

Vulnerable Clients Policy

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1. Introduction

Some clients we come into contact with will be vulnerable in the context of how we interact with them, by virtue of their personal circumstances. As a provider of employment and personal injury advice and representation, we have a duty and obligation to ensure that all elements of our work are consistent with the Government Guidance: [Meeting the needs of vulnerable clients](#).

We must ensure that we make reasonable adjustments and put in place appropriate additional support mechanisms to take account of these needs and ensure that such clients are not at risk of undue detriment.

2. Aims and Use

This policy is intended for use by internal staff/third parties and is designed to ensure that we meet not just our legal and regulatory requirements, but also the codes of the professional bodies to which we are members and all ethical standards. It is available on SharePoint.

This policy aims to:

- Provide guidance for staff on how we define and identify a vulnerable customer.
- Outline the processes we have in place to help support the vulnerable.
- Outline roles and responsibilities in relation to vulnerability and how we will oversee compliance in this.

3. Definitions

Vulnerability: Types of vulnerability vary widely, for example, someone could be vulnerable by virtue of being a young person with autism living independently for the first time, to a single parent with dependent children who has recently become unemployed, to someone with a terminal illness. 'Vulnerability,' can be permanent, transient or progressive.

We consider someone to be vulnerable when: 'Their personal circumstances and characteristics mean they are significantly more likely than a typical person to suffer detriment in connection with how we deal with them, or where that detriment is likely to be more substantial'.

ADULTS

For the purposes of this policy, we consider a 'vulnerable adult' to be a person aged 18 or over who has:

- A learning or physical disability
- A physical or mental illness, chronic or otherwise including an addiction to alcohol or drugs
- A reduction in physical or mental capacity
- A dependency upon others in the performance of, or a requirement for assistance in the performance of physical functions
- Severe impairment in the ability to communicate with others
- Impairment in a person's ability to protect him or herself from assault, abuse or neglect
- A person deemed not to display the mental capacity to make informed decisions

CHILDREN

For the purposes of child protection legislation, the term 'child' refers to anyone up to the age of 18 years (Children Act 1989). An adult or child in a potentially vulnerable situation is someone whose situation includes:

- Physical and mental medical conditions
- Disability
- Learning difficulties
- Times of stress or anxiety
- Financial vulnerability

4. Scope

This Policy applies to Employee Rescue, permanent and agency staff, as well as service partners.

5. Governance and Oversight

Timeline's Board is ultimately accountable for the fair treatment of customers.

This is overseen through the Investment Committee which will assess adherence to this Policy and delivery of fair outcomes.

- Monitor Timeline's identification and treatment of customers in vulnerable circumstances as indicated through complaints, feedback from customers and feedback from internal teams.
- Discuss, assess and record key issues, findings and actions.
- Escalate concerns to the Board.

All Timeline staff are responsible for identifying behaviours through the customer lifecycle which might indicate vulnerability. Timeline staff are also responsible for designing and maintaining products and services such that they appropriately consider and can accommodate the needs of vulnerabilities likely to be present in the target market. Compliance will monitor Timeline's identification and treatment of customers in vulnerable circumstances.

6. Risk Appetite

Timeline must operate within the bounds of the risk appetite set by the management body. Timeline has a low appetite for the risk of failure, resulting in the potential for material customer detriment, financial loss, regulatory fines, censure and/or damage to reputation.

7. Product Governance

As part of PROD and Consumer Duty regulations, Timeline is required to consider the target market and distribution channels of its products so that potential customer vulnerabilities can be incorporated into the product design and development.

This obligation extends to user accessibility and plain English documents that explain the product to customers in a way that is not needlessly complex.

Timeline products are distributed through advisers as well as execution-only delivery channels.

Timeline will engage with its customer firms to ensure that guidance documents are readily available during the process and support the implementation of appropriate friction in investment and withdrawal journeys.

Refer to the Product Governance Policy for further details.

