



Turning applications into instant approvals with confidence in an uncertain market

CASE STUDY

January 2023

Co/ownership



About

Co-Ownership is a not-for-profit organisation and registered housing association, based in Northern Ireland. They help people who struggle to get onto the property ladder by themselves - for reasons such as difficulty raising a deposit or low income - become homeowners through a range of affordable housing products. These products include Co-Own, Rent-to-Own and Co-Own for Over 55s.

Before applying for a mortgage, customers complete a digital application to Co-Ownership where their financial circumstances are assessed before receiving an approval in principle which can then be shared with lenders. Unlike other shared ownership schemes across the UK, Co-Ownership allows its customers to choose their own homes, making it quite unique in its offering.

Set up in 1978, the Co-Ownership team has helped over 30,000 people in Northern Ireland buy a home and currently has over 10,000 co-owning customers.



Unique challenges for a unique organisation

For the Co-Ownership team, their assessments of applications have always been complex and quite different to the assessments undertaken by traditional lenders, presenting very unique challenges.

They need to be able to assess accurately if an applicant is genuinely in need of their services, and not able to afford a property by themselves. However, they also needed to ensure that home ownership is sustainable for the customer and that they would be able to make ongoing repayments.

Added to this challenge, however, is the fact that they need to make a decision that would emulate a lender's decision when it came to the mortgage itself. They wanted to ensure an approval in principle from them did not then fail the lender's own application process. As they worked with eight lenders all with different criteria, this was a highly complex challenge.

Until 2018 all applicants to Co-Ownership had to complete a 28 page paper application and significant amounts of paperwork to support their applications,

including obtaining their own credit reports from one of the credit reference agencies. The properties were also assessed at the same time as the applicants. It was an extremely slow and resource heavy process, taking on average five weeks for an approval to be granted.

This delay also unintentionally placed Co-Ownership customers in a slightly negative light compared to other mortgage applicants with vendors and estate agents, whose applications were being processed far more quickly. The team, however, were passionate and persistent, working their way through around seven hundred applications each year.

The increasing strain on household finances coupled with the ongoing demand for housing saw the organisation receiving significantly more applications. They found themselves at full capacity, struggling to meet the growing need.

They recognised a need to digitise their processes and automate their decisioning capability to improve their customers' experiences, but crucially to ensure

their processes did not place their customers in a less favourable light when purchasing a home. They also had the challenge of ensuring their assessments were accurate, according to their own unique criteria, while robust enough to pass the requirements of the various different mortgage providers.

It was a highly complex challenge, but it was also time for a change.

A simple centralised decisioning platform to manage complex requirements

Experian support Co-Ownership through a range of different services. In 2018 when Co-Ownership completed its digitisation of the application journey Co-Ownership integrated with the Pre Tenancy On Demand solution and at that stage they had joined Experian's Rental Exchange, an initiative to help tackle the financial, digital and sometimes social exclusion challenges that rental tenants face compared to homeowners.

