

ADDITIONAL SUPPORT NEEDS.

Supporting you and your customers.

NOT FOR CUSTOMER USE.
FOR PROFESSIONAL INTERMEDIARIES ONLY.

VULNERABLE CUSTOMERS

The FCA define 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.'

Where a customer is experiencing one or more characteristics of vulnerability, this may result in them having additional or different needs and may limit their ability or willingness to make decisions or choices, or to represent their own interests.

THE NEED FOR ADDITIONAL SUPPORT

We should think of customer vulnerability and the need for additional support as a spectrum. All customers have the potential to need additional support due to their degree of vulnerability, and the risk is increased by characteristics of vulnerability related to four key drivers. The table below shows these key drivers of vulnerability, and associated characteristics that the customer may be experiencing. This list is not exhaustive.

Health	Life events	Resilience	Capability
Physical disability	Retirement	Inadequate or erratic income	Low confidence/knowledge in managing finances
Severe or long-term illness	Bereavement	Over-indebtedness	Poor literacy or numeracy skills
Hearing or visual impairment	Income shock	Low savings	Poor English language skills
Mental health condition or disability	Relationship breakdown	Low emotional resilience	Poor or non-existent digital skills
Addiction	Domestic abuse (including economic control)		Learning difficulties
Low mental capacity or cognitive disability	Caring responsibilities		No or low access to help or support

Other circumstances can also impact your clients' experience of financial services such as leaving care, migration or having previous criminal convictions.

TYPES OF ADDITIONAL SUPPORT

We can support customers by adjusting our standard processes, for example providing the customer with more time, providing additional information or by only contacting them at certain times of the day. Where required we can liaise with an authorised third-party representing or supporting the customer, such as a friend, family member, carer, or someone from an independent organisation or charity. Should a customer need to communicate with us in an alternative format, we can offer Braille, large print, or audio.

WHAT DOES THIS MEAN?

Advisers and lenders both need to understand the impact that these characteristics may have on the needs of the customer. Considering what type of harm or disadvantage a customer may be exposed to, and how this could affect their experience and outcomes, should be at the forefront. Identifying and disclosing a customer's requirement for additional support demonstrates an understanding of the customer's circumstances and needs. Failing to recognise when a customer is struggling to make decisions or act in their own interests, or to provide the appropriate support, can result in harm and poor outcomes.

WHAT DOES THIS NOT MEAN?

Identifying that a customer requires additional support does not mean that the customer should be labelled as 'vulnerable'.

Disclosing the details of any characteristics that the customer is experiencing that have been identified, does not mean that there is an increased likelihood of an application being declined.

YOUR RESPONSIBILITIES AS AN ADVISER

As an experienced and qualified professional, your clients rely on you to understand their circumstances and objectives. They require clear communication and appropriate, suitable advice. You should be able to support any additional needs they have when it comes to understanding the products and services you are advising on.

We'd expect our intermediaries to have:

- Adequate policy and procedures in place, relating to customers who may require additional support.
- Appropriate training, and trained staff.
- Services designed to identify and support vulnerable customers, particularly where there are additional needs.
- The ability to act or adjust your approach where an additional support need is identified.
- Appropriate record keeping.
- A process to disclose any characteristics of vulnerability and associated additional support needs to lenders, like us.

SUPPORTING YOU AND YOUR CLIENTS

We want to support advisers wherever possible in meeting their responsibilities. Our application process enables you to disclose any relevant characteristics and additional support needs that you identify through your discussions with your client.

We will use any disclosures to support you in your role, and to support the needs of your client where possible.

Our commitment to you is that we will:

- Record the details of any characteristics of vulnerability and associated support requirements in our system, so your client does not need to re-disclose.
- Consider the potential impact of the additional support needs to identify any changes to our standard process that may be required.
- Respond to any request for additional support or service adaptation.
- In some circumstances, contact you or your client to discuss any communication needs and confirm understanding.
- Treat any information disclosed regarding characteristics of vulnerability or associated support requirements in line with applicable data protection requirements.

FOR MORE INFORMATION

- **Product Information Sheets** – We are using industry standard product information templates that set our details of our product’s target market and fair value. These documents provide information about relevant support needs within the target customer groups, and the approach to providing good outcomes.
- **Networks and Mortgage Clubs** – If you are a member of a Club or Network, they may provide you with guidance relating to customers with additional support needs.
- **FCA website page** <https://www.fca.org.uk/firms/fair-treatment-customers> provides information on your regulatory responsibilities and guidance setting out the FCA’s view of what firms should do to comply with their obligations.
- **Industry Associations** – AMI, or UK Finance are examples of industry bodies that provide members with resources, guidance and updates.

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CONTACT US

For more information or support, contact our Business Development Hub on 0344 257 0418 or speak to your local Business Development Manager.

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