

## Ashton Smile Clinic Vulnerable Customer Policy

### **Purpose**

The purpose of this policy is to ensure that the staff at Ashton Smile Clinic do not have any negative impact upon vulnerable consumers. For the purposes of this policy, vulnerable consumers are customers and prospective customers whose ability or circumstances require us to take extra precautions in the way that we sell and provide our services to ensure that they are not disadvantaged in any way.

### **Types of Vulnerability**

- Low literacy, numeracy, and financial capability skills
- Physical disability
- Severe or long-term illness
- Mental health problems, including common mental disorders (CMD)
- Low income and/or debt
- Caring responsibilities (including operating a power of attorney)
- Being 'older old,' for example over 80, although this is not absolute (may be associated with cognitive or dexterity impairment, sensory impairments such as hearing or sight, onset of ill-health, not being comfortable with new technology)
- Being young (associated with less experience)
- Change in circumstances (e.g., job loss, bereavement, divorce)
- Lack of English language skills
- Non-standard requirements or credit history (e.g., armed forces personnel returning from abroad, ex-offenders, care-home leavers, recent immigrants)
- Identifying a Vulnerable Consumer

When engaging with customers over the phone, it is often difficult to identify a vulnerable consumer because it is not possible to see many of the characteristics, such as body language and facial expressions, which may identify whether the prospective customer requires additional information and guidance to enable them to make an informed decision. For this reason, it is critically important to listen carefully to all customers and to identify people who may be classed as vulnerable consumers.

### **Typical Telephone Characteristics Include:**

- An inability to hear or understand what is being said
- Repeated questions of a similar nature
- Comments or answers which are inconsistent with the telephone discussion or indicate they have not understood the information provided
- Verbal confirmation that they don't understand or that they require the assistance of somebody else in planning and deciding
- When assisting with signing up consumers, we regularly engage with customers face-to-face. When doing this, the same characteristics are likely to be evident, but body language and facial expressions may also assist in identifying the vulnerability.

### **What to Do If We Are Engaging with a Vulnerable Consumer**

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

### **When Speaking to the Vulnerable Consumer, We:**

- Provide additional opportunities for the customer to ask questions about the information we have provided
- Continuously seek confirmation that they have understood the information provided
- Ask if there is anybody with them who can assist them, and offer them the opportunity to have a family member or friend present during the conversation
- Offer them the opportunity to complete the transaction after a period of further consideration
- If for any reason we think the customer does not understand the service being offered to them, we will not proceed with the transaction and advise them that we will write to them with further information about the product or services they are seeking.

### **What Is Mental Capacity?**

Mental capacity is a person's ability to make a decision. Whether or not a person has the capability to understand, remember, and weigh up relevant information will determine whether they can decide based on that information. The person will also need to be able to communicate their decision. Mental capacity may be limited in a way that prevents a person from making certain decisions because of an impairment or disturbance in the functioning of their mind or brain.

### **Making Decisions**

Mental capacity is always defined in relation to a specific decision at a specific time. Consequently, when considering an application for a product or change in product, we should take account of the customer's circumstances at the time the application or request is made. We should take appropriate steps to identify whether the customer appears able to understand, remember, and weigh up the information and explanations provided to them, and, when having done so, make an informed decision. Mental capacity limitations can be permanent, temporary, or fluctuating over time. Consequently, the fact that a person may not have had the mental capacity to make a particular type of decision in the past does not necessarily mean that they currently do not have, or will never have, the capacity to make such a decision. Mental capacity limitations may also be partial. Under such circumstances, the person concerned is likely to be able to make certain decisions but not others. Decisions requiring understanding, remembering, and weighing up relatively complex information are likely to be more challenging for individuals with mental capacity limitations than more straightforward spending decisions.

#### **Common Causes of Mental Capacity Limitations (Non-Exhaustive List):**

- Mental health condition
- Learning disability
- Developmental disorder
- Neuro-disability/brain injury
- Alcohol or drug (including prescribed drugs) induced intoxication
- A customer may be understood to have, or suspected of having, any of these conditions which are potential causes of mental capacity limitation (e.g., a mental health condition). However, that does not necessarily mean they do not have the mental capacity to make an informed decision.

In some instances, it may constitute disability discrimination under the Equality Act 2010 (EA) to decline a customer's application for a product based on the presumption that they lack the mental capacity to make a particular decision solely based on the knowledge that they have a condition of the type listed above.

#### **Financial Literacy**

Mental capacity is not the same as financial literacy, although, in practice, it may often be difficult for us to differentiate between the two. In terms of a limitation of mental capacity, the customer has some impairment of mind or brain function. There are only likely to be limited circumstances in which the firm will have substantive evidence that a customer has such an impairment. In the absence of such evidence, we can reasonably be expected to (proactively seek to) establish whether a customer has such an impairment of mind or brain function. In the alternative, a limitation in financial literacy is likely to result from

inadequate financial education, rendering a customer unable or feeling insufficiently empowered to manage their finances, engage confidently with firms, and make informed financial decisions. Those with limitations in financial literacy and those with limitations in mental capacity can both be classified as groups of actual or potentially 'vulnerable customers' by virtue of their respective limitations. Given that customers with either form of limitation (or both forms) might have difficulty making informed decisions, rather than seeking to differentiate between the two categories of persons, we will apply this vulnerable consumer policy in both circumstances.

While acknowledging that there are limits we can reasonably be expected to go to in seeking to form a view as to whether a customer has, or may have, some form of capacity limitation, it is good practice in literature provided to customers prior to providing a product or service to invite customers to disclose (on a voluntary basis) whether there are any issues relating to their health or general well-being which may be relevant to the consideration of any product or decision by the firm.

Any such invitation should make very clear that the only purpose such information would be used for would be to better facilitate an informed service being provided.

If a customer provides information indicating that they do, or may, have some form of mental capacity limitation that might impact their ability to make an informed decision, this should not automatically lead to them being denied access to the product or service being sought. It should act as a trigger for us to consider what reasonable steps might be taken to amend our ordinary processes to ensure that the customer is treated fairly and a positive outcome result for them.

## **Training**

We carry out in-house training regarding vulnerable customers. This training is completed for new staff members at their induction and is renewed each year or when further training is identified. The in-house training is conducted by the practice manager.