

YOUR SOCIETY

Clients with support needs

Our approach and how you can help



Principality

Intermediaries
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Where home matters
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Contents

- 1** Introduction and terminology
- 3** Supported customers and our approach
- 6** Recognising support needs
- 8** Empathetic communication
- 10** Supportive services
- 12** How we can improve outcomes for supported customers
- 14** Sharing support needs with us
- 15** Signposting and other support available

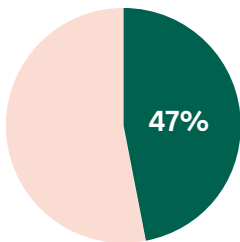
Introduction and our terminology

Here at Principality, we're committed to providing a service that focuses on good outcomes for customers – one that is fair, responsible and looks to reduce potential harm. One group of customers that can be at a greater risk of harm when accessing financial services are those with characteristics of vulnerability.

The facts

The Financial Conduct Authority (FCA) leads on research and regulation related to vulnerabilities of consumers, and their work tells us that:

- As of May 2022, **47%** of UK adults (24.9 million) showed one or more characteristics of vulnerability*
- A combination of the Coronavirus pandemic and the cost of living crisis has resulted in **1 in 4 (24%)** of all UK adults having low financial resilience meaning they are already in financial difficulty, or could quickly find themselves in difficulty if they suffered a financial shock*



* Financial Lives 2022 survey: insights on vulnerability and financial resilience relevant to the rising cost of living | FCA

With the FCA releasing guidance on the fair treatment of vulnerable customers in February 2021, and Consumer Duty regulation being introduced from 2023 onwards, it is an important time for organisations in the financial services sector, and the partners they work with, to make customers and clients aware of what extra steps of support can be taken to ensure the right outcomes are achieved with the service being delivered to them.

Our terminology

Throughout this guide you'll see that we have chosen to use different terminology than what's been shared by FCA guidance. At Principality, instead of using the word **vulnerable** to describe customers whose personal circumstances mean they need more support, **we describe them as supported customers.**

We think supported customers is more inclusive and **avoids labelling customers who may have a support need but are not vulnerable.** We also describe their vulnerability as their circumstance and, any adjustments, we describe as a support need.

Supported customers and your role

As Intermediaries, you are the first point of contact for a large portion of our mortgage customers which means we know you care as much as we do about delivering the right outcomes for your clients. Your role is essential in helping to guarantee supported customers get the treatment they deserve when using both your, and our, services.

This guide is here to help you identify those customers who may need extra support and the steps you, and we, can take to help those who need it.

Supported customers and our principles

The FCA describes a supported customer as ‘someone who, due to their personal circumstances, is especially susceptible to harm, particularly when an organisation is not acting with appropriate levels of care’. If they aren’t already, all clients are at risk of becoming a supported customer at any point of time where their personal circumstances might change, whether this be on a temporary or long-term basis.

As a business, Principality follows the FCA’s guidance on supported customers, which highlights 4 key drivers of vulnerability (figure 1) and circumstances that could be present underneath these drivers. Whilst wide-ranging, this list should not be seen as exhaustive as emerging customer needs cannot be predicted.

Figure 1

1 Health

- Physical disability
- Serious illness
- Hearing or visual impairment
- Mental health
- Addiction
- Learning disability or cognitive impairment (i.e Dementia)

2 Life events

- Domestic abuse
- Bereavement
- Damage to home
- Job loss
- Financial abuse
- Relationship breakdown
- Caring responsibilities
- Serious crime

3 Resilience

- Financial difficulty
- Low emotional resilience
- High levels of debt

4 Capability

- Poor literacy or numeracy
- Poor digital skills
- Low confidence in managing finances
- Poor English language skills
- Low access to help or support



As a rule, no matter the support need, we try to adapt our services where possible to provide good outcomes for clients, which will assist in avoiding foreseeable harm. The same rule should apply to the services you provide too.

