Access Financial Services Limited - Policy for dealing with customers with characteristics of vulnerability

Overview

This policy sets out how we aim to identify and treat clients and prospective clients who may be considered as being vulnerable by virtue of their personal circumstances. These circumstances might include health, financial capability, age, financial/emotional resilience or exposure to key life events such as retirement or bereavement. These circumstances may be temporary, sporadic or permanent.

Although vulnerability can come in many forms, it is important that such individuals are dealt with appropriately, fairly and consistently.

We are committed to making sure that all clients, regardless of their situation receive good experiences and outcomes. We will do this by:

- Considering the needs of vulnerable clients as part of the design and delivery of our services.
- Equipping staff to recognise and respond to the needs of vulnerable clients.
- Having processes in place to support and enable vulnerable customers to disclose their needs.
- Being empathetic to specific needs or concerns vulnerable clients may have and flexible in our approach to client support and communications.
- Monitoring whether we are meeting and responding to the needs of customers with characteristics of vulnerability and make improvements when this is not happening.

We will provide training all our staff to identify the key indicators of vulnerability and to providing appropriate support and solutions for vulnerable clients.

What is a vulnerable client?

The FCA defines a vulnerable client as: '**Someone who, due to their personal circumstances, is especially susceptible to detriment, particularly when a firm is not acting with appropriate levels of care**'.

A vulnerable client may be less able than others to:

- Realistically and objectively identify and prioritise their own needs.
- Fully understand the risk, cost or implications of any advice provided.
- Assess information in the usual format, for example, orally during meetings or visually in respect of written advice.

We are mindful that many clients in vulnerable situations may not think of themselves as being 'vulnerable'. Where possible, we will not refer to vulnerability in our interactions with clients but explain that we need to know what their needs are so that we can provide the most appropriate service in the best way to suit them.

Further information on types of vulnerability is available in 'Equipping staff to recognise and respond to the needs of vulnerable clients' below. Considering the needs of vulnerable clients as part of the design and delivery of our services

When designing our services or making changes to existing services, we will:

- Consider the needs of vulnerable clients and any potential benefits and drawbacks of our services for vulnerable clients.
- Design services to avoid harmful consequences for vulnerable clients.
- Ensure that all information provided to clients about our services is understandable.
- Assess whether there is a need to alter our customer support services to help vulnerable clients and take appropriate action.

Equipping staff to recognise and respond to the needs of vulnerable clients

Types of vulnerability

There are a number of factors that could result in a client being deemed vulnerable on a temporary, sporadic or permanent basis. We would consider individuals affected by the following factors to be potentially vulnerable:

Health	**Life Events**	**Resilience**	**Capability**
Physical disability. Severe or long-term illness. Hearing or visual impairment. Poor mental health. Addiction. Low mental capacity or cognitive impairment.	Retirement. Bereavement. Income Shock. Relationship Shock. Domestic abuse. Caring responsibilities. People with non-standard requirements such as people with convictions, care leavers and refugees. Significant financial gain – inheritance / lottery win.	Low or erratic income. Low emotional resilience. Over indebtedness. Low savings.	Low financial capability skills. Poor literacy and numeracy skills. Low English language skills. Poor or non-existent digital skills. Learning impairments. No or low access to help or support.

Other factors which would prompt us to consider a client to be vulnerable:

- Being 'older old' (for example over 80) although this is not absolute – this could be associated with cognitive or dexterity impairment, sensory impairments such as hearing or sight, onset of ill-health, not being comfortable with technology)
- Not possessing standard documents or credit history (for example armed forces personnel returning from abroad, ex-offenders, care-home leavers).
- Clients adversely affected by the rising cost of living.

The presence of one or more of the above factors does not necessarily mean that the client is vulnerable. These factors can impact clients in different ways. One client might have circumstances which result in a permanent significant vulnerability while another not be impacted at all by the circumstance they have been exposed to. The impact of a factor on a client will determine our approach to dealing with that client.

