

PRESS RELEASE



Over 1/3 of finance professionals considered themselves vulnerable in last 12 months

A recent Chartered Body Alliance global survey has revealed some stark realities regarding the treatment of customers in vulnerable circumstances, including that 33%* of respondents working in financial services considered themselves to be vulnerable within the last 12 months.

The survey**was undertaken by Chartered Body Alliance members between 4 August – 8 September 2021. A total of 1,637 responses were received.

Over the past 12 months, the majority of respondents (61%) said that they had either directly or indirectly supported a customer in vulnerable circumstances, while 75% had discussed the issues facing such customers within their team, either frequently or on occasion.

Respondents were asked if they had seen any examples of bad practice towards customers in vulnerable circumstances. Detailed, anonymous examples were provided by 356 respondents and included:

- elderly customers being directed to online complaint forms
- pushy salespeople
- misuse and lack of knowledge of lasting powers of attorney and Court of Protection orders
- overuse of automation and AI and a lack of availability of telephone contact
- a lack of empathy for bereaved customers
- poor response to instances of scamming and fraud
- lack of sensitivity to customers' physical disabilities.

When asked about their firms' policies and procedures around the treatment of customers in vulnerable circumstances, almost four fifths (80%) said that their organisation does have policies and procedures in place, while just over 10% did not.

However, a significantly lower percentage (58%) had received formal, structured training on the fair treatment of customers in vulnerable circumstances. Of those who had undergone training, only half (51%) had received it in the six months prior to the survey.

Two-thirds (65%) of respondents said their organisation had a formal definition of what it considered to be a customer in vulnerable circumstances, with just over half (55%) believing that their firm's definition aligned closely with the FCA's. A clear

majority of respondents (74%) had no concerns about their ability to implement the FCA's guidance, with just 6% saying that they did have such concerns. However, 12% said they were 'somewhat' concerned.

In terms of culture, almost 80% said that their employer had implemented or attempted to implement a work environment that embeds fair treatment of vulnerable customers; under 10% had not.

Asked how confident they felt in their ability to identify a customer in vulnerable circumstances, the respondents averaged 76%. A slightly higher score (77%) was given to their perceived ability to take appropriate action after identifying such a customer

CISI CEO Simon Culhane, Chartered FCSI said: "Our report shows that the majority of professionals are seriously addressing their duties and responsibilities in this area as outlined in the [FCA Guidance](#).

"But there is more to be done, as we can see from the examples cited as unacceptable, bad practices towards customers. Lack of empathy, overuse of automation and poor communication are themes we must address. [The FCA Consumer Duty proposals](#) specifically state that regulated firms should "put themselves in the shoes of others." We acknowledge the gaps in knowledge, skills and behaviour which this survey has highlighted. We will start this process by producing a Chartered Body Alliance toolkit and a series of events for 2022, with round tables for well-being leads in member firms, to open the discussion on this survey outcome.

"The fact that 33% of respondents working in financial services also considered themselves vulnerable within the past 12 months has emphasised the importance of looking after our own member practitioners. We will be examining how we can expand the CISI mental health portal in particular to further support financial services professionals in this respect."

Simon Thompson, Chartered Banker Institute Chief Executive said: "We welcome the findings of this report, which gives us some great insights into how our members feel about the treatment of their customers in vulnerable circumstances. Over the past 18 months, we've all faced the very real challenges of supporting customers, colleagues, loved ones – and ourselves - through the series of challenges presented by Covid. Yet throughout this difficult period, banks and bankers – and the members of the Chartered Body Alliance in particular - have continued to play key roles helping to rebuild businesses, communities and personal finances. During this period, we offered a number of free resources to assist our members in their day-to-day roles in dealing with vulnerable customers; but as these findings reveal, more needs to be done, and we encourage all employers to work with us to step up the training required, whilst also considering their employees' wellbeing needs."

Sian Fisher, CEO of the Chartered Insurance Institute, said: 'If we think we are going to go through our whole lives avoiding a time when we fit the definition of 'vulnerable', we are kidding ourselves.

"Financial circumstances, ill health, disability and life events all mean that we are almost certain to go through a period in our lives when we are vulnerable. This research underlines how important it is for us all to have an inclusive approach to all customers, and not treat vulnerability as an 'add on' that only applies to a minority."

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About the Chartered Body Alliance

The [Chartered Body Alliance](#) is composed of three of the leading Chartered professional bodies in the sector (the Chartered Insurance Institute, Chartered Institute for Securities & Investment, and the Chartered Banker Institute). We recognise our primary duty to the public of enhancing and sustaining professionalism in financial services.

We believe that by working together the Alliance will achieve greater public benefit, continuing to raise professionalism and trust across financial services by promoting exacting standards of knowledge, skill, integrity, and behaviour.

Notes to Editors

*18.26% said 'yes' to the question about vulnerability over the preceding 12 months and a further 14.44% said 'somewhat'.

****Survey detail: Demographics and sectors**

The survey was managed by Wardour. Men outnumbered women (60% to 38%), while 0.12% of respondents identified as transgender. The age bracket most represented was 45–54 (32%), while those aged 19–24 made up just 2% of respondents. A clear majority (60%) were based in England, with just 0.38% in the Republic of Ireland. Those based outside the UK and Ireland represented a wide geographical spread, with responses coming from various countries in the EU, Africa, Oceania, the Middle East and Asia.

Respondents were asked in which area of financial services they work. The sectors with most representation from a total of 1,637 responses were investment management and private and wealth management (14.84 and 14.17%), followed by retail branch banking (11%). Aside from the 'other' and 'not listed' categories, the area with the lowest representation was regulation (2%).

The same number responded when asked their role within the organisation. The highest proportion (26%) had no management responsibilities, followed by middle, senior and junior managers (14%, 12% and 10%). Chairs were the lowest represented group at 0.73%.

32.7% of 1637 respondents surveyed said that they considered their own personal circumstances over the past 12 months to be vulnerable or somewhat vulnerable.