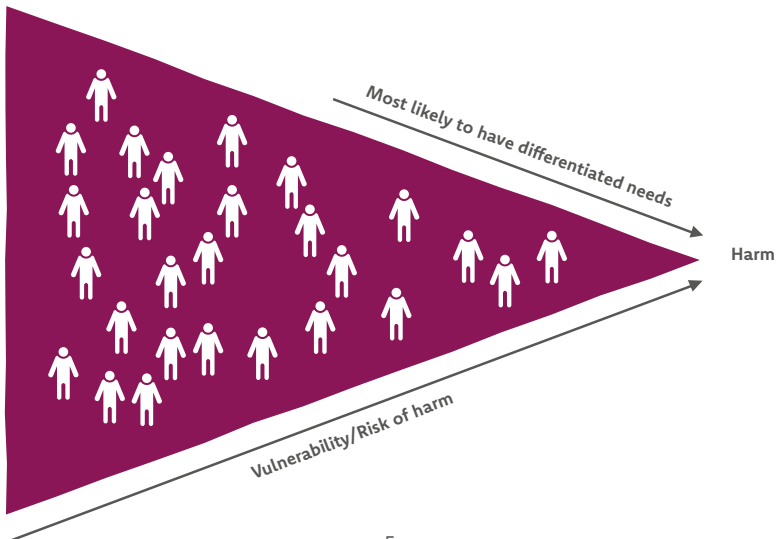
It's important to note that not all clients with characteristics of personal circumstance will be 'vulnerable' but often they will sit on a 'spectrum of vulnerability' (figure 2). This means they may be experiencing other significant life changes as a result of their initial circumstance, which will potentially heighten their risk of harm.

For example, someone who may have recently had a relationship breakdown (life event driver) would be seen as having a circumstance requiring support but they may be content and happy with this change

in their life. However, if this life event happens to lead to symptoms of anxiety (health driver) then the client may have limited capability to engage with financial services to manage their finances (capability driver), which will likely result in a poor outcome and increased risk of harm if not spotted by us, or shared proactively by the customer.

In summary, the presence of a personal circumstance doesn't mean that a client will have a support need but where possible, it's best for us to know about each client's circumstance changes so we can ensure empathetic service that is supportive and focused on delivering a good outcome. This information also allows us to keep an eye on behaviour changes which might indicate that there's emerging support needs that have resulted from the initial circumstance.

Figure 2
Spectrum of vulnerability



Our supported customer principles

Making sure our business is focused on delivering the best outcomes for supported customers is a priority for us. We have a set of guiding principles that we ask all areas to be mindful of as part of the work they do. These may also prove helpful to consider as part of the work you do when interacting with clients:

- All customers deserve a good outcome, no matter their circumstance
- If we solve for one, we extend to many
- We will focus on the support need, not the circumstance
- Support needs are situational and not always permanent
- Customers only need to tell us their circumstance and support needs once
- We will take an iterative approach, as there is always more to learn



Recognising support needs

Supported customers are identified either because they disclose their circumstances directly to us or where their personal situation or behaviour indicates that there is something affecting their ability to interact with us, or to manage their finances.

Signs of these circumstances are sometimes visible, which can be easier to pick-up on such as blindness or physical disabilities. They can also be recognised via communications with customers, whether this be over the phone or via email, and it's important to be attentive to these signs.

Examples of these signs could include:

General cues

- Asking for information repeatedly, or repetition in information they are sharing
- Signs of inexperience with finance
- Asking unrelated questions or sharing unrelated information
- Not remembering past conversations
- Signs that the customer has not understood or confusion
- Taking a long time to answer questions

Verbal cues

Customers stating the following:

- I can't hear you / You are talking too quickly
- I don't understand the language you are using
- My partner has been ill
- I can't hold on all day
- I've lost my job
- I'm having trouble paying /I can't pay
- I can't understand the email / information you've sent me
- My son/daughter/wife/husband deals with these things for me
- Or, mentioning the medication they are taking, or care they are receiving

Visual cues

- Shortness of breath or signs of agitation
- Body language highlighting confusion or agitation
- Client becoming distressed or upset

Written cues

- Writing unclearly, or inconsistently
- Making a request that would incur a financial penalty, without acknowledging the penalty
- Their letter is written by somebody else on their behalf

Changes in transaction behaviour

- Payments stopping suddenly
- Late or missed payments
- Regular unarranged charges
- Unusual activity on account

You should also ask yourself will the best outcome be achieved if you're going to proceed aware of these signs but without discussing potential support needs?

Tip

If a client does show signs of any of the above, it's important to consider whether their circumstance could impact their decision-making.



Based on the individual circumstance, a support need may not always be required, but often we need to initiate interventions to ensure that supported customers are able to interact with us effectively and understand the risk associated with the products and services we are engaging with them on.

Empathetic communication

As long as the client is willing, you should feel empowered to discuss someone's support needs in order to understand how we can better help them to deal with their finances or improve their interactions with you.

Clients should be made to feel at ease when discussing what is likely to be a difficult conversation and where possible you should try to make sure these conversations take place in an appropriate environment, such as a quiet meeting room. Clients should also be given the right amount of time and encouragement to explain any support needs that will help assist them.

