

## **Accountant in Bankruptcy**

### **Vulnerable Person Policy**

#### **Purpose**

This policy sets out how AiB will identify and support debtors whose circumstances mean they should be recognized as vulnerable and in need of support.

The policy defines the recourse available to Accountant in Bankruptcy (AiB) staff where intervention may be needed due to a debtor's recognised vulnerability and to enable AiB staff to provide the level of customer service expected of them. The policy's aim is that each customer circumstance, no matter how unique, will be treated fairly and with due consideration at all times.

Staff at AiB interact with a wide range of customers - in particular, individuals involved in different forms of statutory debt relief solutions. It is recognised personal circumstances vary and, as such, some customers may be more vulnerable than others. Vulnerability can come in a range of guises and can be temporary, sporadic or permanent in nature. As such, dealing with a vulnerability will most likely need a flexible and tailored approach.

There is no single definition of what a vulnerable person is, however, the Financial Conduct Authority describes anyone in financial difficulty (for example, those with problem debts) as being in a vulnerable situation. Vulnerability can be extended, for example, to forms of ill health, disability, learning difficulties or caring responsibility. The list is not exhaustive. The map on page 4 shows a range of issues identified alongside consumer vulnerability.

There is an expectation on the quality of service AiB delivers to each customer. AiB's standards of service demonstrate the Agency's commitment to treating each of its customers fairly, enabling access to equal outcomes. However, it is recognised there may be situations where a person's vulnerability may place additional expectations or requirements on the service delivered by AiB staff.

As a Corporate Parent, AiB has a duty to an additional vulnerable group, those being care-experienced young people. While vulnerable, a care-experienced background is not expected to impact on the administration of statutory debt relief or debt management products. The Agency's duty to this group is outlined in the AiB 2018-2021 Corporate Parenting Plan.

In creating this policy, AiB has taken consideration of best practice within the advice giving sector and through associated publications. It must be stressed that AiB is not an advice giving organisation and, as such, this policy is directed at the way AiB staff deal with customers where a vulnerability is identified.

Any decision made under this policy will be fully supported by the Chief Executive and Senior Management Team.

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## **1. Section 1**

### **1.1 Risk assessment**

AiB recognises that all people with debt problems are vulnerable people. It is important to note that AiB is not an advice giving agency. Teams predominantly handle applications from debtors after they have received money advice.

AiB also recognises that where a creditor has instigated bankruptcy proceedings through the court, there is no prior obligation for the debtor to have had money advice and, as such, any vulnerability may not be recognised pre-award.

AiB maintains different levels of contact with customers in the various insolvency products. The more complex cases, often where property is involved or assets are realised, are recognised to raise the most difficult scenarios. These cases are mostly handled externally by a trustee or contracted provider, although AiB does, however, administer a low volume of these cases. AiB also handles complaints against trustees and providers, a stage where increased stress for the debtor can be expected.

For a debt payment programme under the Debt Arrangement Scheme, the debtor's main contact is with the payments distributor and money adviser. A trust deed is administered by a trustee, with AiB having limited debtor interaction.

### **1.2 Early identification of vulnerability**

Where a money adviser does identify a particular vulnerability, they have the option to record this in Part 2 of a personal bankruptcy application. This is done with the explicit consent of the debtor who also signs this section. In Debt Arrangement Scheme or trust deed cases, the money adviser or trustee may liaise with the Agency to discuss any concerns over the debtor's vulnerability. Case notes will be recorded on the respective case management systems where any issues are raised. All are treated in accordance with General Data Protection Regulations.

### **1.3 Key AiB staff contacts**

AiB is not an advice giving agency and, given the complexity and diverse nature of products AiB administers, it is not possible to have a specialist team to process highlighted cases. AiB does, however, recognise that best practice should extend to the administration of all its statutory products. To this end, a number of AiB staff have recognised customer service qualifications combined with extensive training in dealing with mental health in the workplace. Our staff will be able to contact these individuals for further assistance if required.

