Vulnerable Persons Policy



GENISTAR
Financial Freedom For All

Version Control

Date	Version	Details of Changes	Changes Made By	Owner	Changes Checked By
28/03/2019	V1	Policy Created	Louise Skilton	Louise Skilton	N/A
10/05/2021	V1.1	Policy Reviewed and added to a new template	SimplyBiz	Elaine Parkes	Elaine Parkes

Contents

1. Aim of this Policy.....1
2. Definition of Vulnerability.....1
3. Identification of Clients in Vulnerable Circumstances.....1
4. Assessment and Management of Risk.....3
5. Understanding the Benefits to Our Firm.....5
6. Rights and Responsibilities.....6
- 6.1. Our Responsibilities.....6
- 6.2. Responsibilities of Our Employees.....6
7. Identification of and Treatment of Vulnerable Clients - Client Evaluation.....7

1) Aim of this Policy

The aim of this policy is to outline the practice and procedures for staff and representatives to contribute to the prevention of detriment to clients who find themselves in vulnerable circumstances.

The policy covers all staff within the firm, but in particular, the company representatives operating in areas that deal directly with customers.

2) Definitions of Vulnerability

The Financial Conduct Authority (FCA) has developed the following definition to guide work in this area:

"A vulnerable consumer to be someone who, due to their personal circumstances, is especially susceptible to detriment, particularly when a firm is not acting with appropriate levels of care."

Vulnerability occurs in a variety of ways which may be permanent, temporary, or even sporadic, dependent on its nature. In many circumstances the individual may not recognise themselves as 'vulnerable'.

We recognise that vulnerability may not be simply due to the situation of the consumer but caused or aggravated by the actions or processes of the firms they may deal with.

We recognise that clients who might be considered as being in vulnerable circumstances could include clients with:

- mental capacity deficiencies (including language or communication), including mental illness and dementia;
- stress or subject to financial shock of all types, such as employment concerns, bereavement (or potential bereavement), marital or relationship difficulties;
- a physical impairment that may not allow them to engage with automated, or other standard process requirements (such as photographic ID, phone key pad recognition, or internet applications);
- severe and long-term illness (both life-limiting and where recovery is expected);
- little or no financial experience or have no access to mainstream financial services;
- low income;
- an existing distressed financial situation;
- responsibilities for others, such as 'carers' or acting as power of attorney;
- no access to the internet or other digital media;
- poor language skills.
- a general vulnerability due to being aged 75 and over or aged 18 years and under

As a firm we must remain mindful of the potential for enquiry by these clients and the potential for any change of circumstance in respect of existing customers.

3) Identification of Clients in Vulnerable Circumstances

Vulnerability is broad and may occur at any time. It will usually involve the interplay of characteristics of the individual, their circumstances, and static or transitory status. We only deal with customers in vulnerable circumstances where we are aware of their needs:

- mental capacity deficiencies – the FCA provides clear guidance on the identification of mental capacity limitation issues in their Handbook.
- stress or financial shock – may be identifiable (facial expression, posture or stance etc.), but otherwise may be revealed through conversation before and during interview
- physical impairment – may be identified visually, or through interview
- severe and long-term illness – may be identifiable through conversation or through interview
- financial inexperience – may be identified through the factfind process and their credit profile/ history
- low income – may be identified through interview and credit history
- in financial distress – may be identified through interview and credit history
- carers – may be identified through interview or conversation
- digital exclusion – identifiable through interview or via routes of engagement (or non-engagement) with the firm
- poor language skills – may be audible or identifiable via routes of engagement with firm
- clients aged 75 and over or clients aged 18 years and under – should be offered the opportunity to have a relative or friend accompany the client to a meeting

The nature of the need area to be addressed may also indicate vulnerability. For example, in the specific scenario of Genistar representatives offering "financial education" and a potential means of earning a small amount of extra income, the clients attracted to the service may themselves be financially vulnerable or in some degree of personal debt.

In the circumstances that apply to our firm we will apply additional safeguards, as appropriate, to ensure fair treatment. This will apply to each individual but where we identify groups of the same people we may established a process aligned to the needs and circumstances of that group.

4) Assessment and Management of Risk

Just because somebody is vulnerable does not automatically mean that they are unsuitable for the services our firm supplies. As soon we think we may be engaging with a vulnerable consumer we will make a record of this and ensure we adhere to this policy.

When speaking to the vulnerable consumer we will:

- Provide additional opportunities for the customer to ask questions about the information we have provided.
- Continuously seek confirmation that they have understood the information that has been provided.

- Ask if there is anybody with them who is able to assist them, and offer them the opportunity to have a family member or friend present during the conversation.

We will not discriminate against clients in vulnerable circumstances. Where we feel we do not have the expertise to deal with the client due to their personal situation we will make every attempt to refer them to another firm or third party for the appropriate level of support to be provided.

