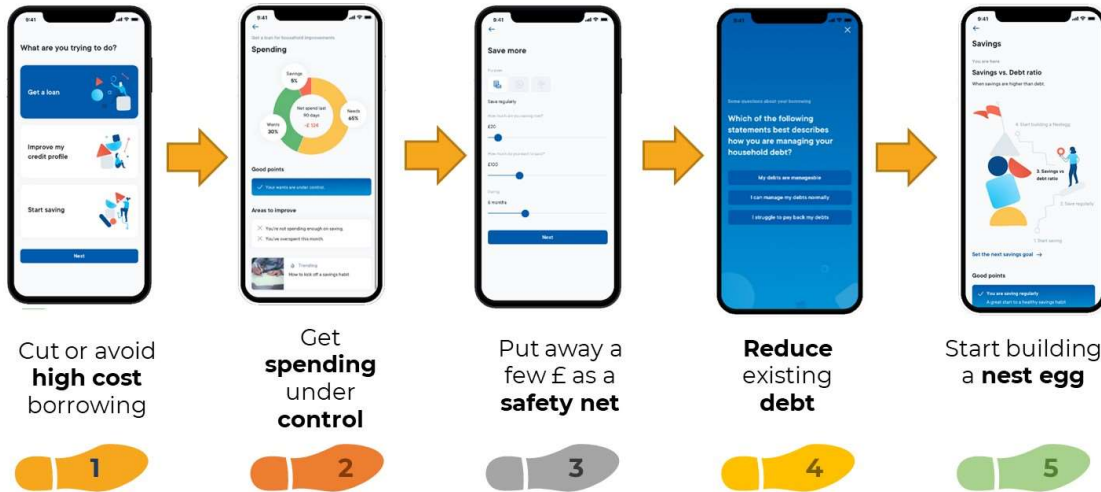


Improving access to **fair & affordable** credit

info@nestegg.ai

App launch and demo




Rapid Recovery Challenge by nesta

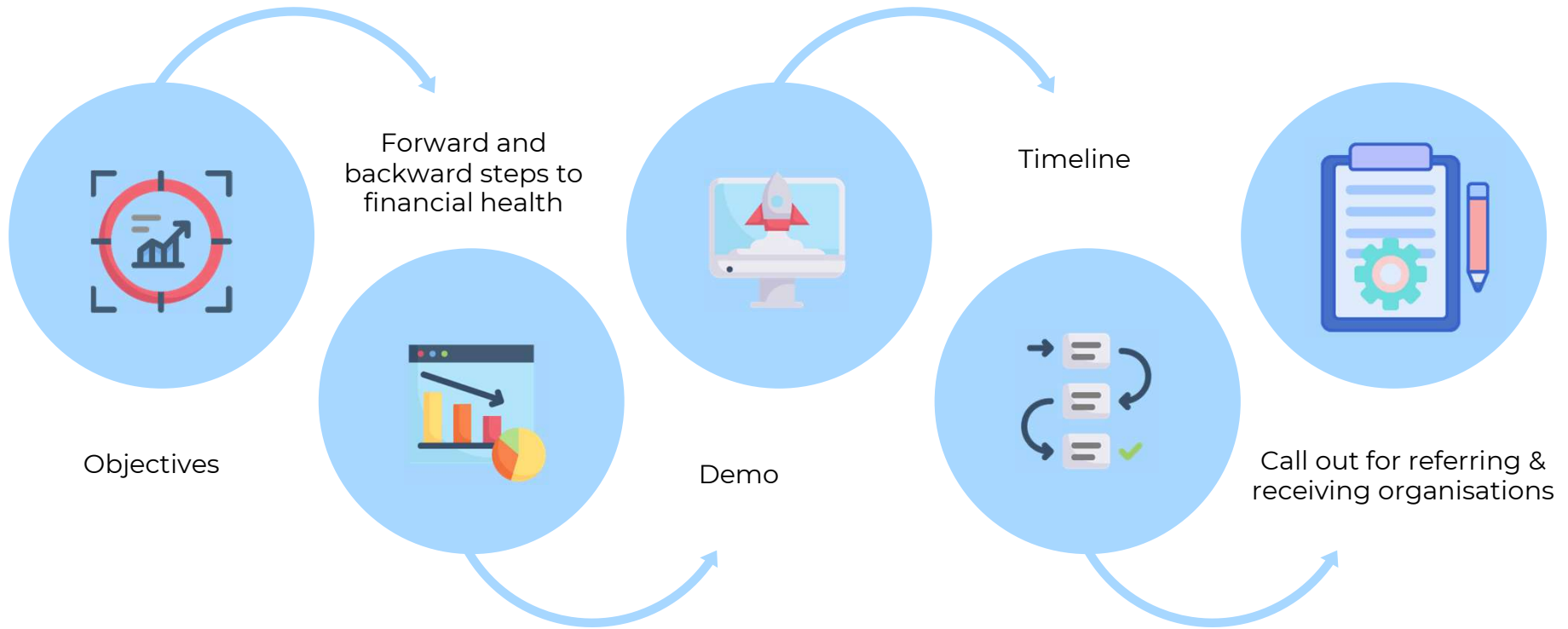
We're semi-finalists in the Rapid Recovery Challenge

