



A SAFE PAIR OF HANDS

Consumer guide

**We can all find ourselves in
vulnerable circumstances at some
time in our lives**

This guide explains how a financial adviser who has committed to the Financial Vulnerability Taskforce **CHARTER** will seek to support you.

Your guide to the Financial Vulnerability Taskforce and its CHARTER

What is the Financial Vulnerability Taskforce?

The Financial Vulnerability Taskforce is a newly created independent and inclusive representative body covering the personal finance sector. Supported by the Personal Finance Society, its ultimate purpose is to promote greater **understanding** of vulnerability, encourage appropriate **behaviours** and establish **good practice** amongst personal finance professionals in respect of people who find themselves in vulnerable circumstances.

What is its CHARTER?

At the heart of this initiative is a **CHARTER** which underpins the work of the Taskforce and sets out how professionals who commit to it are expected to work with customers in vulnerable circumstances.

You can be confident when dealing with a financial planning firm or adviser which has made this commitment that they will use their best endeavours to provide you with a service that recognises your unique circumstances and delivers the same outcomes that you would expect if you were not in vulnerable circumstances.

Who is the Personal Finance Society?

The Personal Finance Society is the professional body for the financial advisory profession in the UK. It promotes ethical behaviour, high standards of professionalism, technical knowledge and client service for the ultimate benefit of the profession and the customer alike.

It is part of the Chartered Insurance Institute, the world's largest professional body dedicated to insurance and personal finance, which seeks to secure and justify the confidence of the public through its Royal Charter.

A safe pair of hands when you need them most

Vulnerability is something that can affect us all; through unexpected events such as illness, loss of employment, divorce or even the sudden acquisition of wealth through inheritance or a lottery win.

While some health issues can lead to permanent vulnerability, fortunately in most cases it is a temporary phenomenon. But when it happens, you need to be assured that the professionals who support you fully understand its consequences and how best to continue to provide the highest quality service in these changed circumstances.

When financial planning and advice firms and individual advisers commit to the Charter, they agree to abide at all times to the nine commitments.

What to expect from firms and advisers who commit to the CHARTER

Advisers, financial planners and firms who adopt the Charter agree to abide by nine commitments, which are outlined below.

The Charter can be viewed at thepfs.org/about-us/initiatives/financial-vulnerability-taskforce/the-charter/

You can find out more about the Financial Vulnerability Taskforce here:

www.fvtaskforce.co.uk

1. Making advice easier to understand

Recognising that many consumers will find it difficult to understand many of the technical and specialist concepts and terms used in financial planning, firms and advisers will go out of their way to explain things in an accessible way. They will only proceed once they are satisfied that their client fully understands the implications of the advice being given.

2. Placing your interests above all else

As a client, at all times your needs will take priority over the financial interests of the firm or adviser and they will always use their best endeavours to provide an appropriate, personalised service for all their clients.

3. Understanding how your circumstances might make you vulnerable

Firms and advisers will understand that vulnerability can be physical, mental, emotional or simply the result of a lack of understanding. Being dynamic in nature, it may be short-lived or longer term, sometimes permanent, transient, recurring or fluctuating over time and may be hidden. Firms and advisers committed to the Charter will act appropriately and with sensitivity in each case.

4. Not making assumptions about you

All clients will be treated fairly, regardless of their identity, age, gender, race, sexual orientation, disability, gender reassignment, religion or belief and they will guard against making assumptions about you.

What to expect from firms and advisers who commit to the CHARTER - continued

5. Not labelling you

Using appropriate language is important. For example, adopters of the Charter recognise that vulnerability relates to circumstances and not to a category of person and will not seek to label you as a vulnerable person but someone who is currently in vulnerable circumstances.

6. Dealing with you sensitively

They will understand that people in vulnerable circumstances are often unaware of their vulnerability and, where they are aware, might not acknowledge it nor wish to be described as vulnerable. Firms and advisers will therefore acknowledge a heightened professional obligation towards those in vulnerable circumstances and the need for raised awareness, greater sensitivity, and additional technical competencies.

7. Adapting processes and maintaining your confidentiality

If you are considered to be in vulnerable circumstances, you will be encouraged to recognise your vulnerability, safe in the knowledge that business processes and professional services will be adapted so that you do not suffer detriment at any point. You can also expect outcomes to be achieved that are at least as good as for those who are not in vulnerable circumstances. They will also maintain confidentiality and ensure behaviours are fully compliant with all relevant legislation.

8. Ensuring staff are knowledgeable and appropriately trained

Firms and advisers who commit to the Charter will make sure all members of their organisations deal compassionately, empathetically and effectively with those in vulnerable circumstances by raising awareness of vulnerability and by providing appropriate training in supporting those in vulnerable circumstances.

What to expect from firms and advisers who commit to the CHARTER - continued

9. Taking appropriate action if you are in harm's way

In those rare situations where it is recognised that a client in vulnerable circumstances may be in immediate danger of significant abuse or harm, or may need immediate support, action will be taken to mitigate the risks they face including contacting the appropriate authorities if necessary.

Examples of abuse or harm include inappropriate pressure from a third party and scams.

Find out more about the Personal Finance Society:
thepfs.org/about-us/what-we-do/for-the-public

The Financial Conduct Authority

defines someone in vulnerable circumstances as being especially susceptible to (financial) harm, particularly when a firm is not acting with appropriate levels of care.

The Financial Conduct Authority

has identified four drivers of vulnerable circumstances – physical and mental health, life events, financial resilience and financial capability – to which we would add a fifth – abuse and coercion.

**The Personal Finance Society is part of
the Chartered Insurance Institute Group.**

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