

Case Study: The Co-operative Bank



Giving customers a better experience by sharing goals, objectives and values.

We're working with The Co-operative Bank to create a better customer journey for its customers and mortgage brokers, by living by our shared values and goals and implementing a programme of change and development with customers' needs at the core.



Capita and The Co-operative Bank have had a long relationship, which has been reinvigorated, strengthened and given new direction by a new cultural approach led by senior managers at both companies – one that emphasises our shared values, ethics and goals, and our shared commitment to improving outcomes for our customers.

We've supplied mortgage services to The Co-operative Bank since 2015 and, over the past three years, our relationship has gone from one of a traditional client / partner outsourcer to a new partnership built on putting the customer first. This has been driven by changes in leadership, purpose and direction at both Capita and the bank, which together have established a dynamic 'one team' approach that has created an open environment of mutual respect and challenge.

We've initiated a programme of cultural alignment, transforming our relationship with the bank with much greater collaboration, customer focus, communication and responsiveness to changing circumstances.

We've agreed a set of guiding principles for governing our relationship with the bank, and together we've created a culture in which people are equally at home celebrating success and addressing issues.

We've agreed a new set of service level agreements, based on measurable customer outcomes, which supports our joint customer-first guiding principle.

We've established new processes for governance and reporting, so that we can hold collaborative conversations based on shared information.

We've also focused our continuous improvement team on re-engineering processes, looking for new ways to innovate and to deliver the best possible customer experience.

And we've improved our end-to-end quality checking regime, to ensure that we track and achieve the desired customer outcomes and right-first-time metrics.

In November 2019, we renewed our contract for another six years to run a full end-to-end mortgage outsourcing service that ranges from a decision in principle to completion, servicing to mortgage maturity and retention, arrears management and repossession. The contract has been designed to incentivise cost reductions while, at the same time, improving customer experience and business performance: it's the foundation of a strategic alliance designed to help us both to meet our goals.

And as we implement our new ways of working together, we're finding that we can each achieve more together. Aligned culture and behaviours have now formed part of our teams' DNA.

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Darrell Evans, Managing Director of Retail Banking at The Co-operative Bank.

This honest and transparent relationship is empowering colleagues to quickly tackle or escalate issues, to reinforce cultural change, support governance and improve the customer journey.

We're delivering a number of projects to support The Co-operative Bank's transformation programme including several of its high-profile initiatives, and our approach is already paying dividends for its customers.

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We’ve met the bank’s needs by delivering a proactive in-term and end-of-term interest-only strategy, supported by a full mortgage advice service.

And we’ve helped The Co-operative Bank to maintain a full mortgage service through the Covid-19 pandemic, supporting all its needs including dealing with more than 27,000 requests for payment deferrals, managing extensions and roll-offs processed from the initial announcement in March 2020. Together we’ve made sure that we’ve been there for customers when they’ve needed it the most.

Our strong relationship with the bank has enabled it to increase its mortgage lending by 5% during the pandemic – this has meant that, despite the challenging environment, more than 11,000 customers were able to buy a new home and more than 11,000 people were able to remortgage a property. It’s allowed

the bank to do what many other lenders couldn’t – maintain its presence in the market throughout the pandemic.

We’ve supported the bank’s lending strategy by delivering record-breaking lending volumes, while focusing on retaining more customers and supporting those who are in arrears.

But the support hasn’t just been one way. The Co-operative Bank enabled homeworking for almost half of the Capita team that processes its mortgages, to keep them safe during the pandemic, as well as to ensure that Covid-19 didn’t disrupt its businesses – a prime example of how our relationship is built on mutual support and working together to achieve the best outcomes for all.

And the partnership that we’ve built on our aligned values and a shared desire to deliver the best outcomes for our customers is set to continue: we’re helping it to continue to grow its mortgage lending in 2021.

“We share the same values with Capita – values of transparency, openness, collaboration, taking responsibility and doing the right thing. We also share a strong desire to achieve the best for our customers. Thanks to our revitalised relationship, we’ve been able to do that and, with Capita’s support, The Co-operative Bank has been there when our customers have needed us during a very difficult year,” said Fred Sharp, Director of Mortgage Distribution at The Co-operative Bank.

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To find out how you can improve outcomes for your customers through an honest, transparent, strategic and values-led relationship with us, contact Yvette Wise, Retail Banking Lead, on tel: 07584 172038 or email Yvette.Wise@capita.com



Capita