Money & Pensions Service J.P.Morgan

Department for Work & Pensions




Agenda



Objectives



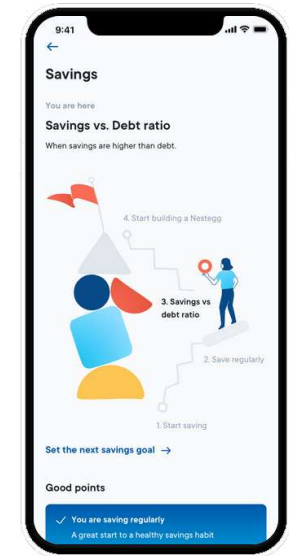
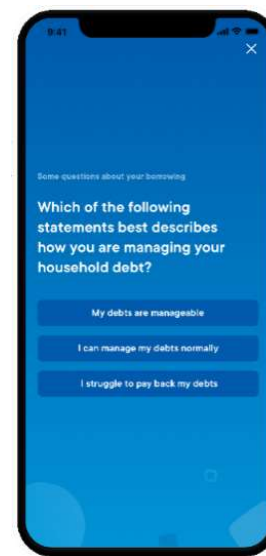
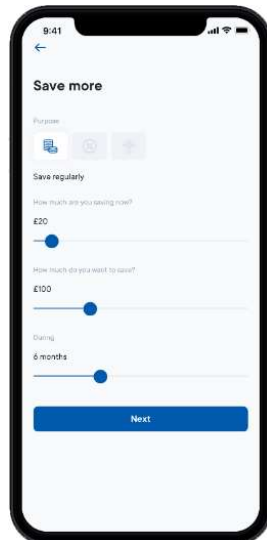
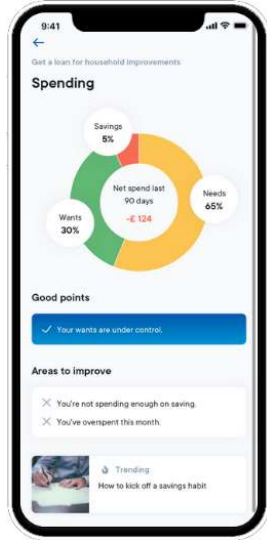
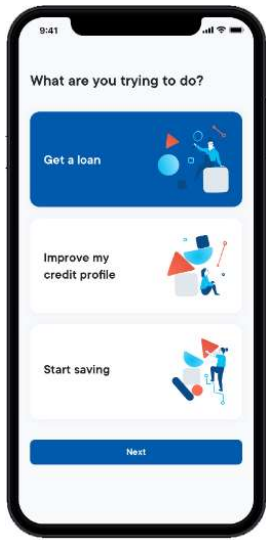
Help people
borrow less
and **save more**



Grow
responsible
lenders



Support
financial
recovery from
Covid-19



Cut or avoid **high cost** borrowing



Get **spending** under **control**



Put away a few £ as a **safety net**



Reduce existing **debt**

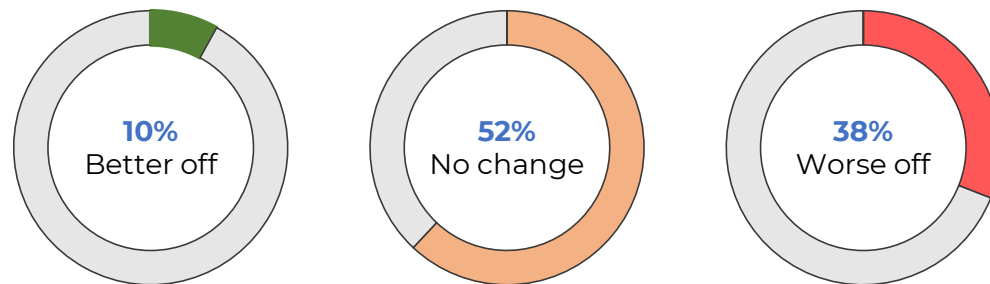


Start building a **nest egg**



Survey

Are you better or worse off because of Covid-19?