5) Understanding the Benefits to Our Firm

Supporting customers and clients who are in a vulnerable position is not just a regulatory but is also a moral responsibility. We intend to fulfil our duties in this area and as a firm we see the benefits in adopting the right approach. These include:

- Reduction in complaints
- Greater client satisfaction
- Engagement from a particular client set
- Reputational benefits
- Good publicity
- Improvement of overall "culture"

We will review our practices periodically for consistency and to determine adherence to the stated policy.

The following table illustrates mitigating actions for clients with mental capacity deficiencies (for the avoidance of confusion "competent person" means an individual without the limitation presented by the client):

Capacity Issue	Risk	Mitigation
Language	Client cannot fully understand important features of their agreement with us, their recommendation or the consequences of that recommendation	Client to instruct a competent person to act as interpreter.
Other communication problem created by disability	As above	Client to instruct a competent person to act as interpreter. Client to nominate a reasonable communication medium suitable for their disability.
Mental incapacity (temporary) e.g. intoxication, mental illness	As above plus the potential for reckless disregard for consequence.	Client to instruct a competent person to communicate on their behalf. Legal agreement must be reached outside of any period of incapacity. Client should be encouraged to seek independent professional advice. If legal agreement cannot be reached outside of any incapacity, client must provide "Power of Attorney" for a competent individual to act on their behalf.
Mental incapacity (Permanent)	As above plus the possibility that any agreement might be unenforceable as a result of known incapacity.	Client must provide "Power of Attorney" to a competent individual to act on their behalf.

6) Rights and Responsibilities

6.1. Our Responsibilities

1) To abide by the FCA's principles and rules in this area

- FCA Principles for Business 2,3,6,7 & 9;
- TCF Outcomes 1,2 & 4;
- Conduct of Business Rules;
- DEPP 6.5A.2 (calculation of enforcement fines);
- Senior Manager Conduct Rules;
- Individual Conduct Rules.

2) To ensure staff are aware of this policy and are adequately trained to identify and deal with clients who are or may appear "vulnerable"
3) To support individuals in relation to identified risk and vulnerability
4) To provide means of reporting any instance where they believe that a client might be in vulnerable circumstances

6.2. Responsibilities of Our Employees

- To be familiar with this policy and procedures, and be able to recognise where additional support or signposting to other agencies may be required
- To take appropriate action in line with this policy
- To report any instance where they believe that a client might be in a vulnerable circumstance, and act accordingly in line with the policy

7) Identification of and Treatment of Vulnerable Clients - Client Evaluation

The table below sets out our approach to dealing with all individuals and help us to determine their circumstances and if they are in a permanent or temporary vulnerable situation. These guidelines will be distributed to all staff and Representatives, and each will be trained on the areas relevant to their role (and that of their downline).

Client Evaluation

All clients will be assessed, as a minimum, against the following criteria. This is in addition to any processes we have in place for different vulnerability groups;

Our Clients Best Interests	Assess the client against our vulnerability policy
	Actively seek to encourage disclosure about potential vulnerability
	Ensure the approach taken is accurately reflected in the our records
	Consider whether to discuss the approach with colleagues/other professionals
	Consider whether to discuss the approach with colleagues/other professionals
	Ensure the Know Your Client information gathers sufficient details to support the advice and uses additional questioning where appropriate
	Consider any unusual aspects – e.g. if someone else is accompanying a client, is there the potential for undue influence from that person
	Understand who the client is and the extent of the instructions needed to act on e.g. Power of Attorney
	Consider whether the client is acting differently/showing signs of a change of character
	Set a list of questions to check client memory recollection, where appropriate
	When working with more than one person, is there the potential for any conflict of interest or undue influence
	Confirm any change in circumstances which might lead to vulnerability e.g. taking on caring responsibilities
	Establish whether the client's stated needs and objectives align with their current circumstances
	Consider whether the standard sales process or specific vulnerability group process is appropriate to the client's needs
	Identify products/solutions that are clear and easy to understand for those showing signs of vulnerability
	Consider whether there is a need to adjust the delivery and format of communications e.g. providing a report in large print
	Explain all matters with no or limited use of jargon
	Try to accommodate flexibility around appointment locations and times e.g. visiting the client at their home at their preferred time of the day
	Try to determine if the duration of the meeting will need extending to accommodate more detailed explanations and delivery of information
	Determine if the complexity of the advice will require delivery over a greater number of meetings
	Considered the accessibility of office visits for those with health conditions/disabilities

GENISTAR
Financial Freedom For All

Vulnerable Persons Policy

GENISTAR LIMITED
Victoria House, Harestone Valley Road, Caterham CR3 6HY
Telephone: +44 (0)20 3372 5085
Authorised and Regulated by Financial Conduct Authority.