Supporting Customers In Financial Difficulty Policy

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1. Policy Introduction

West Craven Insurance ('the Firm') is committed to meeting all its obligations in supporting customers in financial difficulties, acting in accordance with the guidance set down by its regulators.

This document sets out the Firm's policy on dealing with customers in financial difficulties and how this is assessed, managed & handled.

It aims to ensure that all employees are provided with a clear understanding of the guidance and the necessity of maintaining high standards of conduct, acting honestly, fairly and professionally at all times. This policy should be read in conjunction with 'Guide to supporting customers in financial difficulties.'

2. Policy Statement

This document outlines the firm's procedures for dealing with customers in financial difficulties and will ensure that all employees are provided with a clear understanding of the guidance document that accompanies this policy.

At the Firm we want to build a genuine culture that promotes good outcomes when dealing with customers in financial difficulties, and need to ensure that all staff can recognise issues and deal with them appropriately.

3. Policy Scope

The policy applies to all employees, agency temps and third-party suppliers involved in any role with customer contact.

Those involved in the management of colleagues must also be aware of and understand this policy and adhere to it. It is the responsibility of the Management Team to ensure that staff are provided with a copy of the Policy for review and that it is embedded into the culture of the Firm.

For the policy to be effective, it is essential that colleagues and those involved in the management of colleagues are aware of the policy and adhere to it.

4. Policy Purpose

The purpose of this policy is to provide a framework of understanding for identifying and dealing with customers who are showing financial distress is managed by the Firm.

The aim is to:

a) Reduce the impact of the financial difficulties experienced on the customer.

b) Enable the customer to maintain an appropriate level of insurance that the customer can afford, and

c) Reduce the risk of the customer losing appropriate insurance cover that is important to them.

The level of support needed may be different for customers who have characteristics of vulnerability.

<u>Recognising Customers in Financial Difficulties</u>

The list of recognising customers in Financial Difficulties below is not exhaustive but will give you some indicators and flags that you might come across when dealing with a customer.

- Missed or late payment.
- Changes to a customer's payment pattern.
- Evidence or conversations that reference financial distress.
- Customers looking to remove or reduce cover that they may still need.
- Alerted by an external finance provider of missed payments.
- Customers looking to cancel a policy mid term when they still need the cover.

<u>What you need to do</u>

- Work with customers to see what covers can be removed without compromising essential protection.
- Be sensitive, show empathy and understanding.
- Work with customers to identify affordable payment arrangements, such as instalment plans or flexible payment schedules.
- Speak to finance providers to see if they can provide any support with the interest charges.
- Consider if there is a policy that offers the same cover but can provide interest free instalments.

- Be transparent about any fees or interest charges associated with these arrangements, ensuring that they are fair and reasonable.
- Inform customers about potential sources of financial support they may be eligible for, such as government assistance programs, charitable organisations.
- Escalate within your own firm for additional support when dealing with a customer who has flagged financial distress.
- Always make concise but sensitive notes of any conversations.

Training & Awareness

The firm will ensure that all relevant staff receive training in recognising potential customers in financial difficulties, including what to do in this event and how to handle as well as escalate as required.

We will do this through a combination of:

- Initial training as part of our induction process
- Ongoing refresher training to maintain awareness and competence.

Record Keeping

Records are maintained and monitored by the Compliance team.

Policy Document Control

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V1 Reviewed	14.11.2024	Lisa Clarkson	No Changes