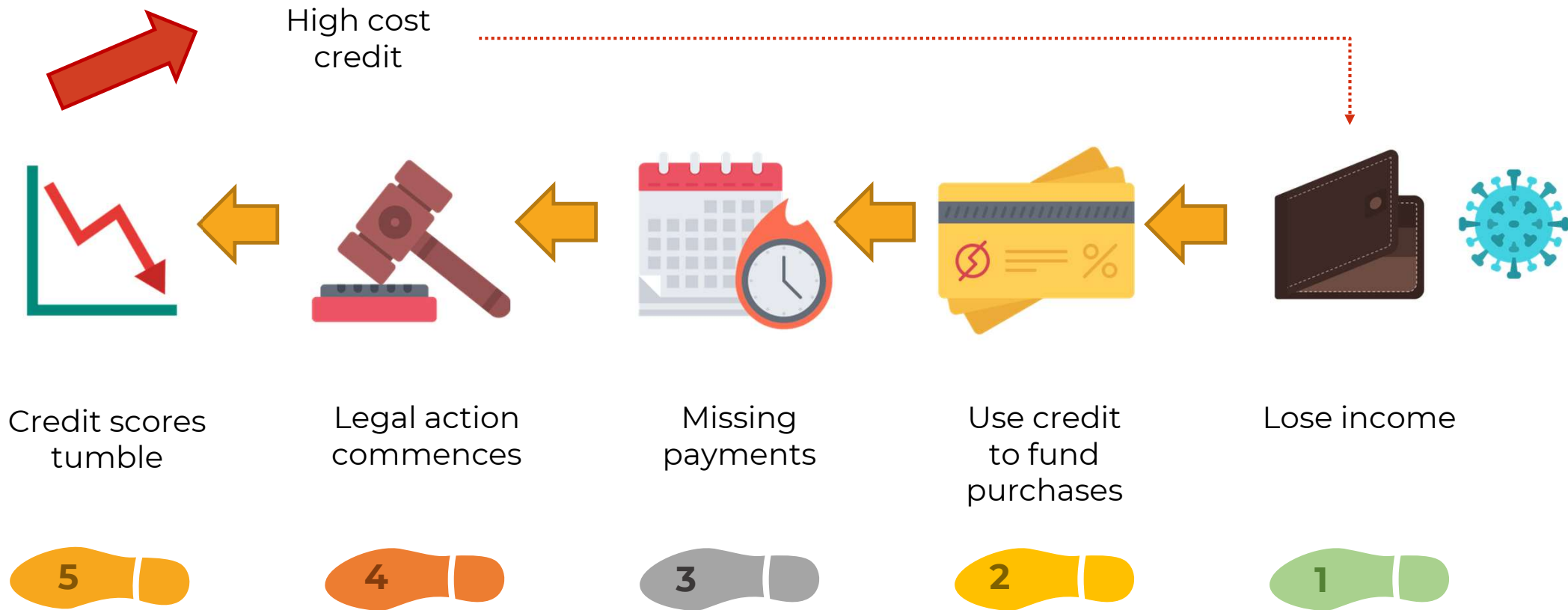


Source: NestEgg FCA Sandbox survey, October to November 2020

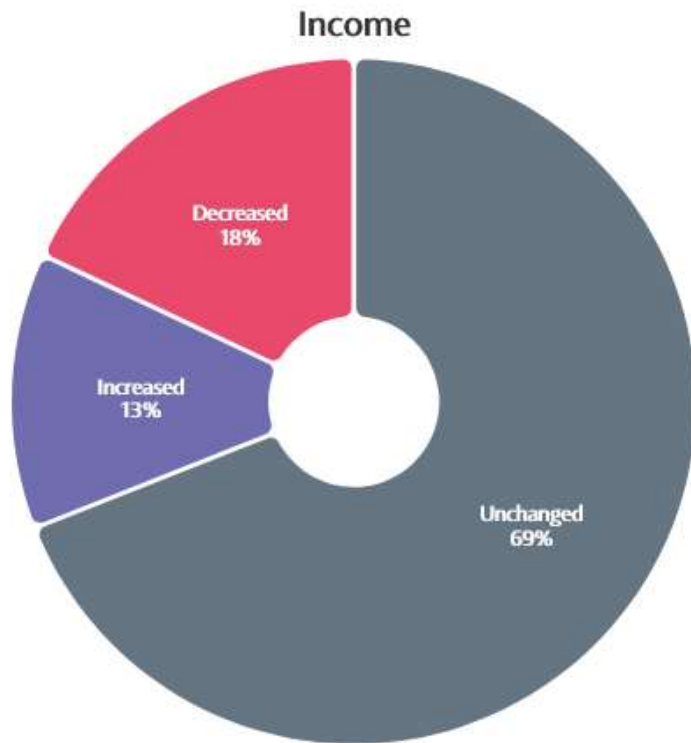




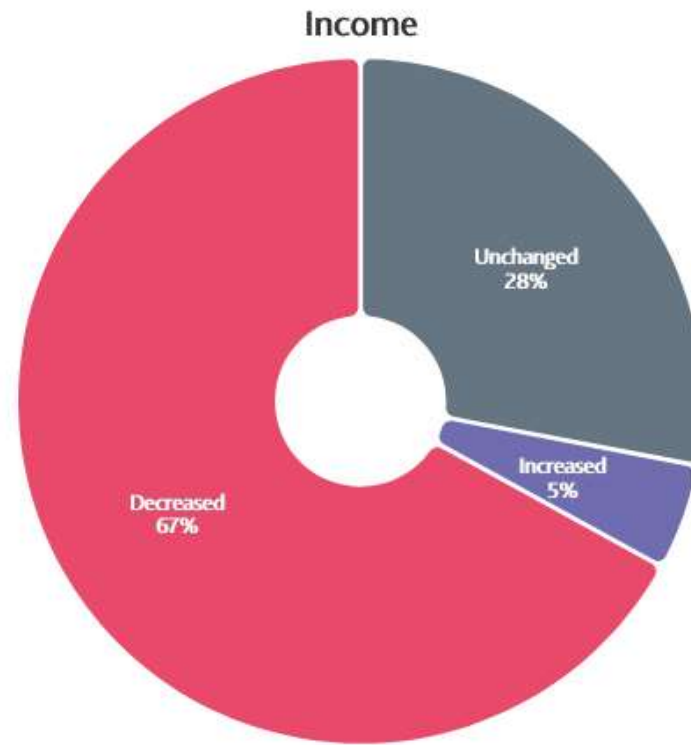
nestegg *Backward steps from financial health*



