



Vulnerable Customer Policy & Process



Version Control

This policy is version controlled with details of changes made recorded as an audit trail.

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Policy Statement

This policy outlines the approach taken at R.S Vehicle Sales Ltd in identifying and supporting vulnerable customers. R.S Vehicle Sales Ltd will comply with all the relevant regulations and guidelines with regards to the fair treatment of vulnerable customers.

In writing this policy, the guidance produced by the Financial Conduct Authority (FCA) and the Money Advice Liaison Group (MALG) has been consulted. In-depth training will be provided to anyone joining the company which will be refreshed annually. There is a declaration of understanding at the end of this policy which staff will be required to sign as evidence that this policy has been read and understood.



Objectives

This policy has been written to ensure that R.S Vehicle Sales Ltd consistently applies the FCA's published guidance in relation to supporting vulnerable customers and is able to comply with the **Principles of Business** and **Consumer Duty** (particularly with relation to the 'Consumer Understanding' and 'Consumer Support' outcomes).

There has been an increase in customers displaying characteristics of vulnerability (source FCA Financial Lives Survey Feb 21), impacted by COVID, cost of living crisis and more people working from home (isolation)

R.S Vehicle Sales Ltd will see to it that during sales process the customer is given directions on how to contact us if they have any additional support needs. We will:

- Design our service with vulnerable customers in mind
- Ensure staff are aware that some customer may have additional needs and require extra support
- Reserch and put in place best practise for supporting vulnerable customers
- Tailor communications to specific customer needs with easy to understand and jargon free content
- Support customers to disclose their needs
- Be flexible when dealing with vulnerable customers
- Be clear about the support available to customers
- Produce and review MI which identifies the outcomes for vulnerable customers, and if those outcomes require it, make improvements

This policy has been written to mitigate the potential short- and long-term impact on vulnerable consumers that could occur if their vulnerabilities are not identified, or the firm fails to act on this information. These include:

- Making reckless or unwise financial decisions
- Taking out an unsuitable product due to misunderstanding key information
- Financial hardship as a result of taking out an unsuitable product
- Inability to access product due to insufficient pre-sale support
- Future financial decisions and needs affected due to an unsuitable product
- Reduced engagement with financial services moving forward due to poor experience
- Negative impact on mental health which further exacerbates their vulnerabilities

What is a Vulnerable Customer?

The Financial Conduct Authority (FCA) defines a vulnerable customer as

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

In their guidance on vulnerability (FG21/1) the FCA define four key drivers of vulnerability which are shown in the following table:



Health	Life Events	Resilience	Capability
Physical disability	Retirement	Inadequate (outgoings exceed income) or erratic income	Low knowledge or confidence in managing finances
Severe or long-term illnesses	Bereavement	Over-indebtedness	Poor English language skills
Hearing or visual impairment	Income Shock	Low savings	Poor or non-existent digital skills
Mental health condition or disability	Relationship breakdown	Low emotional resilience	Learning difficulties
Addiction	Domestic Abuse (incl. economic control)	Low income	Poor literacy or numeracy skills
Low mental capacity or cognitive disability	Caring responsibilities		No or low access to help or support
Developmental disability	'Older old' (e.g., over 80)		
	Young/ less experience		
	Other circumstances that affect people's experiences of financial services e.g., leaving care, armed forces, migration or seeking asylum, human trafficking or modern slavery, convictions		

Vulnerable customers can be at greater risk of harm than others and therefore it is vital to identify these customers as early as possible in the customer journey. Customers who disclose or display multiple drivers of vulnerability are likely to require more support. **[Give an example of this that would apply to your business here]**

Vulnerable Customers in our **Customer Base**

R.S Vehicle Sales Ltd has defined the following vulnerabilities that are seen in our customer base:

[Suggest have 3 or 4 examples below from the list or use your own]

Customers who struggle to make an informed decision due to their current life events

We will ensure that the customer has more time to consider any purchase and will support them in having third party representation. In some circumstances we might suggest independent legal advice. All customers will be given time to consider information before making a decision on whether to proceed, and they may speak to us as many times as necessary if they have any questions.

Customers who are not digitally savvy

Some customers may not be comfortable making an application online or may not be able to process information as quickly as others. This may include older customers, although not exclusively, and not all older customers. R.S Vehicle Sales Ltd will support customers to make applications via a different channel and will provide information in different mediums. Customers may appoint a third party if needed. Additional time will be provided to these customers.