8. Relevant Guidance and Legislation

- Government Guidance: [Meeting the needs of vulnerable clients.](#)
- Financial Conduct Authority: [Practitioners Pack](#)
- Financial Conduct Authority Guidance: [Consumer Vulnerability](#)
- [GDPR and DPA 2018](#): Supersede the Data Protection Act 1998 and must be considered regarding collection, processing, retention, security and disclosure of data relating to customer vulnerability.
- [Mental Capacity Act 2005](#) – see Appendix 1.

9. Key Principles

We work on the general principle that we will take appropriate steps to consider the circumstances of any individual who is particularly vulnerable or susceptible to detriment and therefore needs adjustments to the way in which we communicate and support them.

We recognise that vulnerability is a state, not a trait, that there is a sliding scale of vulnerability, and that people are different. This means that some clients will become vulnerable in circumstances, where others may not.

We believe that the welfare of any vulnerable person (or child) is paramount. Those who are vulnerable without exception have the right to protection from abuse regardless of gender, ethnicity, disability, sexuality or beliefs.

We work on the basis that every individual is different, has different circumstances, and therefore may need consideration. This means that as far as possible, we will treat individuals in a way that is appropriate to their needs, where possible tailoring our approach.

We take any complaint about the treatment of vulnerable clients very seriously and any such complaint will be investigated. If appropriate, we will liaise with relevant external agencies.

10. Identification

The following table summarises characteristics associated with the four drivers of vulnerability.

People can become vulnerable at any point because of these situations. Vulnerability can be permanent, transient or progressive.

Health	Life Events	Resilience	Capability
Physical Disability	Retirement	Inadequate or erratic income	Low knowledge in or confidence in managing finances
Severe or long-term illness	Bereavement	Over-indebtedness	Poor literacy or numeracy skills
Hearing or visual impairment	Income shock e.g. job loss	Low savings	Poor English language skills
Mental health condition or disability	Relationship breakdown	Low emotional resilience	Poor or non-existent digital skills
Addiction	Domestic abuse/economic control		Learning difficulties
Low mental capacity or cognitive disability	Caring responsibilities		No or low access to help or support

Timeline has a joint role and a duty to the end consumer along with our customer firms to identify vulnerable customers. We may see the above characteristics manifest themselves through, for example:

Underlying Investor – Possible Vulnerabilities

Group Identified		Primary Owner	Possible Solution	Data Monitoring
1	Trading for short-term profit or influenced by gamification features (lack of basic financial knowledge)	Customer Firm	<ul style="list-style-type: none"> a) Separate assessment of risk b) Additional questions before trade process c) Sign-posting information within process d) Availability of guide/remove gamification features 	Frequency of clients buying and selling repeatedly i.e., 'day trading'
2	Investing before clearing bad debt/building cash safety buffer (lack of financial knowledge)	Customer Firm	<ul style="list-style-type: none"> a) Separate assessment of suitability b) Additional questions before trade process c) Sign-posting information within process d) Availability of guide/support materials 	None
3	Selling investments too quickly when markets fall (lack of basic financial knowledge)	Customer Firm	<ul style="list-style-type: none"> a) Specific risk warning within sell process b) Sign-posting information within process c) Availability of guide/support materials 	None
4	Investing in assets that are too risky (lack of financial education)	Customer Firm/Seccl	<ul style="list-style-type: none"> a) Restrict types of assets available b) Separate assessment risk c) Additional questions before trade processes d) Sign-posting information within processes e) Availability of guide/support materials 	Monitor investing categorisation by firm/investor type.
7	Holding too much cash (lack of financial education)	Customer Firm/Seccl	<ul style="list-style-type: none"> a) Build auto-alerts, send to clients b) Sign-posting information within process c) Availability of guide/support materials 	Monitor £ and % cash level per firm/investor
8	Accessing digital UI is harder or no longer possible (old age/ill health)	Customer Firm/Seccl	<ul style="list-style-type: none"> a) Build off-line process to support b) Ensure UI is fully accessible and being used c) Clearly disclose digital approach up front and remove barriers to exit 	Monitor logins trends
9	Investor becomes a victim of scams, financial crime or a cyber security breach	Customer Firm/Seccl	<ul style="list-style-type: none"> a) Ensure robust cyber security program b) Regular training and system monitoring c) Clear with investors about how we will communicate and engage 	Range of cyber security monitoring, MFA, reg pen testing