Employed



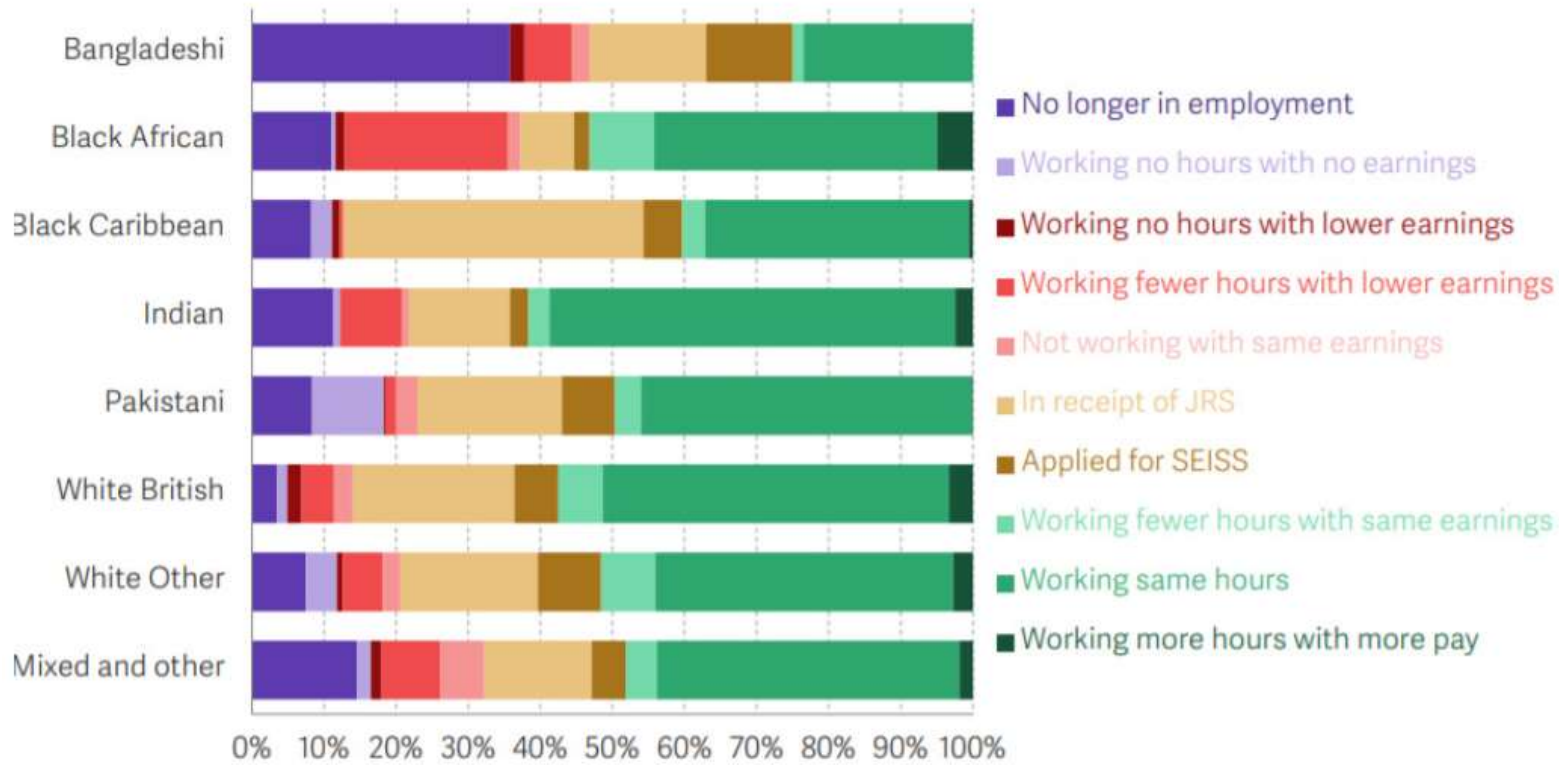
Furloughed



Lose income



Losing income *BAME*

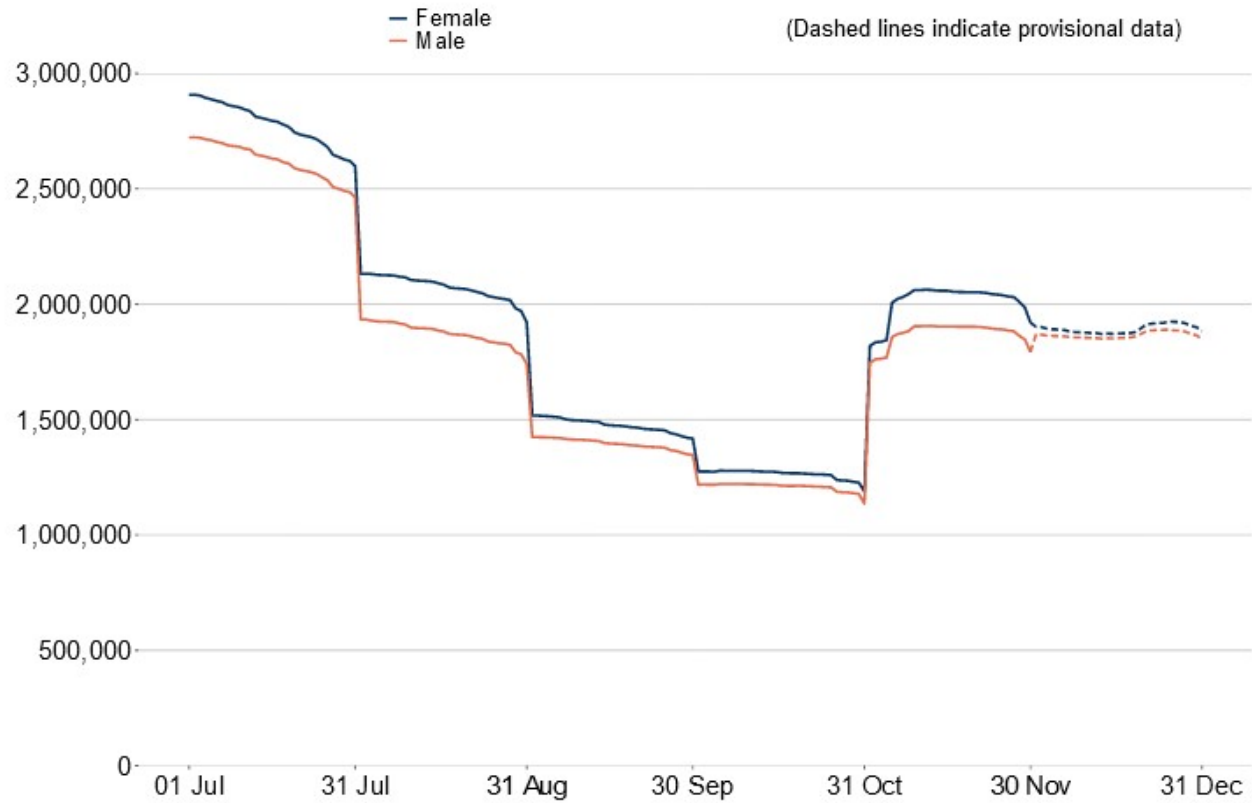


Lose income



< **Source:** House of Commons Library

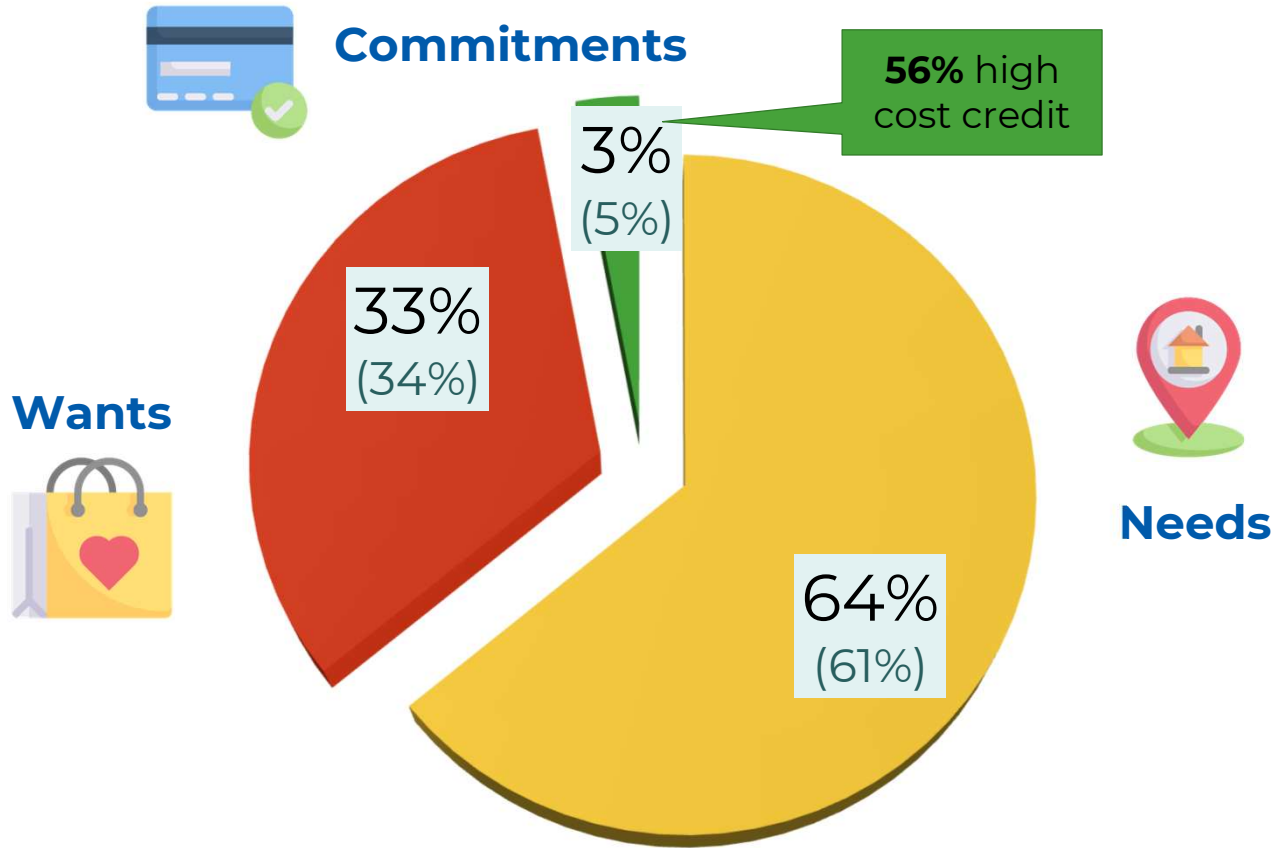