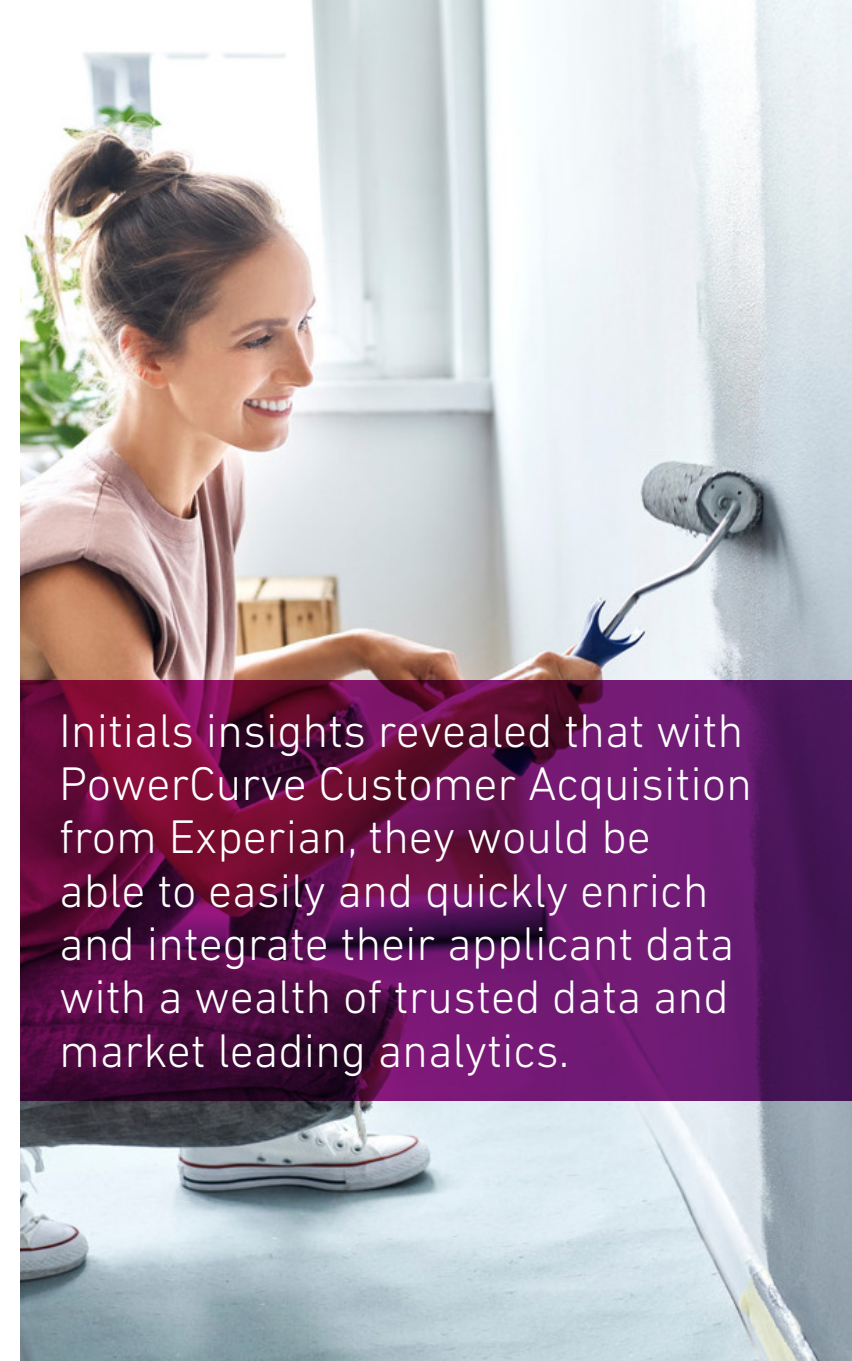
By sharing rental payment data in the same way as lenders do mortgage payment data, they were able to help their customers build a positive credit history. For Co-Ownership, it helped place rent payment on the radar for their customers as a priority bill, and they enjoyed an exceptional rental payment record as a result.

The relationship developed as Experian's understanding of market challenges enabled a valuable ongoing exchange of ideas, helping Co-Ownership better tackle particular issues they encountered. For example,

The digitisation of their application journey to include credit-decisioning is the biggest area where Co-Ownership leverages Experian's support

Experian introduced them to the Social Housing Tenancy Verification service – helping them understand who lives in a property and spot possible misuse.

The digitisation of their application journey to include credit-decisioning is the biggest area where Co-Ownership leverages Experian's support. They began an initial public procurement exercise and tested a number of solutions from various market providers.



Initials insights revealed that with PowerCurve Customer Acquisition from Experian, they would be able to easily and quickly enrich and integrate their applicant data with a wealth of trusted data and market leading analytics.

Despite Co-Ownership's concerns that the exercise would be a major upheaval, the transition was seamless and the implementation of the new platform was **completed within 10 days.**

The solutions provided by Experian have played a key role in transforming our application journey and customer experience. The PCCA solution in particular gives us the ability to flex our decisioning and supports us making the right decisions.

Glynis Hodsgon
Director of Customer Services
Co-Ownership

Thanks to their positive history with Experian, Experian's **PowerCurve for Customer Acquisition (PCCA)** was one of them. It's a flexible, pre-packaged, cloud-based software solution that uses unparalleled data and insight to enable strategies to be built, decisions to be automated, and new customers to be onboarded with speed.