Customers who are unable to access credit products

The website and promotional material will be clear and easy to understand and make only truthful statements about who may be eligible for finance products. We complete suitability and affordability assessments. Where a customer is not eligible for a product they are interested in, we will signpost them to third party organisations for further help, such as the credit reference agencies, Citizens Advice and MoneyHelper.

Poor English skills or learning difficulties



Customers who are unable to read well or retain information they have read, may need further support. Where possible and/or applicable, customers will be encouraged to have support from a suitable third-party representative. Information will be provided in writing. Customers will not be discriminated against based on their vulnerabilities but may be asked extra questions to confirm their understanding. Finance will only be refused where understanding cannot be confirmed as this could lead to a poor outcome. We will ensure key information is made prominent in our literature, and a telephone number is displayed for further guidance.

Customers who are experiencing current life stress

Customers who are going through stressful life events may experience an increased level of their own stress which makes it more difficult to deal with day-to-day activities and make informed decisions about purchases. These customers will be helped on a case-by-case basis. These customers will be given more time to consider any purchase and be encouraged to have support from third party representation. In some circumstances independent legal advice might be suggested.

Older customers

Some older customers may not be digitally savvy, and they may not be able to process information as quickly as others. Customers can make applications via a different channel if needed (for example on a telephone call). R.S Vehicle Sales Ltd's telephone number will be prominent on the website. Customers can appoint a third party if needed. Extra time will be given for customers to read through information, provided this information in a different format if needed.

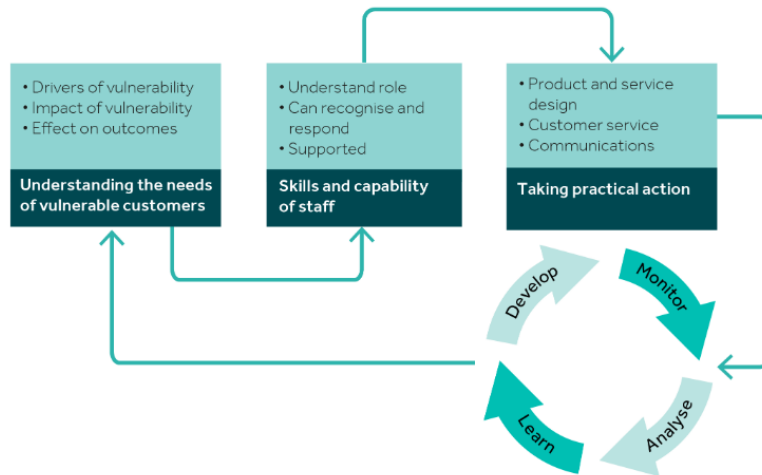
Younger or inexperienced customers

It is not common to see young people as vulnerable, however there may be language and product details that experienced customers understand because they have been dealing with financial products for many years, that are confusing for those who have never done so previously. Information will be followed up in writing, and extra time allowed between calls for information to be digested.

NB: Where a customer has elected to have a third party to represent them, whether this be an individual such as a friend or family member or an organisation that specialise in offering support to vulnerable customers, with the correct consent in place the firm will treat the third party as if they were the customer themselves.

Product Design & Customer Support

R.S Vehicle Sales Ltd recognises the importance of having proper systems in place to deal with vulnerable customers, and this starts with product and service design. In their 'Guidance on the Fair Treatment of Vulnerable Customers' the FCA have detailed the steps firms take to support good outcomes for vulnerable customers. Referring to the diagram below, R.S Vehicle Sales Ltd will ensure that it understands the needs of its customers, has skilled staff to recognise and respond to such customers, and monitors that it is delivering on its objectives in the treatment of vulnerable customers.



The products and services, including customer support, at R.S Vehicle Sales Ltd are designed with the needs, characteristics, and objectives of vulnerable customers in mind. The service and products offered by R.S Vehicle Sales Ltd are not complex, and there is less potential for harm to customers than for other more complex products. That said, the customer journey at R.S Vehicle Sales Ltd has been designed in consideration of the customers that may struggle with understanding, building in flexibility and support for such customers, in the following ways:

- Allowing more time to make decisions
- Offering alternative channels of communication
- Documents in different formats
- Encourage self-disclosure via our website and in our information disclosure document
- Proactively asking customers what method of communication they prefer
- Our post-sale support will be as easy to access as pre-sale support and enquiries
- Allowing third party representation
- Signposting to third party support services where relevant
- Inclusive design of communications
- Allowing staff to adapt to customers' needs
- Customer centric system that allows information to be recorded and accessed easily

When designing our service, we have considered our customer base, and have aligned with lenders who support its desire to allow all customers to meet their financial objectives. We allow more than one way for a customer to communicate with us in our sales process. We also strive to ensure our processes and communications are inclusive so that they meet the diverse needs of the customers in R.S Vehicle Sales Ltd's customer base.

