

Money management

Customer outcome: customers will be helped with managing their finances through pro-active and reactive measures. This will include those designed to identify signs of financial stress and to help them avoid falling into financial difficulty.

Firms will achieve this: with systems and controls that are capable of identifying, across the relevant products held, where customers may be showing signs of financial stress at any point in the customer lifecycle, and pro-actively engaging with the customer to provide support and, where necessary, an appropriate solution.

MM1. Firms should pro-actively encourage customers to get in contact if there has been a change in their circumstances which may impact on their ability to repay their borrowing.

MM2. Firms should use information held about customers to identify those who are exhibiting signs of financial stress.

MM3. Firms should ensure that customers exhibiting signs of financial stress are offered appropriate information and support.

MM4. Firms offering a credit card product should, in line with industry best practice, help customers making regular minimum or low value payments to manage their finances through targeted interventions which will help inform customers of the implications of such repayment choices and provide them with access to support which may help improve the customer's circumstances.

MM5. Firms offering credit card products should, in line with industry Credit Card Market Study information remedies, have in place processes to ensure:

- a. Customers are prepared to make timely and informed decisions about the options open to them when a promotional rate comes to an end.
- b. Borrowing prompts help customers to take account of their spending and make informed decisions about how they use their credit card and avoid incurring over limit charges.
- c. Customers can set a more convenient payment date for future statements to enable them to exercise greater control over their credit card account.
- d. Customers are able to exercise greater control over how their credit limit is managed through the provision of clear information and easy ways to express their preferences regarding unsolicited increases in their limit.

MM6. Firms should ensure that customer facing employees and third parties are sufficiently trained and skilled to help them to identify and deal with those customers who may be showing signs of financial stress.

MM7. Where relevant, firms should signpost customers to available tools, whether provided by the firm or third parties, to assist with money management skills where these would be of benefit to the customer.

MM8. Firms should undertake monitoring and assurance work to ensure that their policies and processes are designed, and are operating effectively, in identifying and supporting customers who may require help to manage their finances, especially those customers who are showing signs of financial stress.