



Insights Series 2: Life after lockdown

Supporting customers

As the Government continues to put measures in place to relax the lockdown and re-start the economy¹, it is likely many people will be relieved to see a return to some type of 'normal'.² There will also be those who fear going back out into everyday life³. These fears or worries could be stressful and potentially increase instances of mental health issues such as anxiety⁴.

It is likely that registered firms will interact with customers who display or admit to concerns about life after lockdown. Any customer unease may not be obviously about money or finances, so it may not be immediately clear how firms can assist. However, by using a number of skills detailed later in this piece (such as soft skills and effective signposting), staff should be able to help these customers or direct them to the right organisation who can. Registered firms have the opportunity to make a positive difference to how customers experience life after lockdown, by understanding that the future for many is uncertain and offering additional support to those who need it. By doing so, firms will increase the likelihood of both individual and business customers navigating this challenging time successfully.

This thought piece aims to raise awareness of the different ways customers may react to life after lockdown and includes case studies to illustrate this. These case studies are designed to help registered firms think about the best ways to support customers and whether their current processes and ways of working are currently set up to do so. They show the initial disclosure made by the customer, along with further information that may be gained through the use of open questioning and active listening.

Staff awareness

For some customers, the end of lockdown has the potential to increase the stress, anxiety and difficulties they are facing. Having firm wide awareness of this will better equip first line staff to recognise potential vulnerabilities and increase the likelihood of spotting opportunities to ask further questions and establish ways to support a customer. Firms should also recognise that their own staff may react differently to the end of lockdown, with some experiencing the same stress and anxieties felt by customers. Firms should ensure that support structures are in place for their own teams during this time.

Staff awareness can be heightened using a range of measures, from training and updated guidance, to bulletins and videos on resources such as firm intranet sites. For registered firms, the LSB has prepared training material using the case studies within this paper. These can be used to assist staff

¹ The Times, '[Jobs bloodbath accelerates easing of lockdown for pubs, restaurants and weddings](#)'

² The Evening Standard, '[Meet up Monday: Joy as coronavirus lockdown curbs to be relaxed](#)'

³ YouGov, '[Don't count on customers returning once COVID-19 lockdown eases](#)'

⁴ BBC, '[Coronavirus anxiety: How to cope with life after lockdown](#)'

in considering situations customers may find themselves in. This training material will be available through the secure firm side of the LSB website⁵.

From working with registered firms in the vulnerability space, it is clear that customers often do not have one 'issue' or vulnerability that requires support. Customers' situations are often complex, with them facing multiple different challenges. Because of this, it is important that any training takes a holistic approach to considering customer situations and potential solutions. Having an overly prescriptive or process driven approach would likely not be suitable and risks providing customers with inadequate support.

The importance of soft skills

Good customer conversations display empathy and active listening. By understanding that some customers may struggle with life after lockdown, staff should be aware of potential triggers or signs where further questioning may be appropriate. For example, if a customer mentions they are apprehensive about returning to work or that they are unsure how they feel about their child returning to school.

By asking open questions, the customer is given an opportunity to expand on their initial point and provide further details. This information could make it clearer how the adviser and registered firm can help. For example, if a customer is unsure about their child returning to school, they may wish to stay at home with them. This in turn could affect their ability to work. What could initially have been seen as a 'throwaway' comment about their child and school has led to a conversation about the customer's finances in the future, if working reduced hours.

Soft skills training and coaching, such as how to use probing questions empathetically, helps to enhance conversations. This can be done in a number of ways, from utilising case study examples to show how a beneficial customer outcome was delivered, to having staff participate in call calibration sessions so they understand 'what good looks like'. Quality assurance teams and management should also ensure that any reviews of calls or other customer contact considers the delivery, tone and questioning skills used by the adviser.

Family worries

Initial disclosure: Chloe is a single parent of six-year-old Max. She was furloughed from her job as a set designer. Chloe's workplace is now re-opening. She is expected to return as her furlough will soon be ending but she does not know if she will be able to.

Probing could reveal: Chloe is anxious because even though she wishes to get back to work, she finds the idea of Max being back at school stressful. Chloe knows some parents are not sending their children back into school yet, but she does not know what will happen to her job and finances if she decides to keep Max at home for longer.

⁵ [MyLSB](#)

Financial difficulties and pre-arrears

For many customers, the end of lockdown will not mean an end to concerns about their finances. A large recession is predicted to affect the country in the near future⁶, and it is already clear that there are a record number of people out of work or in a precarious working position⁷. In May the Government extended the furlough scheme⁸ and in July announced a £1,000 bonus for employers who retain staff who are currently furloughed⁹, in an effort to minimise potential job losses. This economic situation could result in some customers being worried about their job security or how changes to their employment could affect them.