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Lose income



50/30/20



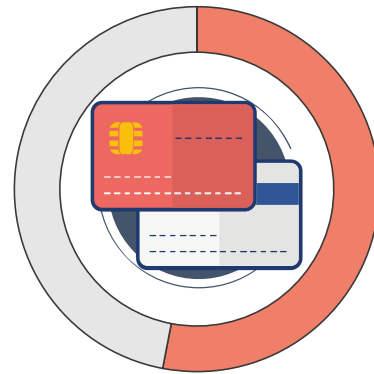
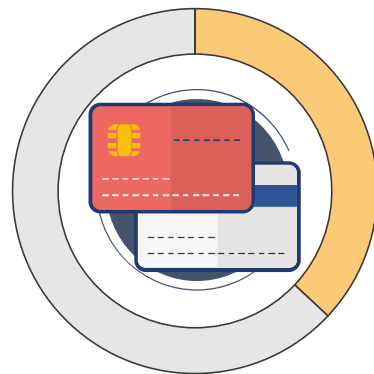
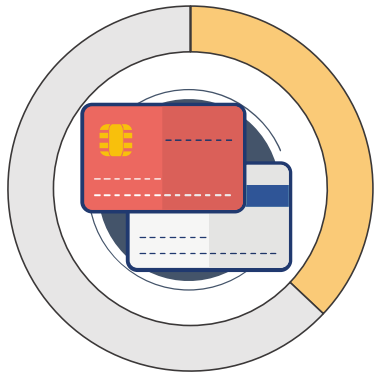
Increased credit card balances

