

OUR POLICY & PROCESS FOR DEALING WITH POTENTIALLY VULNERABLE CUSTOMERS

Overview

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

Principle 12 states "a firm must act to deliver good outcomes for their retail customers". Under the Consumer Duty we must ensure sure that all our customers, regardless of their situation, or diversity receive a good outcome and we can only deliver if we identify, record and manage information on our customers.

Under the Consumer Duty products and services outcome, we must consider whether our product or service has features that could risk harm for any group of customers, including those with characteristics of vulnerability.

Vulnerability is not necessarily permanent. It can be broad, transient and/or situational. We are all unwell at different points in our lives, bereavement for example, is something that seems to hit us more often as we age and may become less capable of handling our affairs.

Customers may move in or out of vulnerable circumstances at any stage, for instance, due to a change in their health, to a loss of some kind for or many other reasons. Our target market is always likely, therefore, to include some vulnerable customers. As any one of our customers could be vulnerable, our aim is to avoid foreseeable harm to each and every customer in our target market.

At Leasetech Limited, we believe in taking an inclusive approach towards all our customers by recommending products and services that can be accessed and used by as many people as possible, regardless of their abilities or circumstances. This is especially important for vulnerable customers, who may be at a disadvantage. Our Customer Service, Operations, and Complaints Teams all receive annual training on vulnerability. As part of our continuous improvement, we have expanded our vulnerability training to the teams who build our technology and services so that we can provide an even better experience for all our customers. We have approached all the lenders on our panel to educate us on their vulnerability strategies.

Drivers of vulnerability

A customer will be unable to make a specific decision if he cannot understand information about the decision to be made, cannot retain that information in his mind, cannot use or weigh that information as part of the decision-making process, or cannot communicate his decision.

There are four key drivers of vulnerability:

1. Health – such as cognitive impairment

2. Life events – like bereavement, or sudden caring responsibilities, or relationship breakdown
3. Resilience – a customer’s ability to cope with unexpected financial situations such as fluctuations in income or inability to work and emotional situations, such as housing, care, or treatment needs
4. Capability – less understanding and/or confidence when making financial decisions, lack of money management or poor communication skills

Assessing a customer’s level of vulnerability is complex but we will strive to recognise any signs in early contact. If we believe a customer may be vulnerable, we ask 3 key questions:

1. Does your mental health affect your financial situation?
2. Does your mental health affect your ability to deal with us or communicate with us?
3. Does anyone help you to manage your finances such as a family member?

Signs we look out for:

- ☞ Does the customer ask us to speak up or speak more slowly?
- ☞ Does the customer understand what we are saying, or does he miss important bits?
- ☞ Does the customer appear confused about what is being offered?
- ☞ Does the customer ask any unrelated questions?
- ☞ Does the customer keep wandering off the point in the discussion and talk about irrelevant things or things that don’t make sense?
- ☞ Does the customer keep repeating himself?
- ☞ Does the customer take a long time to answer questions or say that someone else deals with these things for him?
- ☞ Is there a language barrier?
- ☞ Does the customer say he doesn’t recall a previous phone conversation or recent written correspondence?

Steps we take if we believe a customer may be vulnerable:

- ✓ We speak slowly, clearly and explain fully what is happening/will happen
- ✓ We are patient and empathise where appropriate
- ✓ We don’t rush as it may sometimes take the customer time to get relevant information together such as account details
- ✓ We keep on the subject under discussion
- ✓ We do not make assumptions about a customer’s needs
- ✓ We clarify understanding at every point and always ask if there is anything else, they would like us to explain
- ✓ We ask the customer to explain to us what they understand the agreement to be
- ✓ We offer alternative types of communication – by phone, post, email, or in person

- ✓ We do not make assumptions that the customer we are dealing with is sighted as they may be unable to read or understand serial numbers or account numbers
- ✓ We do not make assumptions that the customer we are talking to can hear everything we say as they may have a hearing impairment
- ✓ We remember that the customer we are speaking to, may sometimes be forgetful or overly trusting and believe that a sales representative is not always acting in their best interest
- ✓ We understand that some customers may be lonely and welcome the opportunity just to talk to someone
- ✓ We give the customer time to explain their circumstances fully and don't interrupt or appear impatient
- ✓ We listen for what is not being said, for example lack of questions about price, lack of commitment, timing of responses, extended silences
- ✓ We ask if there is a better time to discuss matters as some customers may perform better at different times of the day
- ✓ We ask if there is anyone else, the customer may need to talk to before making a decision

Forming the contract:

- ✓ We ensure that the customer demonstrates an understanding of the decisions that need to be made and why, and the consequences of making, or not making that decision.
- ✓ We are prepared to repeat anything to clarify understanding and ask if there is anything else we can do to help.
- ✓ We do not assume that the customer fully understands all the implications of the agreement and explicitly and clearly confirm all the key information.
- ✓ We suggest that the customer may talk it through with someone else and offer to make re-contact and if appropriate, suggest that a third person could be present.

Post Contract:

If we identify preferred communication methods, we will store that information so future contacts are handled as requested.

We record that we are satisfied that the consumer fully understood everything that was discussed.

We allow customers to make a personal declaration about their capabilities or communication needs and with their permission store this information.

Any records we hold are with the full knowledge and consent of the customer and are deleted when no longer required in accordance with the Data Protection Act 2018 and UK GDPR.

Should we identify a customer who may need specialist advice, which we are unable to offer, we refer him to :

<https://www.moneyadvicetrust.org/>

<http://www.scope.org.uk/>

<https://www.samaritans.org/>

<https://www.mind.org.uk/>

<http://www.abilitynet.org.uk/>

<http://www.actiononhearingloss.org.uk/>

<http://www.ageuk.org.uk/>

<http://www.communicationmatters.org.uk/>

<http://www.deafblind.com/>

Monitoring and evaluation

We produce and regularly review Management Information on the outcomes we are delivering to our vulnerable customers to ensure that our products/services meet their needs and that we are providing the necessary information and support to allow them to make decisions.

We encourage vulnerable customers to share information about their circumstances or their needs and to disclose any changes in their circumstances which may require us to give them further and/or different support and record information on the numbers and types of support needed which may lead us to adopt or change our practices (Support Form).

We keep records of the number of customers and the names of the external organisations to which we make referrals. We will also share information with our lenders, if evidence suggests, that customers may not be able to access suitable products and the product features may not meet their (changing) needs.

Through monitoring communications and customer feedback we look for effective customer engagement throughout their journey, checking that our customer service and communications meet the needs of our vulnerable customers.

Sources of guidance:

Equality Act 2010

Mental Capacity Act 2005

CONC 2.10

Version 1 August 2023

CONC 5.4

CONC 7.9

FCA's Guidance for firms on the fair treatment of vulnerable customers 19/07/2021

Support Form

Are you:

- Completing the form for yourself
- Completing the form on behalf of someone else

First name

Last name

Mobile Number

Email address

Contact preferences

- Phone
- Email
- Letter

Support needs

Please tell us about your disability or personal circumstances, and the adjustments you need us to make for you. This information will be recorded for future reference. The information you provide will help us assess your requirements and apply any reasonable adjustments to how we work and communicate with you.

Your data and your rights

We may process the data you provide here for our Legitimate Interests, namely for the purposes of communicating with you, managing our relationship and to offer you our services. Submitting your details indicates that you agree to this. You can opt-out of receiving our marketing communications at any time.

You have the right to access, rectify, erase, restrict and object to the processing of your personal data. More information on how we use your data and your rights can be found within our Privacy Policy.