R.S Vehicle Sales Ltd will test its credit broking service by reviewing conduct data such as complaints, root cause analysis, customer reviews, feedback, arrears figures, early settlements and withdrawals. The firm will be looking in particular at whether customers who opt for finance receive good outcomes, and whether those customers with vulnerabilities are receiving the same outcomes as those more resilient customers. If harm is identified, the root cause will be investigated, and an action plan put in place to remediate any harm. This might include training for sales staff, revising processes or redesigning customer information. If the root cause pointed to the finance product causing harm to customers, the credit provider would be contacted and ultimately the relationship with them terminated unless the matter can be rectified.



The customer journey will be reviewed looking at the touchpoints with customers and thinking about the service, communications, and support from a customer viewpoint. The conduct data that we intend to collate will help us to identify if we need to revisit this, but as a minimum we will look at reviewing the customer journey at least annually.

R.S Vehicle Sales Ltd will not assume that someone is vulnerable unless they disclose this fact, or there is sufficient reason to believe they are by their behaviour. R.S Vehicle Sales Ltd would not exclude customers from accessing its products and services simply because they have characteristics of vulnerability.

The service at R.S Vehicle Sales Ltd will be reviewed on a regular basis using various data, sharing information via its credit providers, and assessing whether good outcomes are being provided.

Training

[Director Name] will ensure that they have the skills to identify and support customers who display characteristics of vulnerability. This will also be a requirement for any staff joining the business and so these skills will be tested before new staff are permitted to take calls. The training will include the characteristics of vulnerability, how to identify vulnerable customers, the TEXAS Protocol and how to support customers. Sales staff will be expected to understand the products offered by the credit providers on the firm's panel in enough detail that they can explain them to customers. Practically this will be obtaining information from the product manufacturers about their products, reviewing their website and product guides, and speaking with them where needed for further clarification.

R.S Vehicle Sales Ltd will support new and existing staff as it grows by implementing the following:

- Regular 1:1s and coaching
- Annual training programme
- Ongoing professional development
- Training sessions and workshops
- Realtime support
- Access to a Vulnerability Kit

These measures are in place so that the fair treatment of vulnerable customers is kept at the forefront of everyone's mind. Staff will be supported so that they feel confident to deal with such customers but understand they can ask for help from [Director Name] if needed. Management Information (see later section) will be collated and reviewed by [Director Name] to understand how well the firm is performing in terms of its objectives set out at the start of this policy.

Where staff have been dealing with a vulnerable customer and have found the conversations challenging, they will be able to take a mental health break from their desk or the telephones and talk to a nominated colleague. Information will also be provided to staff on a regular basis on how to support their own mental health, wellbeing, and emotional resilience.

Identifying a Vulnerable Customer

R.S Vehicle Sales Ltd recognises that all customers are different and disclosing sensitive information might be tricky for them. The firm encourages self- disclosure of potential vulnerabilities by asking the customer at various stages in the journey whether they require any additional support with the application.



There are a number of ways that a customer can divulge information via different channels to make it easier for them:

- On our website
- In the Information Notice
- During calls with the team

Aside from self-disclosure, staff will be trained to identify vulnerable customers so that they can take extra steps to assist the customer outside of our standard procedures. It is not always possible to recognise these characteristics, however staff should be alert to the signs that the customer may not have the capacity, at that moment in time, to make an informed decision about the implications of the credit agreement that they are being asked to sign.

We do not expect employees to diagnose a condition, but to use existing skills of listening and identifying needs. The Mental Capacity Act says that a person is unable to make a specific decision if they cannot understand information about the decision to be made; cannot retain that information in their mind; cannot use or weigh that information as part of the decision-making process; or cannot communicate their decision.