As part of this conversation, you should look to encourage the sharing of information, without overstepping the client's personal boundaries. A useful way of opening this discussion is asking all your clients **'Is there any additional support I can provide to help you through your application?'**

To give all clients the best opportunity to receive personalised and supportive service you simply need to know what support needs they require, not necessarily their individual circumstance.

An example of this might be a client with a serious illness who has low energy levels which means they can only be contacted at certain times of day, or via an alternative mode of communication which allows them to answer your queries when they are physically and mentally able to, such as over the phone or via email.

All of these modes of support act to minimise the risk of harm to the client, but you only need know their circumstance once, or not at all if they don't wish to disclose it and would only like to share their support needs instead.

Questions of encouragement

Using questions can encourage your clients to share important information about how you are able to support them and allows time for regular checks of understanding as by its nature, mortgages can seem complicated and for many, it's a new world – examples of this could include:

- What is the best way of communicating with you?
- Would you like me to write any of this information down for you, including the figures I'm sharing?
- Is the information I'm sharing with you making sense?
- Did you understand that part of the application or would you like me to go over it with you again?
- Would you like additional time to talk through this information again before proceeding today?

Other tips to show care and ensure understanding

- Speak clearly and concisely
- Use plain English and avoid complicated terminology (eg. arrears = the late payment of money)
- Be patient and empathise, without being overly-sympathetic or patronising
- Treat each customer as an individual, removing any bias you may have about their circumstance
- Don't rush them
- Ask specifically if they need any extra support from us, don't assume this to be the case

Remember to ask... The types of support they have access to in their own worlds, whether this be digital tools to support understanding and access to communications, or a loved one that they'd like to represent them during interactions with you. This will help you develop a better understanding of the gaps that your services of support may be able to fill.



Supportive services

Supported customers should be treated appropriately mindful of the support requirements of their individual circumstance.

They must not face discrimination or restricted access as a result of this circumstance, unless purchasing a product is likely to cause them undue harm.

You should be attentive to the needs of both new and existing clients, acting upon and reporting any new activity you might consider to be unusual or out of character for that client, and updating records with new support needs, whether these are temporary or long-term.

Here's some general pointers to help assist you in making the service provided to clients as inclusive and supportive as possible:

- Be attentive to the diversity of customer needs
- Treat the customer with respect, using the pointers highlighted in [chapter 4](#)
- Where possible, speak to the customer in an appropriate setting if sensitive information is being shared

- Take what is being shared with you about someone's circumstance as being true and accurate
- Ensure that the client doesn't require further support from their friends or family, or perhaps, a Power of Attorney, to help support transactions
- Recognise that clients have the right to make their own decisions and must be assumed to have the capacity to do so unless there's reason to believe otherwise

Once you've gone through the due diligence required to understand a client's circumstance, and you have asked consent to record this information, you will be in a position to provide support and adapt your services.

Principality has many ways that we can support customers throughout their time with us ([see following chapter for more information](#)) – take some time to look at these and consider if you can adopt some of these, if they aren't already best practice.

Key interventions that you should be able to provide customers with:

- Access to communications in a variety of formats
- Access to services via a variety of channels – face-to-face, phone, email, letter
- Clear and concise information on products and services that can be easily understood

We recognise it is not possible, nor practical, to have processes and procedures for every client circumstance presented to you. If a client requests a reasonable support need outside those commonly found and you are able to support them with this then it's essential that you do so.



How we can improve outcomes for supported customers

Once your client becomes our customer, we have many ways to support them. The list below has some of the most common ways that support can be provided, as well as the related customer circumstance that may call for these support needs to be used:

Common customer support needs	Possible customer circumstance
Hearing loop, text relay, lip-reading	Hearing impairment
Third party delegate representation	Hearing impairment, physical disability, dementia, serious illness, addiction, learning difficulty, domestic abuse, financial abuse, bereavement, relationship breakdown, caring responsibilities, damage to home, serious crime, job loss, financial difficulty, high levels of debt, low emotional resilience, poor literacy or numeracy, poor English language skills, poor digital skills, low access to help / support, low confidence managing finances
Writing down instructions	Hearing impairment
Providing communications in alternative formats or reading out written information	Visual impairment
Directing a customer where to sign	Visual impairment, physical disability

