

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 vulnerable customers. A vulnerable customer is someone who, due to their personal circumstances, are especially susceptible to harm. 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, vulnerable, and by having appropriate measures, referral points and skilled staff to deal appropriately with the customer once identified.

- CV1. Firms should have a vulnerability strategy, which defines its approach to the identification and treatment of vulnerable customers, through whichever channel they choose to engage.
- CV2. Firms should have policies and processes governing the identification and treatment of vulnerable customers. These should take into account the channel(s) used by the customer, where the customer is within the customer journey, and the varying nature and characteristics of vulnerabilities.
- CV3. Firms should ensure that their employees and their agents are sufficiently trained to help them to identify, and respond to relevant disclosures by, customers who may be vulnerable and to deal with these customers in accordance with their policies and processes.
- CV4. When a customer is identified as vulnerable and susceptible to harm, a firm should ensure that its employees or its agents have the ability to offer appropriate support. Where circumstances require, referral and escalation points are in place and employees or agents are aware of how to access them.
- CV5. Firms should develop appropriate materials to assist employees in the identification and subsequent monitoring of customers who may be vulnerable.
- CV6. 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.
- CV7. 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.
- CV8. Where customers in financial difficulty are considered vulnerable, they should be dealt with positively and sympathetically. [See also financial difficulty]
- CV9. 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.