

toodle

# A practical guide to communicating with customers who have vulnerabilities

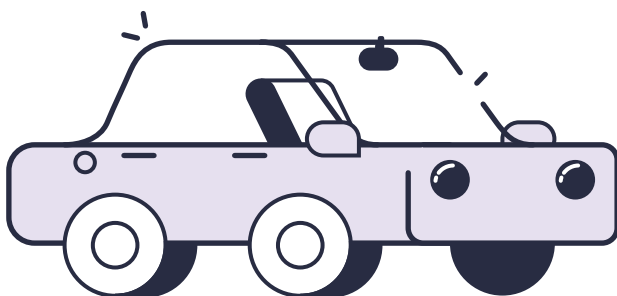


## Introduction

We already know that 1 in 20 of our customers have a vulnerability – and it's likely that there are more who haven't disclosed their situation to us.

It's vital that we communicate with these customers effectively – showing empathy and understanding, helping them to make informed decisions and gaining explicit consent for recording and sharing information about their situation.

So how can we do this? In this short guide, Oodle highlights some key *Do's and Don'ts* and walks you through handy support tools to help you navigate conversations better.

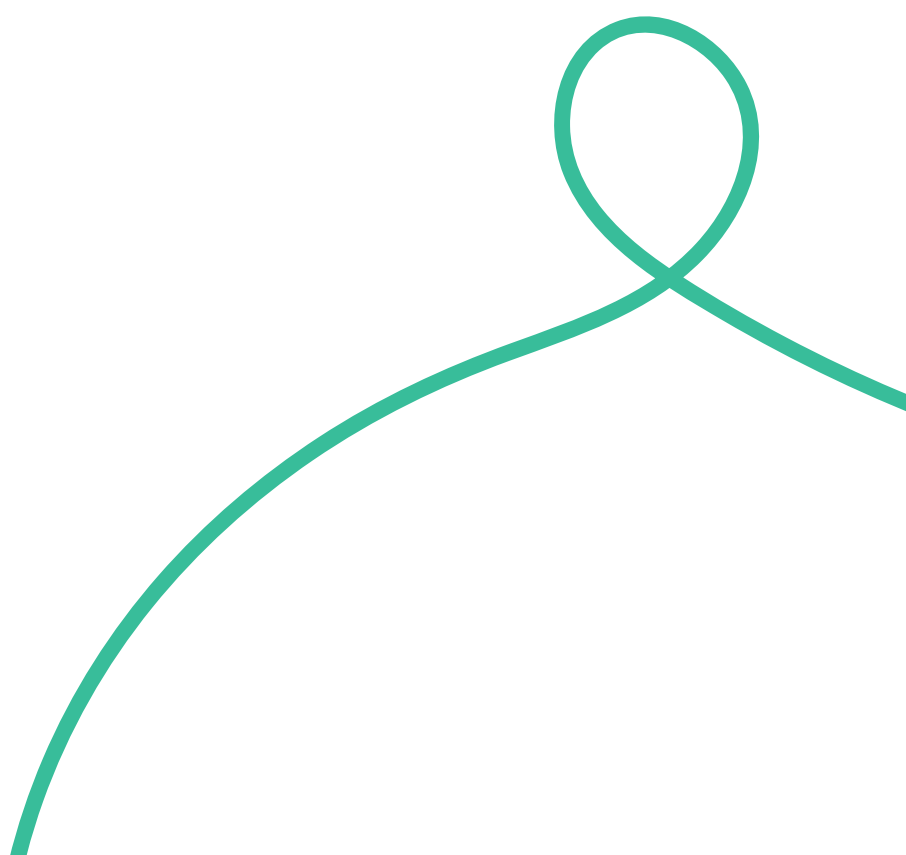


## The context – regulatory expectations

Effective communication is a key pillar of the Financial Conduct Authorities (FCA's) guidance on the fair treatment of customers in vulnerable circumstances (CiVC). In the guidance, the FCA sets out its expectation that firms should communicate with customers:

- in a clear way
- in a manner that consumers with vulnerabilities will understand
- where possible, use multiple channels (including digital) to engage and support consumers

*24.9 million UK adults are estimated by the FCA to have one or more characteristics of vulnerability.*



## Identifying customers with vulnerabilities

When you talk to a customer, you won't always know if they have a vulnerability. Many vulnerabilities aren't immediately obvious. Plus, a customer may choose not to tell us about a vulnerability. This could be because:

- they're worried about how the information will be used. For example, they may fear it will impact their future access to credit
- they don't like talking about their health problems or personal circumstances
- they don't think they'll be believed
- they don't realise that disclosing it will make a difference
- they don't consider themselves to be vulnerable

*1 in 11 adults over 65 are living with dementia*

## How to identify a customer with vulnerabilities

### **Step 2:**

#### **Listen carefully**

Customers who have vulnerabilities could exhibit some of the following behaviours.



Customers who have vulnerabilities could exhibit some of the following behaviours. They may:

- talk in a particularly loud or quiet voice, fade away as they're talking, take considerable time to answer your questions or give silent screams
- have carers/family/others in the room with them e.g. you may hear background conversations
- say things like 'I don't usually do this...my husband/wife...'
- take a while to get to the phone, rummage through stuff or sound out of breath
- have difficulty hearing you
- seem distracted, evasive or hint at things in the hope you will pick up on 'stuff'
- refer to benefits they're receiving e.g. 'My ESA, CSA, PIP, DLA, PIP etc'
- call you frequently as if seeking reassurance
- have problems proving and validating their identity

Remember, this isn't an exhaustive list. Also, just because a customer mentions that they're dyslexic or have had extra expenses recently because of a divorce, for example, it doesn't necessarily mean they have a vulnerability.

### **Step 3:**

#### **Ask**

Make conversations about support part of your everyday discussions with all customers. This way, customers won't feel singled out. You could say:

*"We always ask customers if they have any support or communication needs. Is there anything we can do for you in this area?"*

## Key Do's and Don'ts

### Do

- Treat customers in vulnerable circumstances with the same respect you would anyone else
- Remember everyone's circumstances are different
- Always check whether a customer has any support needs before you start a formal discussion
- 'Check-in' periodically during the discussion to make sure the customer is following what you are saying
- At the end of the discussion, ask the customer if there are any areas they'd like you to clarify or run through again
- Use simple language, avoiding technical jargon
- Take your time to explain a product, chunking up the information, checking customer understanding and then moving on
- Ask questions sensitively

### Don'ts

- Don't make assumptions about the existence or absence of a vulnerability
- Don't make judgements
- Don't patronise customers in vulnerable circumstances or treat them like a child
- Avoid using the word 'vulnerable' or 'vulnerability' when talking to customers. Instead, focus on their unique circumstances
- Never decide for a customer – this is for them or their appointed third party to make.

# Finding out more about the customer's situation

## How to handle these conversations

If a customer tells you they have a vulnerability, hints at this or you pick up on it yourself, it's important to find out more. This will help us understand what support they need.

The Royal College of Psychiatrists and the Money Advice Trust have developed several support tools to help you have these conversations – the **TEXAS** tool, the **BRUCE** tool and the **IDEA** tool.

## Using the TEXAS tool

The **TEXAS** tool is a way of:

- exploring the customer's situation
- understanding the impact of their vulnerability
- gaining consent to store information about their circumstances

Use TEXAS as a guide rather than a rigid script. Also, don't feel you have to use it in the order it's presented. Conversations often flow better if you thank the customer and then explore the impact before you gain consent.

- 1. Thank them** – Thank a customer immediately and genuinely when they tell you about a vulnerability. This will set the tone for the rest of your conversation. It will also help put the customer at ease. After all, they may have been anxious about saying anything to you.



Almost  
1m people  
cannot speak  
English well  
or at all

- 2. Explain** – Tell the customer that you'd like to store information about their situation. Explain that this will only be used internally and shared with trusted third parties in order to service their account and make sure they're getting the right support. Make it clear that storing the information will not affect any decision on finance.

Also explain that they have a right to withdraw their permission at any point.

You could say:

*'Let me explain how we could use this information to support you, and who else would have access to it...'*

- 3. explicit consent** – Thank a customer immediately and genuinely when they tell you about a vulnerability. This will set the tone for the rest of your conversation. It will also help put the customer at ease. After all, they may have been anxious about saying anything to you.

*'Could you give me permission to make a note of...'*

*'I just need your consent to...'*

- 4. Ask key questions** – It's our job to find out more about the customer's situation so we know how best to support them.

You should ask key questions like:

*'Does this impact the way you communicate with us?'*

*'Does this impact the way you manage your account with us?'*

*'How do you feel this has impacted your financial situation?'*

*'Is anyone supporting you, for example a friend or family member?'*

- 5. Signpost** – Direct the customer to further sources of support. This should be tailored to their circumstances. For instance, if they're struggling with their mental health, then naturally you wouldn't signpost them to free money advice.



### Using the BRUCE tool

The **BRUCE** tool is a useful framework if you spot that a customer has a potential decision-making problem.

Obviously, you're not a doctor and no one expects you to establish whether a customer has 'mental capacity.' However, you are expected to take reasonable steps to understand whether a customer has the capacity to enter into a financial contract. The **BRUCE** tool helps you do this.

### What the Mental Capacity Act 2005 says

- You should start by presuming mental capacity
- You should offer support and assistance where needed
- Customers are allowed to make unwise decisions as long as they're informed
- You should work in a customer's best interests if they can't make an informed decision.

### The BRUCE tool

- **Behaviour** – monitor a customer's behaviour and speech for indications of difficulties with:
- **Remembering** – is the customer exhibiting any problems with their memory or recall?
- **Understanding** – does the customer grasp or understand the information given to them?
- **Communication** – can the customer share and communicate their thoughts, questions and decisions about what they want to do?
- **Evaluation** – can the customer 'weigh-up' the different options open to them?

## **Using the IDEA tool**

The IDEA tool is useful when you want to understand the impact of a customer's situation more fully.

### **The IDEA tool**

**1. Impact** – Dig deeper to find out more about the impact of their circumstances on their personal and financial situation. Use the answers they gave to your key questions in TEXAS as a starting point.

**2. Duration** – Ask how long they have experienced their condition or circumstances and, if relevant, how long they expect the current episode to last. You could say:

*'To help me understand your situation better, can you tell me if this has happened before?'*

**3. Experience** – Ask about their personal experience of the situation or circumstances. Remember, no two people are the same.

**4. Assistance** – Ask whether they're receiving any care, support or treatment for their condition or situation. You could say:

*'Is there anything else we should know about the treatment or care you're receiving? It may help us to better support you in the future.'*

*1 in 4 customers with mental health problems could not understand loan terms or conditions after applying for credit*



## How you can help

**Remembering** – You can help by repeating key information, simplifying information, giving them a written summary or asking if the customer knows someone who can help them. You could say:

*'I realise we're covering a lot of ground here. I'll keep stopping to summarise, but is there anything else I can do to help you remember?'*

**Understanding** – You can ask them to summarise what they've been told – this will help you identify any misunderstandings. You could also summarise and simplify the information yourself. You can say:

*'This next bit is quite important. What I'll do is give you an example of how it works in practice. Usually, customers then like to ask a few questions to check they've understood. Does that work for you?'*

**Communication** – You can offer a third party to help them communicate. You can also give the customer more time, for example by pausing the vehicle purchase. You could say:

*'Do you have any communication or language needs? If so, there are various ways we can support you.'*

**Evaluation** – You can discuss each option individually. You can also take the customer through a series of logical steps to help them in the decision-making process. You can say:

*'Let me take you through each of these options again. Hopefully, this will help you with your decision.'*

### **What else you can do**

If you think a customer may not have sufficient mental capacity to make an informed decision, you must:

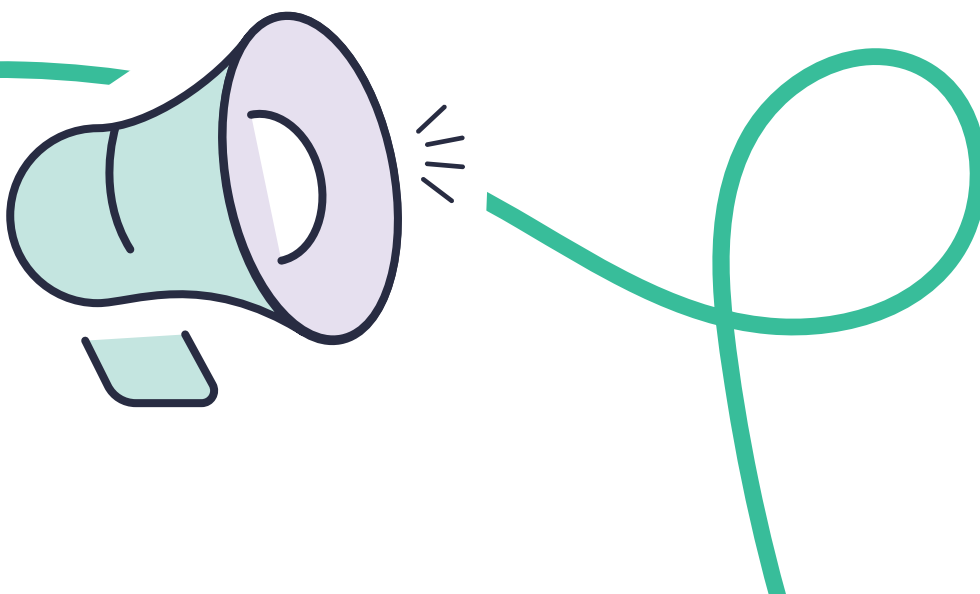
- Ask if they have anyone who can help them do this
- Follow our third-party process to ensure we have the right levels of authority for any authorised third party

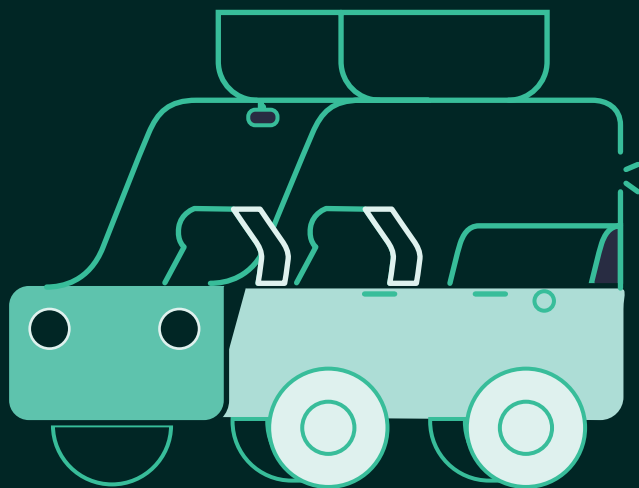
If the customer doesn't have anyone to support them, please contact the dealer sales team.

## **A final word**

Hopefully, you'll now be feeling a bit more confident about communicating with customers with vulnerabilities. Remember, no one is expecting you to provide CiVCs with never-ending support. However, you are expected to look out for signs of a vulnerability and provide reasonable support.

Make discussion about support and communication needs part of your everyday business as a responsible dealer. The more comfortable you are with talking about vulnerabilities, the more comfortable the customer will be and the more likely that they'll get the support they need to choose the right product for their circumstances.





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