

An opportunity to demonstrate your support for clients in vulnerable circumstances

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We here at SIFA Professional, would like to introduce you to the outstanding work done by the Financial Vulnerability Taskforce (FVT) and how you can now clearly demonstrate your commitment to helping and supporting your clients that find themselves in vulnerable positions.

Launched in 2021, The FVT is an independent representative body. Its ultimate purpose is to promote greater understanding, encourage appropriate behaviours and establish good practice in respect of consumer vulnerability.

The subject of vulnerability has been an ongoing focus of regulators across the professions for some time now. Research has consistently shown that, while it can be difficult for anyone with a problem to navigate the financial or legal systems, people with certain circumstances and/or characteristics may find it particularly challenging.

Whilst typically quoted characteristics include poverty/low income, disabilities, low literacy, digital exclusion, and those who have suffered domestic abuse, all of us can find ourselves in vulnerable circumstances at some point in our lives. Indeed, it can be argued that the very nature and language typically associated with the legal and financial world can be a cause of vulnerability. Either way, vulnerability should not be seen as a category of person, but circumstances that can be permanent, temporary, periodic and create additional needs that will need to be addressed to achieve the best of outcomes for the client.

One of the challenges this presents is the not insignificant matter of identification, both of the individual, their specific circumstances, and any additional needs they may have as a result. Even those who are aware of additional needs may not be willing to disclose their vulnerable circumstances, perhaps because they are not confident of the response they will get from the professional whose services they seek or perhaps because they simply do not associate their circumstances with being vulnerable in any way.

So, what can be done to encourage clients to self-disclose and feel more comfortable when seeking to engage professional services? One initiative that has gained considerable traction across the personal finance sector is the Charter of The Financial

Vulnerability Taskforce, part of a not-for-profit Community Interest Company called the Consumer Duty Alliance. And the good news is that following expressions of interest, this initiative and its Charter can now be used by firms within the legal profession.

What is The Charter?

The Charter consists of ten generic commitments that require supporters to adhere to and promote. By way of example, commitment number 7 is:

'We recognise that those in vulnerable circumstances are often unaware of their vulnerability and if they are aware, might not acknowledge it nor wish to be described as vulnerable. We therefore accept our heightened professional obligations towards these clients including the need for raised awareness, greater sensitivity, and additional competencies.'

The Charter is a voluntary code supported by a digital badge to help the public identify supporters and access a consumer guide that details the ten commitments.

How can my firm find out more and get involved?

You can find out more about the Consumer Duty Alliance, its Financial Vulnerability Taskforce and all ten commitments of the Taskforce's Charter here:

<https://consumerduty.org/about/about-the-fvt-charter>

Support for the Charter is free and open to both individuals and firms across the legal, finance and accountancy professions.

You can register your support for the Charter here:

<https://consumerduty.org/get-involved/support-the-fvt-charter>

SIFA Professional are an Affiliate member of the CDA and are a keen supporter of the CDA and as such FVT and encourage our members to join the organisation and adhere to the Charter and proudly display the logo on their websites.

SIFA Professional members can be found on the Directory – [Click Here](#)