Initial insights revealed that with PCCA from Experian, they would be able to easily and quickly enrich and integrate their applicant data with a wealth of trusted data and market leading analytics. This would remove the need for applicants to produce significant amounts of paperwork to support their applications, which would then have needed to be manually assessed.

They would be able to access analytical insight to easily understand the true nature and value of the individuals they were trying to help, and enhance and automate decision making across multiple products and channels.

Co-Ownership were very pleased with the results and so Experian began working closely with them to set up the centralised decisioning platform to their unique requirements. Despite Co-Ownership's concerns that the exercise would be a major upheaval, the transition was seamless and the implementation of the new platform was completed within 10 days.

Rapid onboarding and smoother digital journeys with less risk and cost

Not only has PCCA been simple and intuitive for the team, the combination of the solution with the new Co-Ownership digital applicant portal led to a 85% reduction in the time taken to process an application.

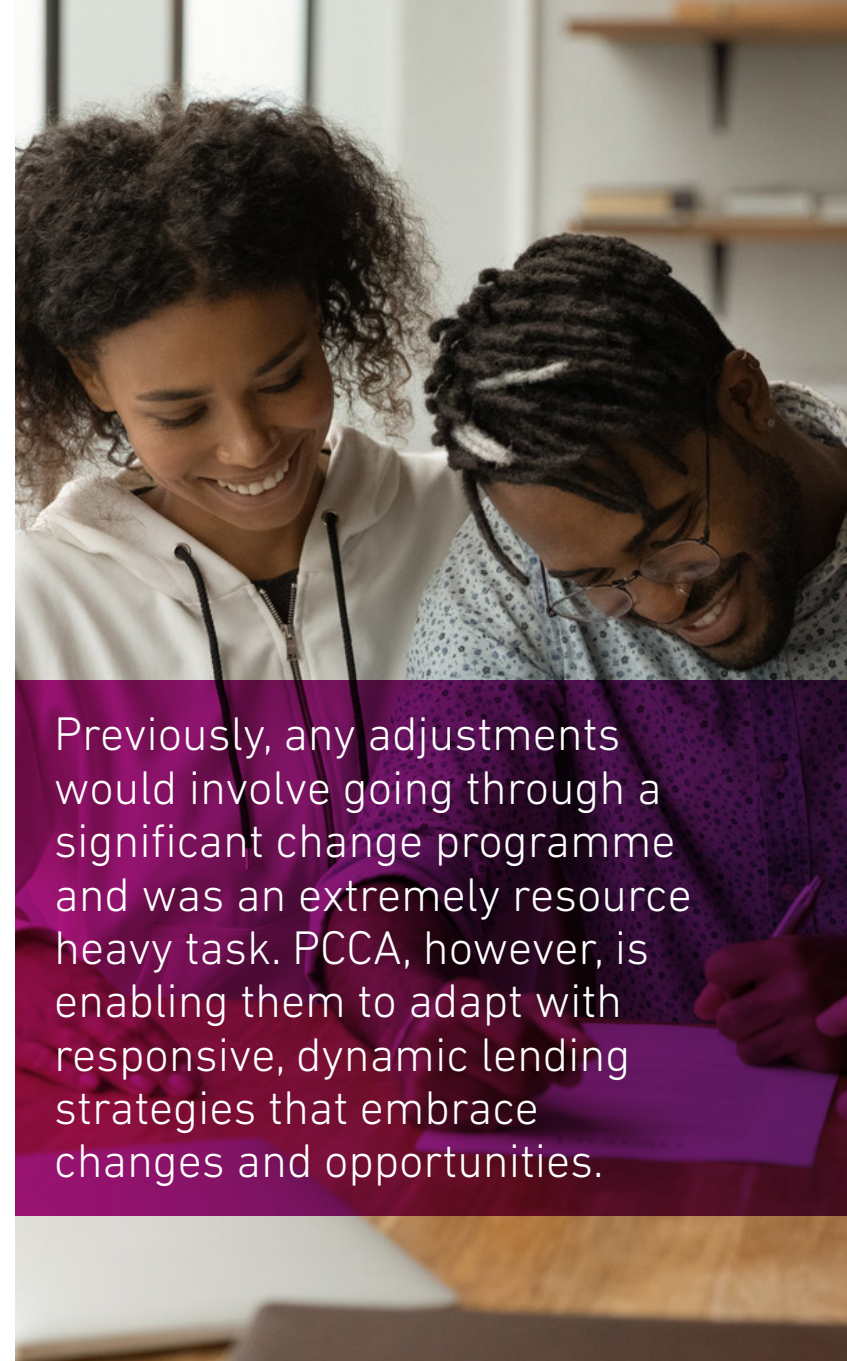
They have seen a significant increase in the number of new customers onboarded – going from assessing up to seven hundred applications in previous years to assessing 2,300 last year. Of these, 1,144 applicants went on to secure homes. And it has been done with fewer team members, enabling Co-Ownership to refocus their resources on other business improvements.

