Vulnerability – Our Commitment to Achieving Good Outcomes

This document focuses on what we are seeking, alongside our finance product manufacturers, to help with identifying and the management of vulnerability together with what you can expect from us at Peacock and Binnington.

Defining vulnerability

The Financial Conduct Authority (FCA) define vulnerability as "someone who, due to their personal circumstances, is especially susceptible to harm, particularly when a firm is not acting with appropriate levels of care."

Given the focus on avoiding harm as a core part of Consumer Duty, the FCA are particularly keen that vulnerability is top of all our agendas to ensure that we are working together to be extra vigilant in avoiding harm for this consumer segment.

Key themes protecting vulnerable customers

When guiding on vulnerability, the FCA highlight some key themes to consider when helping to achieve good outcomes for vulnerable customers:

- **Recognising** vulnerability and understanding the needs of the target market / customer base.
- Making sure staff have the right **skills and capability** to recognise, be sympathetic towards and respond to the needs of vulnerable customers.
- **Responding to vulnerable customer needs** through product design, flexible customer service provision and communications.
- **Monitoring and assessing** whether they are meeting and responding to the needs of customers with characteristics of vulnerability, and making improvements where this is not happening.

Peacock and Binnington's actions

At Peacock and Binnington we are constantly seeking to identify and assist customers (along with our finance providers/manufacturers) through periods of vulnerability. All customers are at risk of becoming vulnerable, but this risk is increased by having characteristics of vulnerability.

Records suggest that more than 24 million people displayed one or more potential characteristics of vulnerability after the pandemic. Given the numbers involved, the risk of not recognising and managing vulnerability is high. The characteristics to recognise include physical and mental health issues such as cognitive impairment, recent life events such as bereavement or new caring responsibilities, low resilience to cope with financial or emotional shocks and low capability, such as poor literacy or numeracy skills.

Achieving good outcomes

We strive to deliver good outcomes for vulnerable customers via the following actions:

1. Understanding the needs of vulnerable customers
2. Skills and capability of staff
3. Taking responsive and practical action
4. Customer service
5. Communications
6. Monitoring and evaluation

If you want to learn more on the FCA's guidance on vulnerability, then please click here.