Signs to look out for (phone calls)	Signs to look out for (in writing)
<p>Do they ask the caller to speak up or speak more slowly? Do they appear confused about what is being offered? Do they ask any unrelated questions? Do they keep repeating themselves? Do they say "yes" in answer to a question when it is clear they have not listened or understood? Do they take a long time to answer or say someone else deals with these things for me? Do they take a long time to answer the telephone and sound flustered or out of breath, indicating they may have a lack of mobility due to age or illness? Do they have a language barrier? Do they say they do not understand or recall documents, a previous phone call, or written correspondence? Do they seem eager to sign an agreement as soon as possible? Do they seem blinded by a certain car and not concentrating on the finance details? Do they seem unduly influenced by another party?</p>	<p>Do they have poor grammar which may suggest learning difficulties or a language barrier? Do they use language (either overt or suggestive) that they don't understand? Do they send repeated requests for the same information? Do they ask any unrelated questions? Does their communication seem to be irrelevant or not make sense? Do they take a long time to answer emails or other written forms of communication? Do they come across as stressed, anxious, or annoyed in their written communication? Do they seem eager to sign an agreement as soon as possible? Do they seem blinded by a certain car and not concentrating on the finance details? Is there a sudden change in their behaviour? Are they choosing finance that is not in their best interests?</p>

Where written communication suggests vulnerability, it may be worth asking the customer if a phone call or video call would be better for them as this may be an easier way to establish if they have additional support needs.

Questions to ask to assess customer's mental capacity	Steps to take if a consumer may be vulnerable
<p>Do you understand the risks and benefits of what has been explained to you or would you like me to go through these again? Is everything clear or would you like to go through anything specific in more detail? Are you able to tell me what the interest rate is on the</p>	<p>Speak slowly, clearly and explain fully Be patient and empathise where appropriate Ask what type of support they need Offer further information or explanations Allow further time to decide and make decisions Do not rush as it may take the consumer time to get</p>



<p>loan?</p> <p>Are you able to tell me what the consequences will be if you miss payments?</p> <p>Can you confirm to me what the total amount is that you are borrowing?</p> <p>Are you able to confirm to me the total amount you have to repay (including interest)?</p> <p>Do you know how many payments you have to make?</p>	<p>relevant information together</p> <p>Keep on topic</p> <p>Do not make assumptions about a consumer's needs</p> <p>Clarify understanding at every point</p> <p>Ask the consumer to explain what they understand the agreement to be</p> <p>Offer alternative types of communication – phone, post, email, in person</p> <p>Discuss the different options for communication with them</p> <p>Do not make assumptions that the person is sighted</p> <p>Do not make assumptions that the person can hear everything</p> <p>Remember the person may be forgetful or overly trusting</p> <p>Understand some people may be lonely and welcome the opportunity just to talk to someone</p> <p>Give the consumer time to explain their circumstances fully and don't interrupt or appear impatient</p> <p>Listen for what is NOT being said</p> <p>Ask if there is a better time to discuss matters</p> <p>Check if there is anyone else they need to talk to before making a decision</p>
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Disclosure of Personal Sensitive Data

Certain information is classed as personal sensitive data and should be treated with greater care than other personal data. This includes information about racial or ethnic origin, political opinions, religious or philosophical beliefs, or trade union membership, genetic data, biometric data, data concerning health or data concerning a person's sexual orientation. Details about a customer's mental health or medical issues would be classed as personal sensitive data and to record it the customer's explicit consent is required.

Reasonable Adjustments

Where it has been identified that a customer is vulnerable, the Company will make reasonable adjustments to deliver a good customer outcome. The following table illustrates types of adjustment that R.S Vehicle Sales Ltd can make based on each of the different communication channels:

Channel	Characteristics of vulnerability	Reasonable adjustments
Written communications	<p>Low literacy or numeracy skills</p> <p>Mental health condition</p>	<p>Make documentation available in an alternative format such as large print, or audio</p> <p>Offer an alternative channel to support e.g., email, SMS, or telephone</p>
Face to face	<p>Hearing impaired</p> <p>Physical disabilities</p> <p>Low English language skills</p> <p>Mental health condition</p>	<p>Allow for interpreter to be present (language or sign language)</p> <p>Offer hearing loops</p> <p>Allow longer appointment/ thinking time</p>
Online	<p>Low literacy or numeracy skills</p> <p>Poor or non-existent digital skills</p>	<p>Provide guidance on how to enable additional accessibility features in website content</p> <p>Offer a webchat service</p>



Telephone	Hearing impaired Low English language skills Mental health condition	Provide a next generation text service such as Text Relay/Text UK Allow for an interpreter to be present (language or sign language) Offer an alternative channel to support e.g., written communications, email, or SMS
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Recording Information

It is essential to record information relating to vulnerable customers accurately so that in subsequent dealings with the customer they do not have to repeat themselves and can be assured of a continuity of care.

