



Vulnerable Consumer Policy

We have established clear and effective policies and procedures for identifying and dealing with vulnerable consumers.

The FCA definition of a Vulnerable Consumer is:

“Someone who, due to their personal circumstances, is especially susceptible to harm, particularly when a firm is not acting with appropriate levels of care”

Protecting vulnerable consumers is a key priority for us. We want vulnerable consumers to experience outcomes that are as good as those for other consumers. The fair treatment of vulnerable consumers is embedded into our culture, policies and processes throughout the whole consumer journey.

With vulnerable consumers, there are factors that may limit their ability or willingness to make reasonable decisions and choices. These consumers may be at a higher risk of harm. So, the level of care that is appropriate for these consumers will be different from that for others.

This firm does NOT charge upfront fees for any consumer it considers vulnerable where credit or mortgage related work is involved. The firm does NOT charge upfront fees for any credit broking related work.

All staff, whether consumer facing or not undergo training on vulnerable consumers, by undertaking specific training and passing the relevant test.

We have identified 4 key drivers which may increase the risk of consumer vulnerability:

- **Health:** health conditions or illnesses that affect the ability to carry out day-to-day tasks
- **Life events:** major life events such as bereavement, job loss or relationship breakdown
- **Resilience:** low ability to withstand emotional or financial shocks
- **Capability:** low knowledge of financial matters or low confidence in managing money (financial capability). Low capability in other relevant areas such as literacy or digital skills



Characteristics of the 4 key drivers are shown in the table below. We understand that these may well overlap and become more complex.

- **Health** – Physical Disability, Short or Long Term illness, Hearing or visual impairment, Mental Health condition, Addiction, Low Mental Capacity
- **Life events** – Retirement, Bereavement, Income Shock, Relationship Breakdown, Domestic Abuse (including economic control), Caring responsibility, Other circumstances (Care/Asylum/Human trafficking/Slavery/Convictions)
- **Resilience** – Inadequate or erratic income, Over indebtedness, Low savings, Low emotional resilience
- **Capability** – Low knowledge or confidence in managing finance, Poor literacy/numeracy skills, Poor English Language, Poor digital skills, Learning Difficulties, No or low access to help and support

This firm also has measures in place to distinguish between **actually vulnerable** and **potentially vulnerable** consumers. There are three groups of people, the above two sections, plus the non-vulnerable. The firm will assess all consumers into one of these three groups, when taking them on board, and this information will be recorded and will remain on file for auditing purposes. At no stage will we proceed where we believe that the consumer is actually vulnerable and has no additional assistance to enhance their understanding and decision making.

Where we believe that a consumer may be vulnerable, we will ask some additional questions:

- Does your health/situation make it difficult for you to repay debt?
- Does your health/situation affect your ability to deal or communicate with us? If so, how?
- Does anyone need to help you manage your finances, such as a carer or relative? If so, how?

We look for specific signs when identifying vulnerabilities in our consumers as detailed below.

- Changes in payment behavior such as:
 - payments stopping suddenly
 - late or missed payments
 - regular unarranged overdrafts and charges



- unusual activity on an account
- Phrases such as:
 - I can't pay
 - I'm having trouble paying
 - mention of breathing space/debt moratorium or contacting a debt advisor
 - I can't read my bill
 - I can't understand the letter you sent me
 - I can't hold on all day
 - I hate these press buttons
- Other signs:
 - shortness of breath or signs of agitation
 - asking for repetition (a sign that the consumer is not retaining information)
 - signs that the consumer has not understood or signs of confusion
 - mention of medication
 - asking for our staff to speak up or to speak more slowly
 - lack of concentration for short periods of time
 - language barriers

We will take additional steps when dealing with Vulnerable Consumers.

Dependent on the situation, we will:

- Ask if the consumer wishes to have another person present at the meeting
- Speak more slowly and clearly to ensure understanding
- Check for a more convenient time to discuss the situation
- Be patient and empathise with the situation
- Provide additional time to make a decision on any services and will never pressurize any consumer into making a decision
- Never make assumptions
- Check for understanding through the entire service
- Offer alternative types of communication – phone, post, email, face to face

In treating consumers fairly, we are also aware of our obligations under the Equality Act 2010.

We recommend that consumers be scam aware and where they are able to access the internet, visit the Friends Against Scams website at www.friendsagainstscams.org.uk where they will find a wealth of information.



Friends Against Scams is a National Trading Standards initiative, which aims to protect and prevent people from becoming victims of scams.