Adviser – Possible Vulnerabilities

	Group Identified	Primary Owner	Possible Solution	Data Monitoring
1	Accessing digital UI is harder or no longer possible (cognitive or physical disabilities/ old age/ill health)	Customer Firm	<ul style="list-style-type: none"> a) Build off-line process to support b) Ensure UI is fully accessible and being used c) Clearly disclose digital approach up front and remove barriers to exit 	Monitor logins trends
2	Investment and advice costs represent poor value for money or are excessive for the investor	Customer Firm	<ul style="list-style-type: none"> a) Monitor decency limits maximums b) Agree appropriate proposition up front c) Clear target market definition 	Adviser charges and platform charges decency limits
3	Investor becomes a victim of scams, financial crime or a cyber security breach	Customer Firm/Seccl	<ul style="list-style-type: none"> a) Ensure robust cyber security program b) Regular training and system monitoring c) Clear with investors about how we will communicate and engage 	Range of cyber security monitoring, MFA, reg pen testing
4	Investors becoming orphaned and having no adviser to support them	Customer Firm/Seccl	<ul style="list-style-type: none"> a) Investors moved to external D2C service b) Investors moved to separate D2C service c) Investors encouraged to alternative d) Investor accounts frozen 	Monitor non-advised investors.

Timeline will monitor these possible groups of consumers and work with each customer firm to develop strategies, mitigations, and actions to ensure these groups are fully considered, minimising negative impacts to the end investors.

11. How we can support Vulnerable Clients

We are developing a range of services and processes in place to support clients. Some of these are aimed at people with disabilities who may well not be vulnerable, but form part of our wider suite of support for clients who need us to do things a little differently. The services we do and will provide are summarised below:

11.1 Advisers Helpline

Tel: 0203 998 8300

11.2 Alternative formats

Whilst many clients who need reasonable adjustments will not be vulnerable, we recognise that for some clients a disability such as being blind means we need to communicate with that customer in a different way. This may include providing communications in large print, Braille or audio format.

11.3 Text phone and Minicom

As with alternative formats, these services are available to clients to help them communicate with us. These services act as a conduit to transmit a message between us and the client in an accessible way.

11.4 Web Accessibility

We will continue to develop the website – www.timeline.co by reference to the W3C Guidelines.

11.5 Debt Management

With reference to debt management, clients must be immediately referred to the [Step Change Debt Charity](#).

12. Clients at immediate risk of harm

We occasionally speak to clients who indicate they are suicidal. Advisers are trained, that if they believe there is an immediate risk that a client may harm themselves, they must take prompt action. There is a procedure in place to deal with this which may include passing the details of the client to the emergency services to enable them to assist.

13. Communication

Timeline provides communications to customers via an online message hub. Advisers receive email notifications when key communications have been issued.

Timeline undertakes consumer testing on its communications to ensure that these can be understood by customers with diverse levels of financial understanding and experience. Timeline acknowledges that its services present a risk of digital exclusion.

The relationship with customers and vulnerable customers is owned by Timeline's Adviser firms. However, Timeline will support its Adviser firms in providing a fair service and staff are empowered to make decisions and tailor approaches if standard procedures would inhibit the fair treatment of customers in specific situations.

14. Third Parties

Timeline undertakes initial and ongoing due diligence on third-party providers to ensure alignment in the treatment of vulnerable customers where applicable.

Additionally, Timeline may need to engage with third parties, such as attorneys and executors. Appropriate security and fraud controls must be in place, but Timeline will balance these requirements appropriately against the maintenance of operational efficiency and consideration of the customer-appointed third party.