A flag will be placed on the customers file, noting the category of vulnerability and details which we have their consent to record. This information will be used for reporting across this customer segment on the outcomes they are receiving. Improvements will be made to processes where needed.

Vulnerability Toolkit

A vulnerability kit is available which assists in the identification, assessment, and handling of customers with characteristics of vulnerability. The kit includes the following:

- FCA definition of vulnerability
- 4 drivers of vulnerability
- TEXAS, IDEA and CARERs drills
- Organisations that customers can be signposted to
- How to handle a customer in crisis

Monitoring and Management Information (MI)

R.S Vehicle Sales Ltd will carry out reviews on a sample of vulnerable customer cases periodically. The results will be documented with actions for improvements where needed. This monitoring will be looking in particular for the following:

- The customer was listened to, and their needs identified
- The customer was supported in understanding the product
- The customer received a good outcome
- The product was suitable for the customer
- The support provided to the customer was suitable for their needs
- There were no barriers to support based on their vulnerabilities

[Director Name] will regularly analyse a suite of management information in order to check that the company is meeting its objectives to ensure the fair treatment of customers with characteristics of vulnerability. Not only will this MI be used to check that customers are receiving good outcomes, but it will also check for customer understanding. This management information will include complaints, online



reviews, customer feedback, information obtained from credit providers (such as loan cancellations, early settlements, arrears rates), as well as SLAs such as time from enquiry to offer and post-sale support. This information will be broken down between vulnerable customers and the rest of the customer base in order to make comparisons in the treatment of this customer segment.

When there is a sufficient number of customers to provide a meaningful response, R.S Vehicle Sales Ltd will issue customer surveys to further enhance the MI suite, which will be particularly useful in measuring customer understanding.

Further Support for Customers

The Company is proactive in ensuring that all customers know how and where to access internal and external support and guidance. Where this applies to vulnerable customers, the Company actively tells customers where to obtain additional support as relevant to their situation. Such signposted information is provided:

- On the company website
- Via links in customer emails/SMS messages
- On customer communication letters
- During sales, advice, or customer service calls

Where a customer appoints a third party to act on their behalf, the correct permissions will be obtained and these will be updated on the system so that there is no confusion during the process about who is dealing with the application. The person or firm dealing on behalf of the customer will be treated as if they are the customer themselves. There will be no difference in service, and this will be checked in monitoring and analysis of management information.

Signposting will include organisations such as (this list is not exhaustive):

StepChange Debt Charity	Moneyhelper	Citizens Advice Bureau
Money Advice Service	Shelter	Crisis
Age UK	Dementia UK	Alzheimer's Society
Carers Trust	National Domestic Abuse Helpline	FRANK
Alcoholics Anonymous	Gamblers Anonymous	Samaritans
Mind		

If you are a finance customer:

If we are concerned you are showing signs of a vulnerability disclosed or undisclosed we will take log of this on our Vulnerable Customer log and will make the finance company aware of this and they may require further contact with the you

If you are unhappy with our decision or the way in which you have handled, you can contact the finance company, as we partner with a panel of lenders you can find their contact details on your contracts/policies or we will issue contact details upon request. You can also ask the Financial Ombudsman Service to investigate a complaint for you.

The Financial Ombudsman is a free, independent service for resolving disputes between customers and financial services institutions. You will need to contact them within 6 months of our final response letter – and they will ask to see the letter as summary of our investigation of your complaint.



You can find more information at www.financial-ombudsman.org.uk or they can be contacted using the following numbers
From a UK landline: [0800 023 4567](tel:08000234567) From a UK mobile: [0300 123 9123](tel:03001239123)

Guidance

We refer to the following sources of information, alongside keeping up to date with guidance and rules as they develop:

- Equality Act 2010
- Mental Capacity Act 2005
- Consumer Duty FG22/5
- CONC 7.9 Contact with customers (incorporating previous OFT Guidance): Mental Capacity Guidance
- Irresponsible Lending Guidance
- Debt Management Guidance
- MALG Mental Health and Debt Guidelines
- FG21/1 – Guidance for firms on the fair treatment of vulnerable customers
- [Debt Management Vulnerability Toolkit \(HTML\) - GOV.UK \(www.gov.uk\)](#)

Declaration of Understanding

[Please speak to your manager before completing this declaration if you have any questions or concerns]

I have received and understand the firm's Vulnerable Customers policy.

Name:

Signature:

Date: