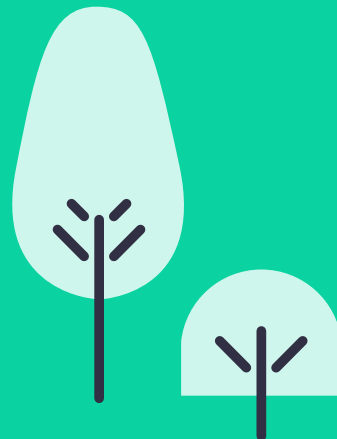
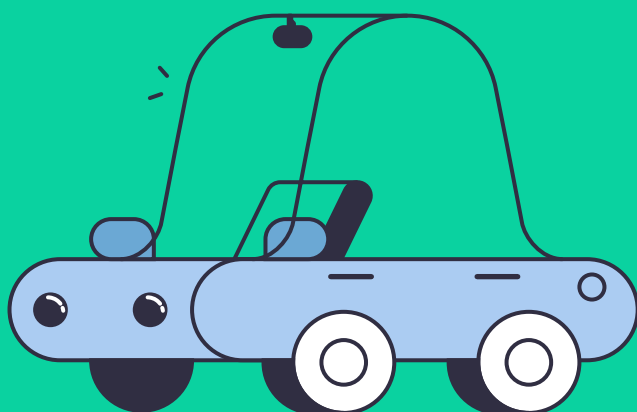




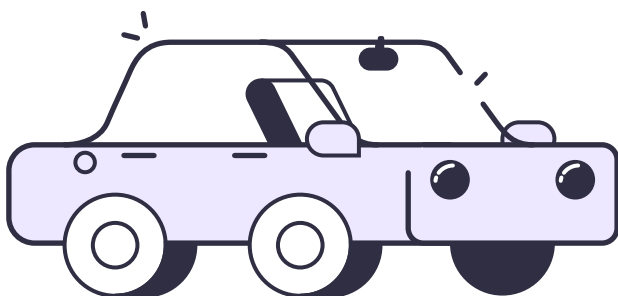
Recognising and supporting customers with vulnerabilities

Key steps to follow



Introduction

The Financial Conduct Authority's Principles of Business require businesses to treat customers fairly. And, under Consumer Duty, both dealers and financial providers need to identify and respond to customers with vulnerabilities throughout the sales process. So, how do you do know when a customer is vulnerable? And once you've recognised that a customer is vulnerable, how can you best support them? In this short guide, Oodle helps you to get to grips with the basic fundamentals of ensuring we know what to look out for, and are confident in dealing with customers who have vulnerabilities.




Understanding and looking after customers with vulnerabilities

There are many circumstances under which a customer can become vulnerable. Illness, bereavement or redundancy can happen to any of us without warning at any point. So it stands to reason that some of our customers may be suffering from some of these things or have other vulnerabilities.

Under FCA Guidance, new Consumer Duty requirements, and as ethical and supportive businesses, it's our job to be on the lookout for customers with vulnerabilities. And, once we've spotted that someone is vulnerable, we need to support them so that they're still able to make informed decisions and enjoy good outcomes.

Vulnerability can take lots of different forms. It can be temporary e.g. someone loses their job but finds another one two months later. It can be permanent e.g. someone has impaired eyesight, making it difficult for them to read documents. Vulnerability can also be sporadic e.g. self-employed customers may have times when they're not earning.

There are two main areas of vulnerability:

- financial vulnerability
 - non-financial vulnerability
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Financial vulnerabilities – what to look out for

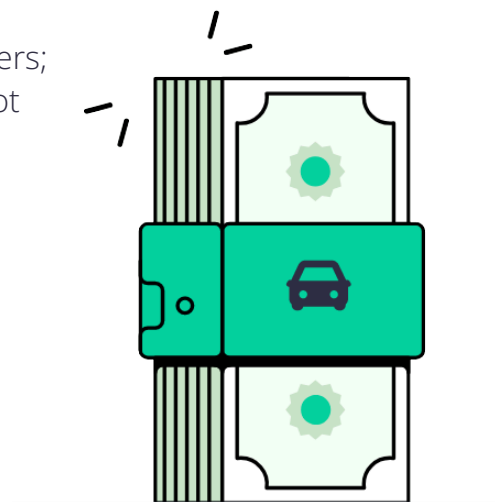
Customers can be financially vulnerable if they:

- Lose their job or have an irregular income stream
- Have high levels of debt e.g. on credit cards and short-term, high-cost loans
- Experience an uncontrollable increase in their expenditure e.g. their landlord increases their rent.

Non-financial vulnerabilities – what to look out for

Customers can also have vulnerabilities in other areas, due to:

- Health, both physical and mental. For example, customers may have a long-term illness, suffer a serious accident, undergo an operation or suffer from high levels of anxiety or depression.
- Life events. For instance, customers may experience bereavement, miscarriage, or divorce/relationship breakdown.
- Reduced physical or mental capabilities. For example, customers may have difficulty reading, writing and understanding numbers; have language barriers e.g. English may not be their first language; or have physical disabilities such as impaired hearing.



Responding to vulnerabilities

Once you've recognised that a customer has vulnerabilities, you then need to give them targeted support that's tailored to their needs. There are three key steps in this process.

1. Let the customer know you need to alert us.

Imagine a customer tells you their mother has recently died. This could make them vulnerable as, due to their loss, they might not be on top of their financial affairs and might need support from us. A response to a customer who tells you they are recently bereaved might look like this: "I'm really sorry to hear about that. Are you happy for me to share that with our financial provider? Telling them won't affect your loan acceptance in any way. It just means that if, due to your loss, you need support, they'll be aware of the circumstances and able to support you appropriately."

2. Respond to the customer's needs.

Clearly, the way you respond to a customer who is vulnerable will depend on the nature of their vulnerability. For example, if they're distressed and are finding it difficult to talk in person or over the phone, maybe they could contact you in another way e.g. by email. Alternatively, perhaps they could appoint someone to speak on their behalf e.g. by nominating a 'Power of Attorney' – a third party who can act as their representative.

If a customer has poor eyesight, they might need documents printed out in a larger font size or different colour.

In addition to supporting them yourself, think about where you could signpost them to get further support from specialist services. For example, if they have financial vulnerabilities, you could direct them to independent debt advice organisations such as StepChange, Citizens' Advice or National Debtline. If they are recently bereaved or tell you that they're currently signed off sick with depression, you could tell them about bereavement charities such as Cruse or mental health charities like Mind.

3. Tell us you have a customer who is vulnerable or may be vulnerable.

Email us at dealer.sales@oodlefinance.com or post a chatter note on the application chatter feed. Tell us what the vulnerability is and how this is impacting the customer or might impact them in the future.

Is your dealership ready to respond?

There are also three key things you need to do on an ongoing basis to make sure your dealership is able to identify and respond to customers with vulnerabilities.

1. Understand Oodle's target market.

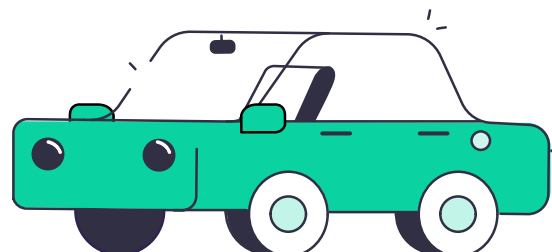
Make sure that everyone in your dealership knows what our target market is so that you can tailor the service you give to different customers.

2. Make sure your staff have the right skills.

Anyone interacting with customers, whether on the forecourt or talking through finance options, needs to be able to recognise customers with vulnerabilities and respond to their needs. If you don't think your staff are equipped to do this, could you organise some training or put together a workshop based on the information in this article?

3. Ensure all your communications are clear.

Make sure your written communications are clearly written and easy to understand, and avoid financial jargon and terminology wherever possible. If you're communicating verbally, check that a customer is following you, and be prepared to run through things a second time if necessary.



Creating a positive experience for all our customers

By following these steps and always letting us know when you identify a customer with vulnerabilities, we can work together to achieve good outcomes for all our customers, including those with vulnerabilities.

To talk more about identifying and supporting customers with vulnerabilities, please contact the Oodle team.





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Oodle Car Finance

Fletcher House, Science Park, Heatley Rd, Littlemore, Oxford OX4 4GE
oodlecarfinance.com