

Vulnerable Clients/Individualised Service Policy & Procedures

Advanced Investment & Retirement Planning (Scotland) Ltd will ensure that all customers, including vulnerable customers, are treated fairly, and consistently in all dealings with us. We will do **the right thing for vulnerable consumers and embed this in our culture.**

Who is a Vulnerable Consumer?

The FCA defines a vulnerable consumer 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’.**

FCA Principles

The Principles are a general statement of our fundamental obligations under the regulatory system. The most relevant Principles underpinning the need us to take particular care in the treatment of vulnerable customers are:

- Principle 2 Skill, care and diligence
- Principle 3 Management and Control
- Principle 6 Customers’ interests
- Principle 7 Communications with clients
- Principle 9 Customers relationships of trust

FCA Fair Treatment of Customers – Outcomes

We also must bear in mind the 6 outcomes, under Principle 6, that we continue to strive to achieve to ensure the fair treatment of our customers:

Outcome 1: Consumers can be confident they are dealing with firms where the fair treatment of customers is central to the corporate culture.

Outcome 2: Products and services marketed and sold in the retail market are designed to meet the needs of identified consumer groups and are targeted accordingly.

Outcome 3: Consumers are provided with clear information and are kept appropriately informed before, during and after the point of sale.

Outcome 4: Where consumers receive advice, the advice is suitable and takes account of their circumstances.

Outcome 5: Consumers are provided with products that perform as firms have led them to expect, and the associated service is of an acceptable standard and as they have been led to expect.

Outcome 6: Consumers do not face unreasonable post-sale barriers imposed by firms to change product, switch provider, submit a claim or make a complaint.

Our Approach

We aim that all staff will have the skills and capability of:

- Understanding indicators of vulnerability.
- Recognising a customer’s vulnerability.
- Considering and addressing their needs.
- Adapting the service to be provided in the interests of the customer.

- Referring to someone responsible for dealing with vulnerable customers where they encounter situations that they are unfamiliar with, or unsure how to deal with.

Staff will be encouraged to understand and empathise with vulnerability. Training staff to ensure they are aware of vulnerable circumstances, know how to deal with vulnerability and have the confidence to deal with situations is important and will be included within the induction training for all staff, additionally, on-going refresher training will be provided at staff training meetings held annually/staff monthly meetings etc.

The person with overall responsibility for how we deal with vulnerable clients is Ross Smith, and the deputy is Ferrier Pryde.

Vulnerable Customer

Vulnerability can be transient or short-term, for others it can be permanent or long-term. The FCA suggests that some groups are more likely to display characteristics of vulnerable than others, such as those over 75, the unemployed, those who rent and those with no formal qualification, they also set out factors that act as drivers which may increase the risk of vulnerability:

- **Health** – Health conditions or illness that affect the ability to carry out day to day tasks, examples are physical disability, severe long-term illness, hearing or visual impairment, poor mental health and low mental capacity, addiction or cognitive disabilities.
- **Life events** – major life events such as bereavement or relationship breakdown, other examples are caring responsibilities, income shock, domestic abuse or having a non-standard situation such as being an ex-offender or refugee.
- **Resilience** – low ability to withstand financial or emotional shocks, examples are, low or erratic income, over indebtedness, low savings, low emotional resilience or lack of a support structure.
- **Capability** – low knowledge of financial matters or low confidence in managing money which could also mean poor English language skills, poor or non-existent digital skills, learning impairments or poor literacy or numeracy skills.

We recognise that the characteristics of vulnerability are likely to be complex and overlapping. A life event may lead to further vulnerability such as mental ill-health or low financial resilience.

Our Vulnerable Client Procedures include different examples of vulnerability and examples of what action may be appropriate. We view vulnerability as very individual to each customer, the same vulnerability will not always require the same action; it is important to us that we individualise the actions we take to meet the needs of the individual.

Procedures

Advanced Investment & Retirement Planning (Scotland) Ltd will always considered it important to individualise the service we provide to our clients and have done so in different ways so that we are responding to their preferences. For example, we have clients receiving all correspondence by email and others who prefer paper versions of correspondence to be posted to them. There are customers who we visit at home as it would be difficult for them to access our premises.

This is now going to be extended so that we are better equipped to recognise vulnerabilities, also we will record the vulnerabilities we encounter, as well as the measures taken to evidence that we are responding to vulnerabilities with understanding an empathy.

The firm's other processes and procedures have been developed to meet the requirements of the Regulator as well as needs of our clients. It is important that we do not stray from the firm's other processes and procedures whilst dealing with a vulnerable client; we will deliver all the elements of the service with understanding and empathy considering the individual's requirements.

We have considered our size, our business model, the business types we transact and our customer base; whilst we consider that we are not targeted to vulnerable customers, it is of utmost importance to us that we are equipped to treat any customer with a vulnerability fairly.

Identifying a Vulnerability

Vulnerability will be identified at different stages of the advice process, some will be visual and immediate, others will become apparent during a discussion.

