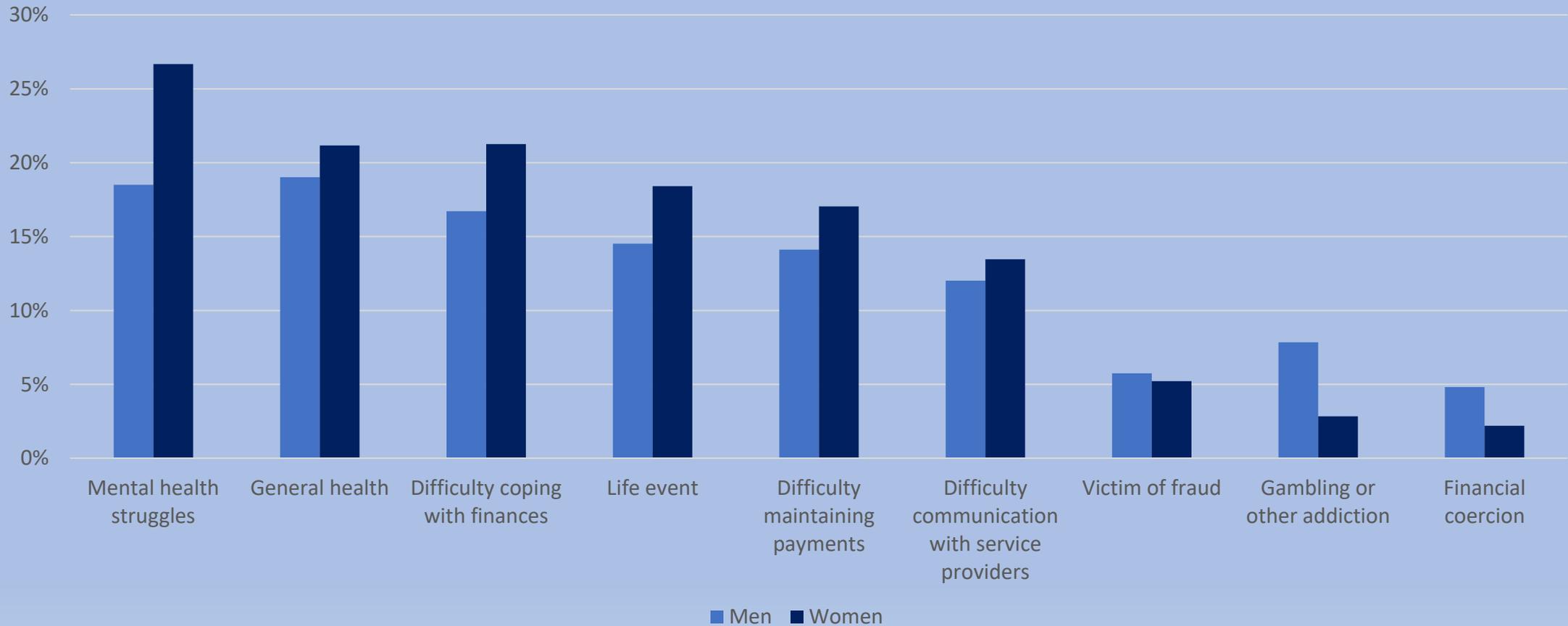
Do you consider yourself to be vulnerable?

- 27% consider themselves to be either financially, socially or physically vulnerable
- 28% of men and 26% of women see themselves as vulnerable