(income £1,200 - £1,500)

45% between 75 and 100% of their limits

37% between 75 and 100% of their limits

55% between 75 and 100% of their limits



Mar, Apr & May
2020

Jun, July, Aug
2020

Dec, Jan, Feb
2020/21



Use credit to fund purchases



Struggling to pay bills

not affected by
Covid-19



32%

Struggling to pay bills
and debts

affected by
Covid-19



57%

Struggling to pay
bills and debts



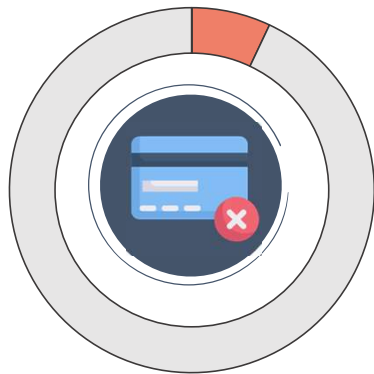
Source: NestEgg FCA Sandbox survey, October to November 2020



Missed payments

(income £1,200 - £1,500)

7% have early stage arrears



Delinquency

60% have a missed payment

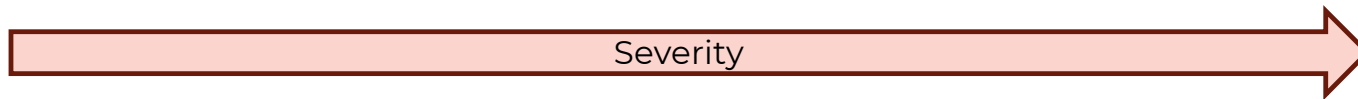


Missed payments

25% have a default



Defaults

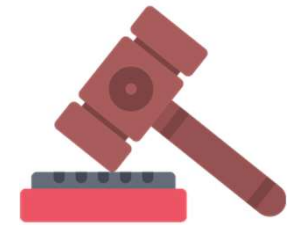
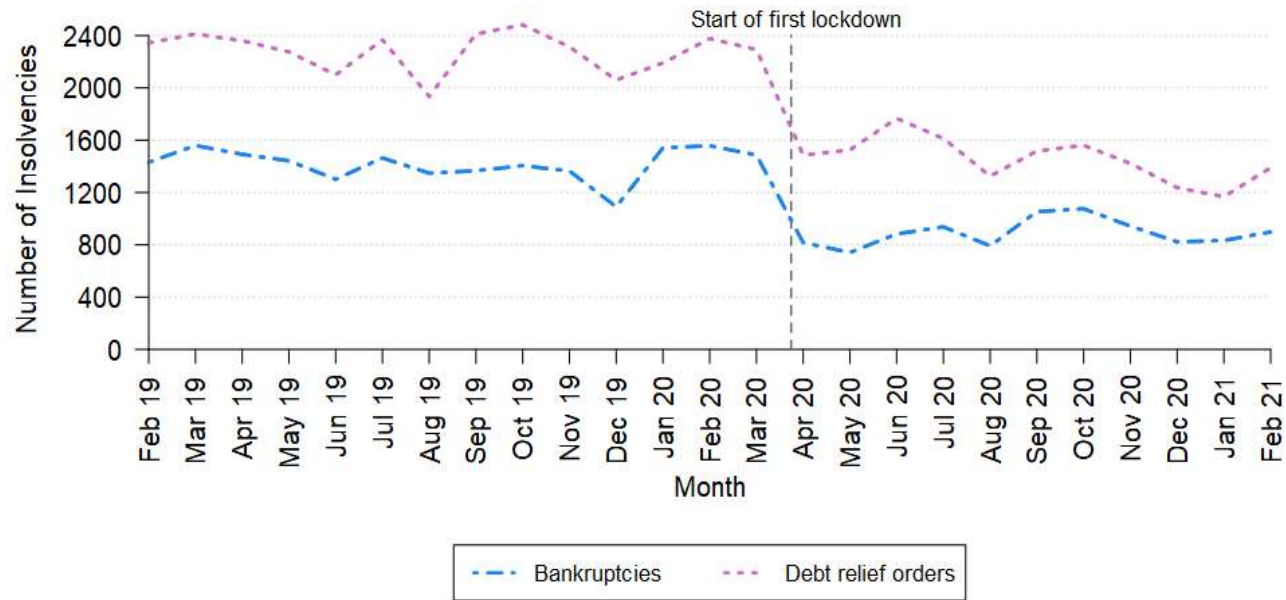