15. Training and Awareness

We will ensure that all relevant staff receive training on how to identify and respond appropriately to a vulnerable customer. We will do this through a combination of:

- Training as part of our induction process
- Specific training for front-line staff
- Flagging real examples in debriefing and team meetings
- Communication and awareness materials

All reasonable endeavours will be made to ensure that suppliers abide by the standards set by this policy and the FCA Guidance.

Where third-party suppliers cannot agree to these standards, we will undertake a review of the third-party policies and operations to ensure that we are confident that the third party meets our standards in principle, even if they do not directly align but they will always have to meet our legal requirements. Where any of the above conditions are not met, this must be flagged within our risk register.

16. Record Keeping

Records will be retained to demonstrate how vulnerability is assessed and incorporated into the design and build of Timeline's products and services.

Should Timeline be aware of the specific needs of a vulnerable customer, records will be maintained so that the customer does not need to communicate their needs on multiple occasions. Record keeping obligations in this context only require details of customer needs. Details of the specific vulnerability driver are not necessary although this may be easily inferred from the stated needs.

The vulnerability driver may constitute sensitive data under the General Data Protection Act and therefore needs to be retained confidentially and securely, and only for as long as the information is required. Please refer to the Data Protection Policy for further information.

17. Reporting and Escalation

Any Timeline staff member who requires confirmation or approval of changes to procedure to accommodate the needs of a vulnerable customer should escalate this to the Head of Compliance.

If a Timeline staff member believes that Timeline is not treating customers appropriately, this can be escalated in accordance with the Whistleblowing policy.

Any breaches of this Policy should be reported to the Policy owner.

18. Supporting Policies and Procedures

The following policies and procedures are available, relevant and either explicitly reference, implicitly provide for or have related procedures with provisions relating to vulnerable clients:

- Complaints Policy and Procedure
- Data Protection Policy
- Privacy Policy

Appendix 1

Our obligations under the Mental Capacity Act 2005 (MCA 2005)

A number of statutory principles are established, including:

- A person must be assumed to have capacity unless it is established that they lack capacity.
- A person is not to be treated as unable to make a decision unless all [practicable] steps to help him or her to do so have been taken without success.
- A person is not to be treated as unable to make a decision merely because he or she makes an unwise decision.

Determining mental capacity under MCA 2005

A person lacks capacity in relation to a particular matter if at the [material] time he or she is unable to make a decision for himself or herself in relation to the matter because of an impairment of, or a disturbance in the functioning of, the mind or brain.

How can I know whether someone has 'mental capacity'?

There is a two-tier test for assessing this. Part 1:

- a) Does the person have an impairment of, or a disturbance in the functioning of, the mind or brain? – Have they told you this?
- b) Does the impairment or disturbance mean that the person is unable to make the specific decision at the time that it needs to be made?

Part 2 - Can the person:

- a) Understand the information relevant to the decision.
- b) Retain that information.
- c) Use or weigh up that information as part of the process of making the decision.
- d) Communicate his or her decision (whether by talking, using sign language or any other means).

If someone cannot undertake any one of these four aspects of the decision-making process, then he or she is unable to make an [informed decision].

CHECKLIST

Signs that an individual may be in a 'Vulnerable Circumstance'.

Is the individual:

1. Asking irrelevant and unrelated questions, or displaying signs of forgetfulness?
2. Unable to read and understand the information they are provided with, and asking for it to be continually repeated?
3. Responding in an irrational way to simple questions?
4. Saying 'yes' or 'no' at times that it is clear they haven't understood?
5. Taking a long time or displaying difficulty in responding to simple questions or requests for information?
6. Repeating simple questions such as 'who are you', 'and 'what do you want'?
7. Wandering off the subject at hand and making incongruous statements?
8. Saying that they are not well or not in the mood to continue?
9. Displaying signs of ill-health like breathlessness or making signs of exasperation or discontent?
10. Giving a statement such as 'I don't usually do things like this, my husband/wife/son/daughter takes care of it for me'?
11. Indicating in any way that they are feeling rushed, flustered, or experiencing a stressful situation?
12. Having trouble remembering relevant information, for example that they are already a regular donor to that charity or have recently donated?

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