Each adviser/support staff member will need to assess their client's personal circumstances and ensure that every client is treated individually and with respect and empathy. Any concerns around assessing clients should be referred to Jeremy Lock, Compliance Director.

Training

We will make all staff aware of this policy when they join our firm.

All staff will also be given training on identifying and dealing with vulnerable clients upon joining and on an annual basis.

Our training will include:

- How to identify a vulnerable client and how to deal with them, which office systems to use and update.
- Annual Testing, which is monitored by the T&C Team.

Enabling vulnerable customers to disclose their needs

Identifying a vulnerable client

To be able to identify if an existing or potential client falls within our definition of a vulnerable client, we have the following processes in place:

Our advisers as part of our Know Your Client assessment and Fact Finding.

If you use a Know Your Client assessment, how do your staff undertake this process? For example:

We have a Vulnerable Client Assessment form to record specific data.

Staff and advisers watch out for indicators of vulnerability when dealing with clients such as:

- Regular requests for one off withdrawals
- Extreme changes in attitude to risk
- The language used by client – ''I can't pay'', ''I don't understand''

- Physical signs – agitation, shortness of breath, mention of medical treatment

- Responsibility of identifying a vulnerable client is incumbent to all staff and advisers.
- If we identify a client as being vulnerable, we will treat them in line with the steps noted below under the heading 'Dealing with a vulnerable client with empathy'.

Capturing data on client needs

As part of delivering financial services to vulnerable clients, we will gather detailed information from them, especially about their physical and / or mental health. This information will be dealt with in accordance with our data protection policy.

Documentation of a customer's vulnerability is held in our Mortgage Magic CRM.

Being empathetic to the needs of vulnerable clients and flexible in our approach

Dealing with a vulnerable client with empathy

We will make sure that in all cases, a client has the capacity to understand the advice they are being given. If they don't and there is no attorney or deputy in place, the advice process will be paused and the case will be referred to Jeremy Lock, Compliance Director.

In addition to our usual systems & controls, to make sure that we treat all vulnerable clients fairly, we have the following additional processes in place:

- Jeremy Lock, Compliance Director is the nominated person who is responsible for dealing with staff queries about vulnerable clients
    - Alexander Robinson is the Deputy

External support

There are many organisations that can provide help and support to vulnerable clients.

Where appropriate, we will provide client relevant contact details.

Monitoring outcomes for vulnerable clients

We will collect management information at different points in the client journey to allow us to understand the experiences of vulnerable clients and to monitor the outcomes we are delivering. This information will be analysed and used to drive improvements in our processes.

Board Meetings has an agenda point under Consumer Duty to discuss the fair treatment of vulnerable clients.

Our aim is to ensure that our vulnerable clients experience outcomes as good as those experienced by our other clients. To achieve this, we will use the following data sources:

- Our advice and new business register/back-office system to identify that a client has characteristics of vulnerability.
- Business persistence: analysis of client retention records – for example, why clients leave, which may flag up where poor treatment is contributing to high turnover of clients.

- Training and competence records
- Client feedback to identify trends and areas for improvement.
- Complaint root cause analysis
- Compliance reports (internal and external) – to check if standards are being met in terms of treating clients fairly and meeting our obligations under the Consumer Duty
- File reviews to check for errors and assess if clients were treated fairly (particularly useful for sales processes).
- We will maintain vulnerable client data of sufficient quality across the firm so that we can identify vulnerable clients and the impact of their vulnerability in all business areas.

Reviewing this policy

To ensure this policy continues to accurately reflect the process we have in place, Jeremy Lock Compliance Director will review this policy on a annual basis.

If any updates are required, these will be made within 5 business days following the latest review and all staff will be notify by email

This policy was last reviewed by Jeremy Lock Compliance Director on 06.06.2024

This policy has been approved by Karl Wilkinson, SMF 16 Compliance Oversight.