Anxious about returning to work

Initial disclosure: Mohammad has been furloughed from his job in a music store and is worried about returning to work. The store is small and holds a lot of instruments, so it can be a squeeze getting past people. Mohammad does not believe the store can open whilst maintaining social distancing. Mohammad's employer is understanding and has said that he can be flexible in his return.

Probing could reveal: Mohammad is still worried about the potential health consequences of returning to work, even if on reduced hours. He is also unsure he could afford to work less hours than normal. He is considering whether to look for another job but this could take time.

A major aspect of the end of lockdown and the return to the new normal is uncertainty. Business and personal customers are unable to predict how they will fare with the new restrictions and the Government has warned that an increase in infections could necessitate another stage of lockdown¹⁰. These further lockdowns could occur on a regional basis¹¹, meaning that different groups of customers may be impacted at different times. For many customers, this uncertainty makes it difficult to accurately plan their finances into the future and could lead to ancillary problems, such as increased levels of anxiety or other mental health issues.

One of the key ways to assist customers during this time will be to establish that pre-arrears processes are working in the best way possible. Pre-arrears, where a customer contacts a firm when concerned about financial difficulties before missing a payment, requires working with the customer to get the best possible understanding of their finances. For customers for whom the near future is uncertain, this work will involve establishing the situation as it is, seeing what can be done to help at the time, and then scheduling regular reviews. It could be that even though the customer is yet to miss a payment, there are forbearance options available that can help and that the customer may be unaware of.

⁶ The Times, [‘Britain will suffer deepest recession, warns OECD’](#)

⁷ The Guardian, [‘UK unemployment rate is set to rocket, even with the furlough scheme’](#)

⁸ Gov.UK, [‘Chancellor extends furlough scheme to October’](#)

⁹ Gov.UK, [‘A Plan for Jobs 2020’](#)

¹⁰ ITV News, [‘Disease not done yet’: Matt Hancock warns national blanket lockdown could return as measures are lifted’](#)

¹¹ BBC, [‘Coronavirus: what closes in a local lockdown?’](#)

Regular reviews of customer accounts may be required for customers whose situations are evolving. Because of this, it may be necessary for firms to consider the standard frequency of customer account reviews and increasing them if they are too far apart to account for the post-lockdown environment.

Potential job loss

Initial disclosure: Dylan is a student and works part-time in a bar. Since the lockdown, he has been furloughed from his job. Because he is receiving some income through this scheme, he has been able to continue making payments on a personal loan.

Probing could reveal: Dylan is friends with a number of people who also work at the bar and he has heard a rumour that the landlord is in financial difficulties and may be unable to reopen. Dylan has been looking for other part-time roles but there are not many jobs available. Additionally, the university course he attends has had to move lectures online with a temporary different timetable in place, so he is unsure when he is available to work.

It is important that first line staff understand the options that are available for customers in pre-arrears. When a customer contacts a firm asking for assistance or raising a concern about their future ability to pay, it is key that help is offered then, rather than waiting for the arrears to crystallise. Staff should be aware of these options through pre-arrears training, but firms can increase the likelihood of good outcomes by ensuring staff have access to updated guidance relating to it. Staff communication tools such as intranet sites or team meetings can be a good opportunity to highlight that there may be an increase in the number of customers needing pre-arrears assistance. Staff can then be reminded where to access supporting information and where to escalate any questions or issues.

For customer accounts that have moved into arrears, firms should take a holistic approach to understanding the customer's financial situation, especially in light of coronavirus. If a customer is unable to make a payment due to the impact of COVID-19, firms should consider when the customer's financial position may return to normal and the support required to get the customer back on track. For some customers in arrears, their employment or financial position will be going through a period of flux and regular customer account reviews may be needed. By making sure that any forbearance or repayment plans are affordable in both the short and longer term, firms not only do the right thing by the customer but also increase the likelihood of the plan 'sticking.'

Health conditions and family commitments

Initial disclosure: Martin is self-employed and has two children aged eight and fifteen. He has been homeschooling them during lockdown and they are now preparing to phase back into school. He has fallen behind on payments on a personal loan and has been contacted by a Collections team to discuss this.