# The scale of consumer vulnerability in the UK

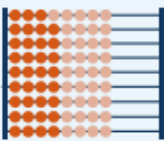


## Literacy and numeracy

One in seven adults has literacy skills that are expected of a child aged 11 or below.

And...

Just under half of UK adults have a numeracy attainment age of 11 or below



(Department for Business, Innovation and Skills, 2012)

## Internet

Of the 7.1m adults in the UK that had never used the internet in May 2013, over half were disabled (3.7m) and nearly half were over 75 years of age (3.1m). (Department for Business, Innovation and Skills, 2012)



## Savings

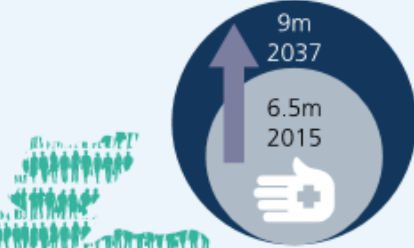
Almost half of adults do not have enough savings to cover an unexpected bill of £300 (Money Advice Service)

## Cancer

Every two minutes someone in the UK is diagnosed with cancer (Cancer Research UK 2014)

02:00

By 2020 half of the UK population can expect to be diagnosed with cancer at some point in their lives (Macmillan 2014)



## Caring responsibilities

6.5m people in the UK have significant caring responsibilities. Carers UK project this will reach 9m by 2037.



1 in 8 adults care, unpaid, for family and friends (Carers UK website, 2014)

## Living with dementia



There are 800,000 people in the UK living with varying degrees of dementia, and this is expected to double over the next 40 years



Dementia affects 1 person in 6 over 80 (Age UK, 2013)



## Disability

16% of working age adults have a disability (Family Resources Survey, 2011/12)

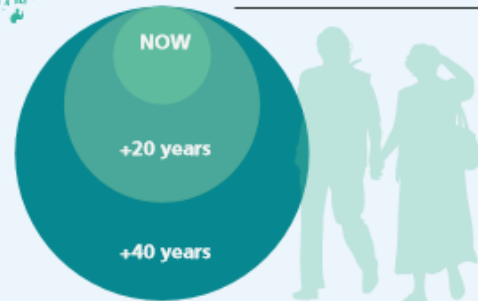
## Mental illness

In any given year, one in four adults experiences at least one mental disorder (HIS, 2007)



## Old age

Over 1.4m people in the UK are aged 85 or over. The number of people over 85 in the UK is predicted to double in the next 20 years and nearly treble in the next 30 years (Age UK, 2013)



Fair treatment of all customers is central to core conduct

<sup>1</sup> Source: FCA Occasional Paper No.8, Consumer Vulnerability, February 2015

## **2. Section 2**

### **2.1 How AiB staff will identify when intervention may be required**

AiB will consider intervention if, during communication regarding a case, the customer implies the likelihood of severe consequences to their own or another's welfare. In more acute situations, this may include an individual stating they have suicidal tendencies or making reference to their influence on the welfare of others.

AiB occasionally receives written confirmation from money advisers or insolvency practitioners that a particular debtor may be a vulnerable person and due care should be taken in dealing with them. This type of correspondence is recorded against individual cases with clear notes for staff to identify as such.

It is expected that money advisers have first responsibility in identifying those who, because of their vulnerability, need to be treated with due consideration. But if AiB staff, through telephone or written conversation with the debtor, identify potential vulnerabilities, they will need to take appropriate actions.

### **2.2 What to do if a staff member identifies the need for intervention**

AiB staff are trained to deal with challenging situations with customers. Where a staff member identifies the requirement for possible intervention, they will immediately inform their line manager or team leader. A decision will be taken at that point as to whether to escalate the issue. This may extend to notifying the police where the welfare of an individual or individuals may be at threat.

It is otherwise expected that a staff member of management grade will:

- decide whether to take further action
- take any required action
- where required, involve an AiB customer service specialist in reaching a solution (see 3.2)
- where relevant, contact the money adviser or insolvency practitioner to seek clarification on any welfare concerns
- ensure clear case notes are recorded to outline why certain decisions were made
- encourage the customer to contact an external agency such as the Samaritans for support if considered helpful to the customer (Annex A)
- where necessary, alert the police by dialling 999

In any challenging situation any senior manager may also be called upon for assistance.

