

Consumer vulnerability

Customer outcome: inclusive products and services take into account the broad range of customers to which they may apply and contain appropriate flexibility to meet the needs of customers who may be, or are in, a vulnerable situation. Where customers are identified as, or the Firm has reason to believe that they may be, vulnerable, appropriate adjustments are made to ensure that their individual circumstances are accommodated to enable the customer, or their authorised third party, to manage their account(s).

Firms will achieve this: with systems and controls that are capable of assisting in the identification of customers who are, or may be, in a vulnerable situation, and having appropriate measures, referral points and skilled staff to deal appropriately with the customer once identified.

1. Firms should have a vulnerability strategy, which defines its approach to the identification and treatment of customers considered to be vulnerable, through whichever channel they choose to engage.
2. Firms should have policies and processes governing the identification and treatment of customers in vulnerable circumstances. These should take into account: the channel, where the customer is within the customer journey and the varying nature and degrees of permanence of different vulnerabilities.
3. (a) Firms should ensure that their employees and their agents are sufficiently trained to help them to identify vulnerability and deal with the customer in accordance with their policies and processes, with appropriate escalation points, where the circumstances require this.

(b) When a customer is identified as potentially vulnerable a Firm should ensure that its employees or its agents have appropriate referral and escalation points and are aware of how to access them.
4. Where appropriate, Firms should develop triggers and management information to assist employees in the identification and subsequent monitoring of customers who may be vulnerable.
5. Where a Firm is developing a new product or reviewing an existing product it should consider vulnerability as part of the design or review process, paying regard to target market, clarity, accessibility and the operation of the product.
6. Firms' sales policies and processes should take account of the impact vulnerability may have on a customer's ability to make an informed decision about a product, and provide relevant support to customers during the credit application process.
7. Where customers in financial difficulty are considered vulnerable they should be dealt with positively and sympathetically. [See also financial difficulty]
8. Firms should undertake monitoring and assurance work to ensure that the vulnerability policies, processes and controls are designed and operating effectively and delivering fair customer outcomes.