Probing could reveal: Martin is in his mid-sixties and has high blood pressure. Because of reducing his workload to help with homeschooling, Martin's income has dropped by fifty percent compared to the same time last year. Martin knows that his children need to be back in school for him to return to work fulltime, although he is still very worried about the potential health risks. He is also mindful that his children are not likely to return to school at the same time, meaning he will still need to work reduced hours to accommodate for this.

SMEs after lockdown

Lockdown has severely affected thousands of businesses across the country, for example, one in seven SME owners are now using personal savings to keep their business afloat¹². Although the end of lockdown may mean a return to business for some, many SMEs will likely still be extremely impacted by the effects of lockdown and any post-lockdown measures¹³. For this reason, registered firms will have to be aware of the challenges that business customers will continue to go through and take steps to help them through these difficult times.

Small business owner worried about her staff

Initial disclosure: Sarah owns a successful hairdressing salon in London which has been closed throughout lockdown. She furloughed four staff and cannot afford to top-up their wages to their full salaries. Sarah is conscious of the impact this is having on her team and wants to reopen as soon as possible.

Probing could reveal: Sarah is also extremely concerned about the health implications of reopening. Her profession involves close contact with others and she does not want to put anyone's health at risk.

As her business has no income at present, Sarah will be unable to pay staff once the furlough scheme ends. She therefore needs to open or risk having to make redundancies. The stress she is feeling about the decision to reopen is affecting her sleep and relationship at home.

Firms will be aware of the Government support that has been made available for SME customers. There are over 50 lenders, including some registered firms, offering the Coronavirus Business Interruption Loan Scheme¹⁴. The Bounce Back Loan Scheme could also be an option for business customers requiring prompt financial assistance¹⁵. These options are currently intended to continue

¹² City AM, [‘One in seven SME owners using personal savings to keep businesses afloat during pandemic’](#)

¹³ Institute of Directors, [‘IoD survey: Leaving lockdown ‘won’t be plain sailing’ for business’](#)

¹⁴ Gov.uk, [‘Apply for the Coronavirus Business Interruption Loan Scheme’](#)

¹⁵ Gov.uk, [‘Apply for a coronavirus Bounce Back Loan’](#)

to be available after lockdown and are one way of supporting business customers through this challenging period. It is worth noting that the Standards of Lending Practice for business customers have been updated to take account of the way in which the schemes operate¹⁶. Firms are not limited to offering assistance through the Government support options, and ‘traditional’ forbearance measures or other products could be suitable to help SMEs in difficulties. Assessing the customer’s situation and taking into account all the options available will help firms find the best solution for the customer, given their individual circumstances.

It will likely be difficult for many firms to definitively say what will happen to their business in the months after lockdown ends. For example, a pub landlord may expect to be able to have some limited trading using a pub garden or with social distancing restrictions indoors¹⁷. However, business owners may not be able to confidently predict what their turnover will be during this period, in a manner that would have been possible pre-lockdown. There will also be uncertainty around the logistics of opening after lockdown, for example, owners may not know how many staff will be needed due to the reduced levels of demand.

Firms may contact or be contacted by business customers who are concerned that uncertainty about the future makes it difficult to have confidence they will be able to meet their financial commitments. In these situations, regular reviews with the customer will be an important tool in assessing the customer’s business and financial position, before putting in place measures to support them. Firms should consider whether their monitoring activities look at sector events and behaviours, so as to identify business customers who may be at particular risk due to conducting business in a market greatly affected by coronavirus. Effective monitoring would be on both a portfolio and more granular level, reviewing individual businesses and their performance within the sector. This monitoring should then extend to customer contact, for example, ensuring business customers receive regular account reviews regardless of whether relationship managed with a named manager or part of a portfolio management structure.

Fearful of leaving the house

Initial disclosure: Louisa runs a market stall selling handmade jewellery. She has not been able to work on the stall during lockdown and is unsure whether she will be able to return for safety reasons. She lives with her mum who is retired.

Probing could reveal: Louisa visited the supermarket a handful of times at the beginning of lockdown but always went early in the morning to avoid crowds and queues. She would spend hours wiping down the products before bringing them into the kitchen afterwards. Louisa is no longer leaving the house to visit the supermarket. She has OCD and fears that going outside will mean she is certain to catch the virus and she will make her mum ill.

