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Executive Briefing for BS ISO 22458

Consumer vulnerability – Requirements and guidelines
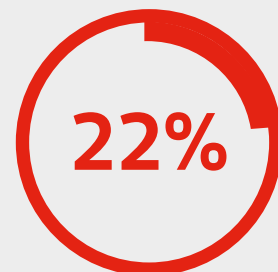for the design and delivery of inclusive service

Contents

Around 25% of the population in England experience a mental health problem each year, and **one in six** report experiencing a common mental health problem (such as anxiety or depression) in any given week

22%

having some form
of disability

18%

are aged 65 or over

22%

live in a low-income
household

Introduction

BS ISO 22458 recognizes that understanding the views and experiences of consumers in vulnerable situations is central to effective inclusive design. Understanding consumer vulnerability helps organizations to improve the quality of service provision and minimize the risk of consumers in vulnerable situations experiencing harm.

Vulnerability can affect anyone at any time. All consumers are different, with a wide range of needs, personal characteristics, health, abilities and skills. Consumer vulnerability can be permanent, temporary or intermittent, long term or short term. A consumer's needs and abilities can also change over time.

Before the pandemic, the Competition and Market Authority (CMA) published a report[1] into the challenges and potential solutions to consumer vulnerability that highlighted the extent of consumer vulnerability in the UK.

The Covid-19 pandemic created new vulnerabilities and created conditions that often exacerbated existing vulnerabilities. For example, the Financial Lives 2020 study[2], found that 53% of adults had one or more characteristics of vulnerability. This was due mostly by more people experiencing negative life events, particularly bereavement, health conditions, increased reliance on online transactions, redundancy or reduced working hours and having low financial resilience, demonstrating how external conditions can cause significant levels of vulnerability being experienced across a population.

By taking a proactive and inclusive approach to service design, organizations can mitigate against exacerbating consumer vulnerability and reduce the risk of harm. **BS ISO 22458** *Consumer vulnerability — Requirements and guidelines for the design and delivery of inclusive service provides requirements and guidance for organizations on how to provide an inclusive service* at all stages of service delivery, helping them to identify and support consumers in vulnerable situations. BS ISO 22458 recognizes that organizations need to develop a tailored approach to the development and implementation of an inclusive service, dependent on the size of the organization, nature of their business and level of existing provision.

Who is this standard for?

This document specifies requirements and guidelines for organizations on how to design and deliver fair, flexible and inclusive services that will increase positive outcomes for consumers in vulnerable situations and minimize the risk of consumer harm. It covers organizational culture and strategy, inclusive design and how to identify and respond to consumer vulnerability.

It is applicable to any organization that provides services, including service-related products, to consumers, regardless of location or size. Service providers can include private or public organizations, charities, government agencies and local authorities of any size.

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[1] *Consumer vulnerability: challenges and potential solutions.* Competition & Markets Authority (CMA). February 2019.

[2] *Financial Lives 2020 survey: the impact of coronavirus.* Financial Conduct Authority. February 2021.

Benefits of using BS ISO 22458

BS ISO 22458 specifies requirements and gives guidance for organizations on how to provide an inclusive service at all stages of service delivery, helping them to identify and support consumers in vulnerable situations

It is recognized that organizations will need to develop a tailored approach to the development and implementation of an inclusive service, dependent on the nature of their business and level of existing provision.

Organizations that adopt an inclusive service approach will be able to realize many potential benefits

Increased customer base

Organizations can utilize the inclusive service design principles and methodologies to grow their customer base, by making services more accessible and extending availability to a greater number of individuals.

Improved service provision for all customers

Organizations that use BS ISO 22458 will identify new opportunities to initiate improvements to services. These improvements will often improve service provision for all customers irrespective of their vulnerability status.

Improvement in the quality of customer interactions

Organizations will be making improvements in response to consumer vulnerability across many service touchpoints. The increase in quality of handling customer interactions through the customer journey reduces costs whilst also minimizing the risk of harm. For example, an organization might find that inclusive service design allows them to refine sales and marketing approaches to avoid targeting consumers with inappropriate offers.

Reduced likelihood of problems and complaints

Organizations that deliver inclusive services are more likely to operate effectively, and a better understanding of consumer needs and experiences will allow the frontline to get things right more often. This reduces the likelihood of problems being caused and the resulting complaints, leading to a reduced cost of complaints handling.

Improved customer satisfaction

The outcomes of inclusive service design, and the utilization of BS ISO 22458, can improve customer satisfaction but also build customer trust. Dealing fairly and compassionately with those customers in vulnerable situations helps to increase trust in organizations – potentially leading to a more loyal customer base, enhanced brand image, higher volumes of referrals and an improved bottom line.