Missing payments



< **Source:** NestEgg Decision Engine

>



Legal action commences





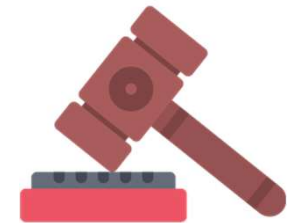
Debt covered rising from
£20k to £30k



Asset limit rising from
£1k to £2k



Surplus monthly
income rising from
£50 to £100

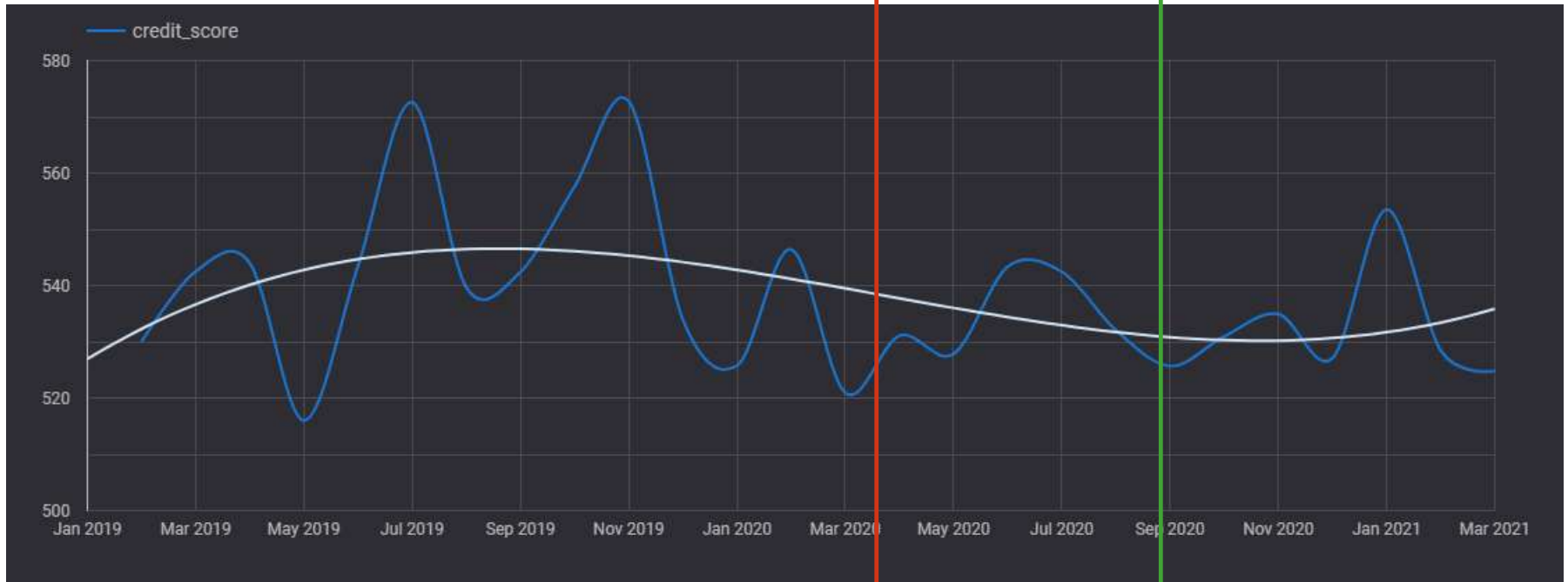


Legal action
commences



Falling credit scores

Rapid Recovery Cohort



Credit scores tumble



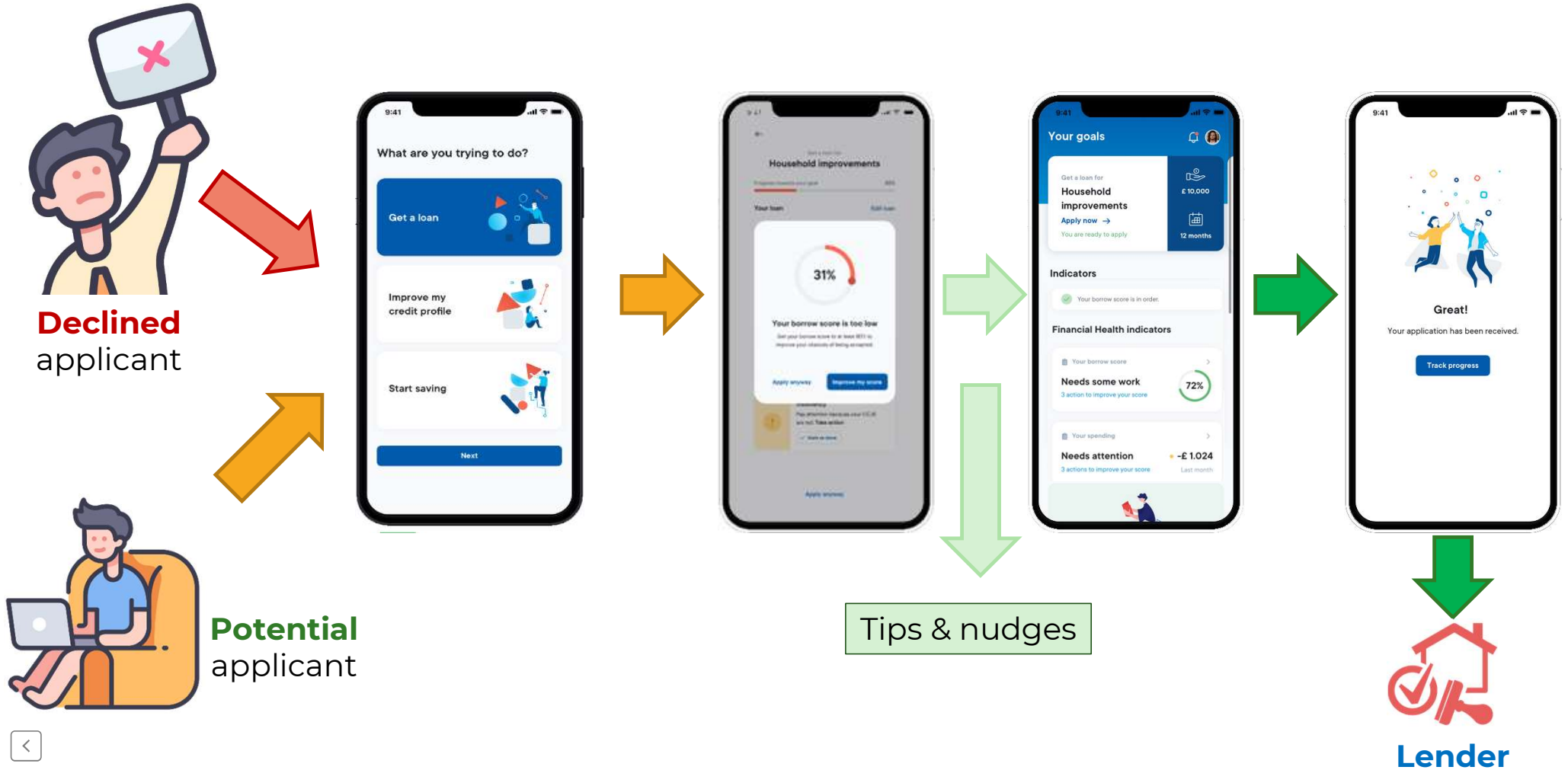
Lockdown

NestEgg tips pilot

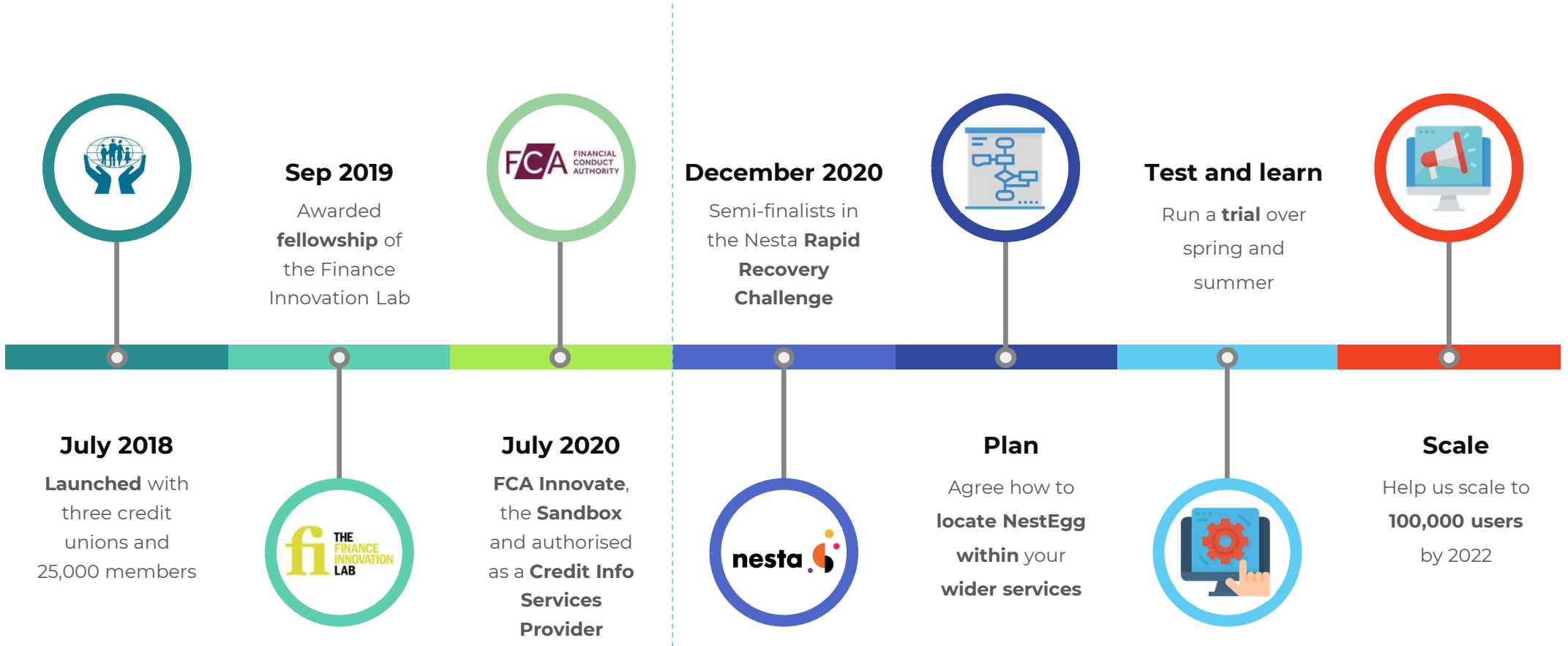
< Source: NestEgg decision engine

>

Decline to accept



Timeline



Referring organisations



Employers



FREE staff benefit



Banks



Find alternative affordable loans for declines



Building societies



Find alternative affordable loans for declines



Training & education



Find finance for people looking to enter training and education



Stakeholders



Help responsible finance grow



We are looking for more **referring** organisations to test and learn over spring & summer



Receiving organisations



Credit Union

Credit unions



- ✓ Declines to accepts
- ✓ Grow the loan book
- ✓ Lower portfolio risk
- ✓ Financial education
- ✓ Higher savings rates



Banks



Lower risk loan applicants



Building societies



Help members realise home ownership goals



CDFIs



- ✓ Declines to accepts
- ✓ Grow the loan book
- ✓ Lower portfolio risk
- ✓ Financial education
- ✓ Higher savings rates



Money advice



More timely referral



We are looking for more **receiving** organisations to test and learn over spring & summer





nestegg

Take part in the recovery

<https://calendly.com/adrian-nestegg/30min>



info@nestegg.ai