As the end of lockdown does not mean a return to ‘normal life’ as it was before coronavirus, some businesses are going to have to consider entirely new ways of working. For example, some stores may find it difficult to safely maintain distancing measures and may wish to move more of their business online. For others, increased levels of home working may mean that SME customers need to consider

¹⁶ LSB, [‘Update to Standards of Lending Practice for business customers, Coronavirus Business Interruption Loans Scheme and Bounce Back Loan Scheme’](#)

¹⁷ The Morning Advertiser, [‘What could social distancing in post pandemic pubs look like?’](#)

how to adapt their operations to suit the change from being primarily office based. Firms could be in a position to help with support on how to move to these different types of working. This could include either providing 'in-house' support, such as having digital experts who know how to increase payment options on a website store, or firms could utilise effective signposting to third-party resources.

Breathing space coming to an end

Initial disclosure: Isha is a self-employed wedding planner and her business was severely impacted by the lockdown. She has fallen behind on a business loan and her payment holiday has now come to an end. Isha knows that she is not going to have any income for at least the next month.

Probing could reveal: Isha has received good news that two of her weddings have been rearranged for six weeks' time. She will be paid following the weddings and this income will greatly improve her financial position. Isha had been feeling very worried about the future but is more positive now work is picking back up.

It is important for firms to take a flexible approach when dealing with SME customers whose businesses have been impacted by coronavirus. For example, when a payment holiday comes to an end, the customer's situation should be assessed again to see the best next steps for the customer, without being tied to any arbitrary limits (for example, on the number of payment holidays available).

Signposting

Registered firms understand the importance of signposting to support customers in financial difficulties, vulnerable or other challenging situations. Good signposting is delivered at the right time, when it becomes clear there are additional challenges, and to the right organisation. There should be an explanation and a 'sell' as to why the customer could benefit from speaking to that particular organisation. Signposting should link to the customer's circumstances, providing a genuine opportunity for customers to seek the help they need. This increases the likelihood of a customer getting specialist support.

The range of support that customers could need in life after lockdown is as broad as the range of challenges customers could face. For financial difficulties, a customer could be referred to a specialist debt advice agency. A customer nervous about travelling into branch may want to increase their ability to conduct online banking and be suitable for directing towards internal firm guides on internet banking or third party resources, such as the Money Advice Services' 'Beginners Guide to Online Banking'¹⁸. For customers who are bereaved and unsure about the rules on arranging a funeral after lockdown, it could be suitable to refer the customer to Cruse. Cruse also provide signposting guidance that can be a useful resource for firms thinking about who to signpost customers towards depending on their individual circumstance¹⁹.

¹⁸ Money Advice Service, ['Beginners Guide to Online Banking'](#)

¹⁹ Cruse, ['Signposting Pack'](#)

Bereavement during coronavirus

Initial disclosure: Sajid was widowed two months ago after losing his wife to a long-term illness and lives with his two daughters. Since the bereavement, Sajid has been off work from his job as a teacher.

Probing could reveal: Restrictions brought about because of the pandemic meant that only a small funeral was allowed so he and his two daughters, both in their twenties, were the only ones present. As a family, they do not feel like they have been able to properly grieve.

Sajid is struggling to come to terms with his loss and has been signed off work with depression. Sajid's daughters moved in with him after the funeral, so he was not living on his own. Most days, they struggle to encourage him to eat properly or sometimes even get out of bed. When they have spoken to him about practicalities, such as paying for bills around the house, Sajid does not know what to do because his wife dealt with those matters.

In a similar way to soft skills, firms should check their training and oversight covers the delivery of signposting. Where an explanation of the services being signposted to is not provided, or where customers are signposted to unsuitable organisations, there should be a feedback loop between the quality assessor and member of staff, to improve future signposting efforts. The timing of any signposting within a call or customer contact is also vital; for example, if it was given in a hurried manner at the end of a call, it could lose its impact and diminish the likelihood of the customer seeking help. Good examples of signposting should be considered for use in future training or call calibration sessions, to demonstrate to others how effective referrals can be delivered.

The aim of this thought piece is to support customers through the various challenges and difficulties that could be faced in life after lockdown. For some, rather than being the end of a strange chapter in their and the country's life, lockdown being lifted could be the beginning of personal difficulties that require support to get through. These challenges will be broad in scope and it may sometimes be difficult to identify what they relate to.

By being aware of the potential impact on customers, firms can ensure that their processes and people are ready to help. This assistance will take many forms and be reflective of the wide range of situations customers may find themselves in. By having a flexible approach, with empathetic staff, and policies and processes that are suitable for the situation post-lockdown, firms will increase the likelihood of delivering fair customer outcomes during this unprecedented time.

If you have any questions or requests about how the LSB can help you or your firm, please contact us through the details provided below.

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