We recognise that in some cases where we are referring to particular characteristics, some customers may not want the label 'vulnerable' applied to them. Instead we will refer to these customers as requiring an individualised service.

Understanding the needs of a Vulnerable Customer and providing an individualised service

Some customers will volunteer to let us know about their circumstances that will in turn mean we feel an individualised service will be required.

For others, we may need to ask ourselves:

'Is there anything apparent about the client's circumstances that would indicate that a deviation from our standard procedures would be in their interests?'

If the answer is yes, we should encourage discussion, for example ask,

'Is there anything you would like to make us aware of so that we are providing you with a service that best meets your needs?'

For others it will only become apparent when their circumstances are divulged during conversation, at which point we should decide whether they may benefit from a deviation from our standard procedures.

Ultimately, we want the customer to be comfortable in their dealings with us and hope that a conversation will allow the customer to let us know what we can do to ensure they are fairly treated throughout the process.

There are circumstances which may be difficult to discuss, particularly poor mental health. It is important that all customers are treated fairly and where there are signs of vulnerability identified that a staff member does not feel equipped to deal with, it is important that the situation is referred to the person with overall responsibility for the Vulnerable Customer Policy is Ross Smith, their deputy is Ferrier Pryde.

Appendix 1 is a list of circumstances/situations we have prepared along with possible suggested actions. This will become our training and discussion document where we will add information as our understanding develops.

Training

Induction Training will include Vulnerable Client Policy and Procedures. On an on-going basis all staff will be encouraged to share their experiences so that we are all learning and improving our skills in recognising circumstances and situations, as well as improving our ability to take practical action. We will:

- embed the fair treatment of vulnerable consumers across the workforce. All relevant staff will understand how their role impacts the fair treatment of vulnerable consumers.
- ensure that frontline staff have the necessary skills and capability to recognise and respond to a range of characteristics of vulnerability.
- offer practical and emotional support to frontline staff dealing with vulnerable consumers where required.

We will consider whether the product and service design, customer service and communications are suitable, given the characteristics of the customer.

Recording

At the point the circumstance or situation is identified the details will be noted so that anyone who has dealings with the customer knows what has been agreed and what has been established to make sure they are receiving a service that is tailored to their needs.

We will record information within the new business register and refer to the entry of full details within the Client Individualised Service Register on Intelligent Office.

Monitoring

The information recorded will be discussed at all levels so that the firm is continuously learning and improving. It is important that we learn from experiences and understand that our staff have individual experiences of dealing with situations with family and friends that may mean they have a better understanding of certain vulnerabilities. We will maximise our understanding by encouraging discussion at all levels.

Vulnerable Customer information and learning will be on the agenda for Management Meetings and Staff Meetings. At meetings, discussions regarding experiences will be encouraged so that knowledge gained is shared.

Data Protection

As part of delivering our services to vulnerable customers we will gather information from them which will include the information about their physical and/or mental health, this information will be dealt with in accordance with our data protection policy.

Reviews

Management information (MI) will be produced and assessed at management meetings. Information from the Client Individualised Service Register on Intelligent Office will be reviewed, and it will be considered whether there is any customer needs we are ill-equipped to deal with as well as consider any staff suggestions raised.

Any customer needs we are ill-equipped to deal with will be addressed. A suitable member of staff will be selected to undertake research to find out ways to approach these circumstances.

Good behaviours will be identified and highlighted so that they are discussed within training sessions.

The reviews will include consideration of other types of MI collated, for example, training and competency records, complaint root cause analysis, file reviews etc.

Our Vulnerable Client Policy & Procedures will be annually reviewed and updated.

Appendix – 1 – Examples of circumstances requiring an individualised service

Circumstance	Consider Individualisation Including
All types	<p>Using their preferred way of communicating.</p> <p>Whether meeting times will need to be capped.</p> <p>Whether additional meetings will be required to break down the information being provided or to carry out recap meetings.</p> <p>Notes of all meetings and conversations being confirmed in writing.</p> <p>The client bringing a family member or friend to meetings.</p>
Physical difficulties	<p>Where the meetings will be held if accessing the office will not be practical.</p> <p>Whether the difficulties will give rise to any further needs.</p> <p>Sight difficulties may mean that large print, braille or information in audio may help. It may be that they have someone who reads their correspondence to them and this is what they are most comfortable with.</p> <p>Hearing difficulties may mean the client requires additional information in writing, or the client instructing a competent person to interpret using British Sign Language.</p> <p>Using suitable colour schemes in communications to people with conditions such as Dyslexia.</p>
Mental Incapacity	<p>Client providing details of 'Power of Attorney' to act on their behalf.</p> <p>Allow for additional time to make decisions.</p>
Language	<p>Suggesting the client instruct a competent person to act as an interpreter.</p>
Life events	<p>Whether the client may benefit from of the ways of individualisation mentioned in the above list alongside 'all types'.</p>
Resilience	<p>Alterations to arrangements so that required payments remain manageable, affordable and, where applicable, the required cover remains in force</p>