<p>Contacting by specific channels (email, phone, secure message)</p>	<p>Mental health, physical disability, dementia, serious illness, addiction, learning difficulty, domestic abuse, financial abuse, bereavement, relationship breakdown, caring responsibilities, damage to home, serious crime, job loss, repossession, financial difficulty, high levels of debt, low emotional resilience, poor literacy or numeracy, poor English language skills, poor digital skills, low access to help / support, low confidence managing finances</p>
<p>Contact during specific times of day</p>	<p>Mental health, dementia, addiction, domestic abuse, financial abuse, bereavement, relationship breakdown, caring responsibilities, damage to home, serious crime, job loss, repossession, financial difficulty, high levels of debt, low emotional resilience, poor literacy or numeracy, poor English language skills, poor digital skills, low access to help / support, low confidence managing finances</p>
<p>Handling customer transactions in a meeting room</p>	<p>Mental health, physical disability, serious illness, learning difficulty, domestic abuse, financial abuse, bereavement, relationship breakdown, caring responsibilities, damage to home, serious crime, job loss, repossession, financial difficulty, high levels of debt, low emotional resilience, poor literacy or numeracy, poor English language skills, poor digital skills, low access to help / support, low confidence managing finances</p>
<p>Alternative signature processes</p>	<p>Dementia, physical disability</p>
<p>Longer appointment times</p>	<p>Learning difficulty, poor literacy or numeracy, poor English language skills</p>
<p>Adapting written information and applying clear language to services</p>	<p>Learning difficulty, poor literacy or numeracy, poor English language skills</p>

Sharing customer support needs with us

- 1** Following these conversations with your client, you will hopefully understand more about their circumstance and how best you can support them.
- 2** Next up, share this information with us so we are able to provide consistently supportive service throughout their time with us.
- 3** Before you do this, please check that they're happy for you to, explaining this will only help support the service we provide them and will not negatively impact either their application or experience with us.

Once you've received consent from your client to share the information related to their circumstance, or their support needs, below is what you need to do next:



Either call the Intermediaries team on **0330 333 4021** or email them via **intermediary@principality.co.uk**



Explain what the client's circumstance and support needs are



If needed, we can assist with any specialist support, such as bereavement of a loved one, by referring them to our Specialist Support Team

Once you've shared this with us we'll update our records to ensure that when we do interact with these customers, there's an awareness of the support required and this can be acted upon.

Signposting and other support available

Often clients will require some further support that is outside your firms' abilities, or capacity to provide, and it is best that they speak to independent organisations to seek the best advice possible.

Below is an overview of some of the organisations that may help when signposting your clients to further support, underneath the FCA's key drivers that we mentioned earlier.

1 Health related

- **Royal National Institute for Deaf People**
rnid.org.uk
0808 808 0123
- **Royal National Institute for Blind People**
rnib.org.uk
0303 123 9999
- **Mind – mental health charity**
mind.org.uk
0300 123 3393
- **Samaritans**
samaritans.org
116 123
- **Dementia UK**
dementiauk.org
0800 888 6678
- **Dan 24/7 – Welsh and English Drug and Alcohol hotline**
dan247.org.uk
0300 123 3393
- **Mencap – Learning Disability Charity**
mencap.org.uk
0808 808 1111

2 Life events

- **Victim support charity**
victimsupport.org.uk
0808 168 9111
- **Surviving Economic Abuse**
survivingeconomicabuse.org
0330 333 4020
- **Cruse bereavement charity**
childbereavementuk.org
0800 028 8840
- **Relate relationship support**
relate.org.uk
- **Mental health and money matters**
mentalhealthandmoneyadvice.org/en/toolkit

3 Resilience

- **Turn2Us – charity for financial support**
<https://www.turn2us.org.uk>
0808 802 2000
- **Step Change – debt management charity**
0800 138 1111
- **Citizens Advice**
<https://www.citizensadvice.org.uk>

4 Capability

- **National Numeracy – charity for numeracy support**
nationalnumeracy.org.uk
- **UK Government website – literacy and numeracy skills support**
gov.uk/improve-english-maths-it-skills
- **Supporting communities – charity with digital skills support**
supportingcommunities.org/digital-skills
- **Age UK – charity for older people**
mind.org.uk
0800 678 1174
- **UK Government website – budgeting and money management**
moneyhelper.org.uk/en/everyday-money/budgeting/beginners-guide-to-managing-your-money



CONTACT US

If you would like to get in touch call us on **0330 333 4021*** or email intermediary@principality.co.uk



ONLINE

Visit us at principality.co.uk/intermediaries or on our LinkedIn

 linkedin.com/showcase/principality-intermediaries/

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