Given the uncertain economic environment, a key value for Co-Ownership was the ability to see the impact of wider changes on their decisions very quickly and to be able to make appropriate adjustments themselves. Previously, any adjustments would involve going through a significant change programme and was an extremely resource heavy task. PCCA, however, is enabling them to adapt with responsive, dynamic lending strategies that embrace changes and opportunities.

85% reduction in the time taken to process an application.

As Experian continues to evolve its offerings with new and innovative ways to address market challenges, PCCA allows Co-Ownership to easily integrate them with little impact to their business. For Co-Ownership, this is another extremely valuable aspect and they are continuing to explore Experian solutions, including Experian's Open Banking solution.

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About us

Experian are award-winning innovators. Investing in data, analytics and decisioning in order to quickly access and understand data – and deploy it live, fast.

We're leading the way. We're the UK's largest consumer and business information bureau with credit history data on more than one billion individuals worldwide, and 145 million businesses.

A choice of access methods. Gain instant access to Experian data and third-party data (including exclusive access to new data) via APIs and SaaS, which you can configure to meet your needs – across the entire customer lifecycle.

The speed you need. We can source and deploy data for half the cost, in half the time. While reducing operating costs through greater automation. Speeding up decision-making, and time to market.

Greater agility and control. You can test, build, deploy and monitor Machine Learning models, decisions and strategies through a simple-to-use, intuitive, single platform, that's bureau and data agnostic.

Pay as you use. Scale as you go. With low-cost cloud architecture and no setup costs.

Improved decision making. Compliant, customer centric, data-driven decisions that can increase conversion and growth, while reducing credit and fraud risk.

We invest in our customers' future. We're shaping the future of data, analytics and technology. You get access to the latest updates and data, plus new services like advanced analytic models and scores.

19 DAYS

**OUR AVERAGE
ACTIVATION TIME**

30 DAYS

BUSINESS VALUE

3 SECONDS

**WE DETECT A FRAUD
EVERY FEW SECONDS**

99.9%

AVAILABILITY

ALWAYS ON, PERFORMANT PLATFORM

We can help you design your rules... in the way you choose



From cost-effective decisioning software through to full originations solutions that support all decision processes, we are perfectly placed to help you achieve your business goals.

As part of our service, our expert consultants provide valuable insight into data, decisioning, analytics and the market – bringing you maximum value through our partnership.

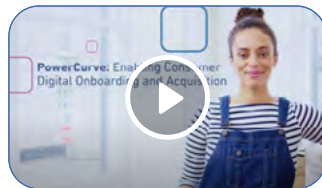
Watch more about how we can help you at each stage of the customer lifecycle.

**Contact your Experian representative or email us to find out more:
businessuk@experian.com**

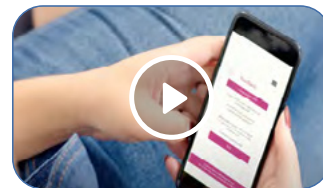


Intelligent decisions

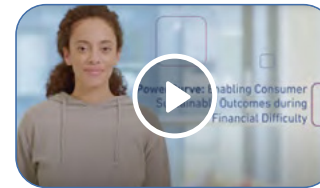
How Experian use the power of data, analytics and technology



End-to-end Complete Customer Journey



Customer Acquisition



Debt Management

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