

Bell Insurance Brokers Ltd

Interacting Vulnerable Customers Policy

Statement:

As part of our responsibilities under the rules and regulations of the Financial Conduct Authority (FCA), **Bell Insurance Brokers Ltd** must identify and recognise vulnerabilities that our potential customers may have. At Bell Insurance Brokers Ltd we take pride and care in providing an unbiased and fair approach to client's needs and work consistently to recognise any vulnerabilities.

"A vulnerable customer is someone who, due to their personal circumstances, is especially susceptible to harm, particularly when a firm is not acting with appropriate level of care" - Financial Conduct Authority (FCA)

The Financial Conduct Authority (FCA) and **Bell Insurance Brokers Ltd** want vulnerable consumers to experience outcomes as those for other consumers and receive fair treatment with dignity. Characteristics of vulnerability may result in consumers having additional or different needs and may limit their ability in decision making and choices or being able to represent their own interests. Vulnerable consumers may be at greater risk of harm, particularly if things go wrong.

Understanding Vulnerability:

There are **4 key drivers of vulnerability** and a customer's risk of becoming vulnerable is increased by characteristics of these.

1. **Health** –health conditions or illnesses that affect ability to carry out day-to-day tasks.
2. **Life events** – life events such as bereavement, job loss or relationship breakdown.
3. **Resilience** – low ability to withstand financial or emotional shocks.
4. **Capability** – low knowledge of financial matters or low confidence in managing money (financial capability). Low capability in other relevant areas such as literacy, or digital skills.

Examples of characteristics associated with the 4 drivers of vulnerability:

1. **Health –health conditions or illnesses that affect ability to carry out day-to-day tasks:**

Physical disability

Severe or long-term illness

Hearing or visual impairment

Mental health condition or disability

Addiction

Low mental capacity or cognitive disability

2. **Life events – life events such as bereavement, job loss or relationship breakdown.**

Retirement

Bereavement

Income shock

Relationship breakdown

Domestic abuse (including economic control)

Caring responsibilities

Other circumstances that affect people's experience of financial services; leaving care, migration or seeking asylum, human trafficking or modern slavery, convictions

3. Resilience – low ability to withstand financial or emotional shocks.

Inadequate (outgoings exceed income) or erratic income

Over-indebtedness

Low savings

Low emotional resilience

4. Capability – low knowledge of financial matters or low confidence in managing money (financial capability). Low capability in other relevant areas such as literacy, or digital skills

Low knowledge or confidence in managing finances

Poor literacy or numeracy skills

Poor English language skills

Poor or non-existent digital skills

Learning difficulties

No or low access to help or support

All consumers are at risk of becoming vulnerable, particularly if they display one or more characteristics of vulnerability. They may become more or less vulnerable, and so have an increased or reduced risk of harm throughout their lives. A heightened period of vulnerability can be short, such as a hospital stay, or long term, such as long-term unemployment affecting financial resilience.

What can we do?

The FCA says that to achieve POSITIVE OUTCOMES for Vulnerable consumers firms should take action to:

Understand the needs of target markets

Ensure that staff possess the knowledge, skills and capability to recognise and respond to the requirements of vulnerable customers

Respond to customer needs throughout the product design, provide flexible customer provision and communications.

Monitor and assess whether staff are meeting and responding to the needs of customers with the characteristics of vulnerability and make improvements where this isn't happening - through training and CPD.

Firms are required to “ <i>establish clear, effective and appropriate policies and procedures for; (2) the fair and appropriate treatment of customers who the firm understands or reasonably suspects to be particularly vulnerable</i> ” (CONC 7.2.1.)
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