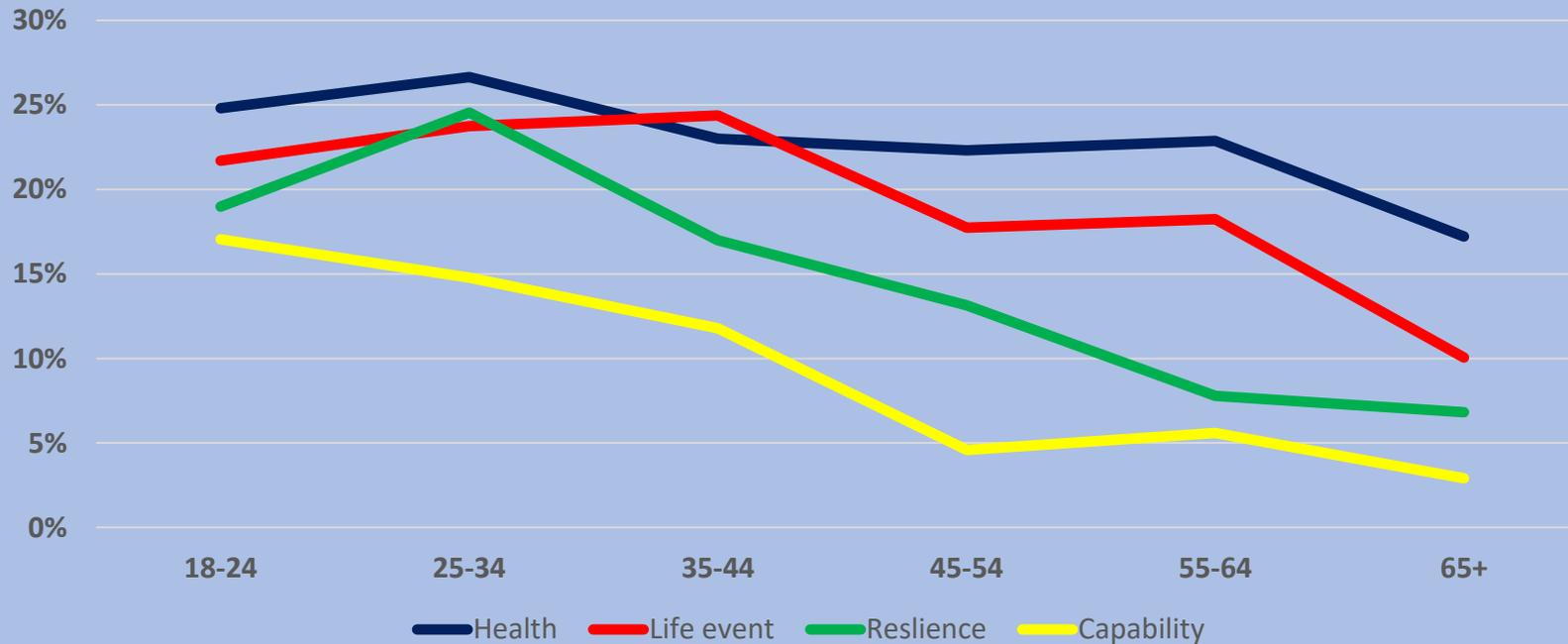
Issues in the last 12 months



- Gambling and coercion are cited more commonly in the younger age groups
- 61% of those over 65 did **not** relate to any of these issues in the 12 months compared to 36% overall



In what way are people vulnerable?



Health: Mental or physical conditions or illnesses affecting the ability to carry out day-to-day tasks

Life events: Major life events such as bereavement or relationship breakdown

Resilience: if a person struggles to withstand financial or emotional shocks

Capability: The level of a person's knowledge of financial matters or low confidence in managing money or poor English language or literacy skills

- 12.4% of men cite capability as an issue compared to 6.5% of women
- 17.5% of men cite life events compared to 21.4% of women



In the last 12 months

10% have been evicted, are subject to a repossession or at risk of homelessness

2.25% have used the services of a loan shark

8% have missed mortgage or rental payments

8% have used a food bank

3.7% have been threatened with gas or electricity disconnection

4.3% have been moved to a pre-payment meter

12.5% have missed council tax payments

6.5% have missed water payments

8% have missed gas or electricity payments

6.2% have missed phone or broadband payments

4% have missed insurance payments

13% have missed loan or credit card payments

19% have seen a decrease in income

18% have received debt collection calls or visits

6.2% of people have sought debt advice



There is no 'master plan'

- VRS is the only central database collating unique information about vulnerable individuals
- If we don't embrace data sharing:
 - Customers will only even be able to communicate circumstances to one service provider at a time
 - We have no way of effectively providing the right support to those who need it – we have no way of identifying them
 - There is no way of effectively helping customers achieve the right outcomes – we cannot identify what is making them financially vulnerable
- There is no mandate to share Power of Attorney / Court of Protection data



What do we do when we have identified vulnerability?

<https://www.vulnerabilityregistrationservice.co.uk/business-user/consumer-duty-training-vulnerability-jigsaw>



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