In exceptional cases, staff should also ensure adherence to AiB's sensitivity obligation process.

A list of advice and support organisations has been included at Annex A.

Where a staff member identifies need for immediate intervention during conversation with a customer, they can recommend the customer telephones the Samaritans on 116 123. This service is available 24 hours a day, 7 days a week.

Where a clear and immediate life-threatening incident is identified, the staff member dealing with the customer should immediately call the emergency services.

### **3. Section 3**

#### **3.1 Enabling AiB staff to deliver the customer service commitment.**

The scenarios identified in section 2 of this policy do not occur regularly. However, AiB staff have encountered such situations historically and can be expected to encounter similar situations in the future. As all AiB staff could, at some point, be dealing with a distressed customer, this policy applies to all AiB staff.

AiB will continue to deliver relevant training to enable its staff to fulfil the commitment to its standards of service and deliver the highest achievable level of customer care within the normal boundaries of service. The Agency further aims to continue a culture where staff are encouraged to understand and empathise with vulnerability.

AiB staff will continue to receive the necessary customer skills training, which will help members of staff in confidently dealing with these cases when they arise, including recognising issues that may deem a debtor to be a vulnerable person. AiB will provide training to help members of staff deal with the personal impact of experiencing these difficult situations.

The AiB 2020 Business Strategy has a strategic purpose to build and maintain effective stakeholder relationships. AiB has strong existing relationships with the advice sector and will utilise its stakeholder expertise where help is available, ensuring all AiB staff have access to this knowledge.

#### **3.2 AiB staff contact list**

Good practice publications by the Money Advice Liaison Group and research conducted by the Financial Conduct Authority recommend the advice giving sector, including creditors, should have specialist teams in place to deal with particularly vulnerable customers. AiB does not have such a team, although it does have a number of staff who have undertaken specialist training.

Several staff members have completed the Scotland's Mental Health First Aid training course. These staff are business champions in dealing with these sensitive matters and may be approached by any member of staff with related concerns for a debtor.

Five staff members have completed the Customer Service Professional qualification. This included learning how to deal with vulnerable people (staff and customers) and focused on the legislative requirements and practical questioning techniques in dealing with vulnerable people. These staff can also be called on for advice and guidance.

#### **3.3 Additional training resource**

AiB staff have access to a range of resources aimed at improving awareness of communicating effectively with customers. Staff undertake these courses as part of their personal development and duty of care to customers.

#### **4. Section 4**

##### **4.1 Accessibility and review**

All teams in AiB will include reference to this policy in their standard operating procedures. This policy will be reviewed at least annually and following any incident where the policy is evoked.

Policy last reviewed – October 2018



## **Annex A**

### [Samaritans](#)

Confidential support for people experiencing feelings of distress or despair.

### [Breathing Space](#)

Free, confidential, phone service for anyone in Scotland experiencing low mood, depression or anxiety.

### [PAPYRUS](#)

Young suicide prevention society.

### [Harmless](#)

Support for people who self-harm, their friends, families and professionals.

### [National Self Harm Network forums](#)

The online support forum is available 24/7 and provides crisis support, information and resources, advice, discussions and distractions.

### [MIND](#)

Promotes the views and needs of people with mental health problems.

### [Rethink Mental Illness](#)

Support and advice for people living with mental illness.

### [Depression Alliance](#)

Charity for sufferers of depression. Joined with MIND and has a network of self-help groups.

### [CALM](#)

Campaign Against Living Miserably, for men aged 15-35.

### [Bipolar UK](#)

Charity helping people living with manic depression or bipolar disorder.

### [Sane](#)

Charity offering support and carrying out research into mental illness.

### [The Mental Health Foundation](#)

Provides information and support for anyone with mental health problems or learning disabilities.

### [Young Minds Parents Helpline](#)

Worried about a child or young person? Call the free helpline for confidential, expert advice.

### [NHS website](#)

Contains links to other mental health networks and support services.