Demonstrate ethical behaviour and social responsibility

Organizations that address the needs of those consumers who experience vulnerability will not only be acting more fairly but also demonstrating ethical behaviour. BS ISO 22458 helps organizations to gain a better understanding of consumer vulnerability but also requires organizations to engage with stakeholder groups which also help demonstrate social responsibility.

Improved employee engagement

Staff trying to tackle situations when unsupported and unprepared to support those consumers experiencing vulnerability are more likely to feel disempowered and undervalued. Organizations can use BS ISO 22458 to strengthen staff loyalty and engagement by ensuring that they feel valued, supported and confident in handling difficult situations reducing absence and attrition.

Improved compliance

BS ISO 22458 provides regulated organizations with a standard that follows good practice in the fair treatment of consumers in vulnerable situations and provides a structured approach to implementing inclusive design that delivers the outcomes that can help to achieve compliance with legal obligations related to fairness and equality

Background

British Standards Institution published **BS 18477:2010** *Inclusive service provision — Requirements for identifying and responding to consumer vulnerability* in November 2010. This pioneering standard forms the basis of BS ISO 22458 and was designed to support institutions in the 'adoption of fair, ethical and inclusive practices'. It was developed by consumer organizations, charities and government bodies to encourage the use of fair, ethical and inclusive practices and improve accessibility to services for all.

The standard was designed to be used by any service provider – utilities, public services, banks, insurers or transport providers. The standard was mostly taken up amongst those organizations providing essential services such as water suppliers and energy firms. For example, the energy markets regulator, OFGEM, referenced the standard when setting out obligations for suppliers to comply with under the terms of their licence to operate.

Government and organizational awareness, the concept and definition of consumer vulnerability and the benefits of adopting an inclusive service approach had all evolved since BS 18477 was first launched. In particular, the definition had become broader to better understand situational vulnerabilities, such as income shock, homelessness and caring responsibilities. It also became increasingly apparent that consumer vulnerability is a global issue and many countries recognized the need for governments and regulators to promote accessible, inclusive services which did not cause harm to the most vulnerable in the societies they serve.

A need for more practical guidance on how to implement inclusive design together with a desire for greater collaboration with business led to a proposal for the development of a new standard. Internationally, ISO recognized that organizations globally would benefit from a recognized standard to help in the design and implementation of inclusive services and has published BS ISO 22548 Consumer vulnerability — Requirements and guidelines for the design and delivery of inclusive.

Assessing consumer vulnerability

It is important that service providers understand the risk factors for vulnerability and how these can impact consumers. However, vulnerability is complex and may not always be obvious. Many people do not think of themselves as vulnerable. They might be unwilling to share personal information or might not think it is relevant.

Identifying vulnerability

BS ISO 22458 helps organizations to better identify consumers who may be vulnerable by providing clear guidance on understanding the risk factors – and how these can impact consumers.

Suggested risk factors for vulnerability that are used as examples in the standard include:

- **Personal characteristics** – personality, age, gender, culture and geographical location

- **Health and abilities** – physical health/impairment, sensory impairment, cognitive impairment, mental health, development condition and addiction

- **Access and skills** – language, literacy, numeracy, digital access and technical skills

- **Life events** – income shock, homelessness, abuse, fraud, bereavement, relationship breakdown, caring responsibilities, parenting and change of living situation

- **External conditions** – economic, health and environment, market conditions and organizational behaviour

The risk associated with these vulnerabilities may potentially affect a consumer's ability to interact with the organization and leave them susceptible to harm. BS ISO 22458 requires that organizations support frontline staff so that they may better understand the risk factors and recognize the signs of vulnerability.

A consumer might be subject to one or more risk factors but may not necessarily be vulnerable. However, the presence of one or more of these factors, combined with organizational poor practice, can contribute to consumer vulnerability and lead to harm. Therefore, consumers in vulnerable situations are at a greater risk of experiencing negative outcomes when interacting with organizations, if appropriate support is not given. For example, financial loss, being unable to access services, receiving services unsuitable for needs, stress, inconvenience, exploitation or other harm.

Many consumers that fall within these groups may not want to consider or describe themselves as vulnerable. Therefore, the standard also requires organizations to train frontline staff to encourage individuals to disclose information about the challenges they face in their dealings with the organization.

Understanding vulnerability

Whether an organization considers a consumer to be vulnerable or not will also depend on the interaction or transaction. Consumers in vulnerable situations can find it difficult to:

- access, understand or retain information that organizations provide

- access or choose services suitable to their needs

- switch providers, plans or tariffs

- make decisions in their best interests

- understand their rights and responsibilities

- access formalized complaint processes

- pursue complaints and obtain appropriate redress

- pay a fair amount for services without penalty

Consumer vulnerability can be increased or reduced depending on how well products and services are designed and delivered. For example, someone with poor health and limited mobility may be able to manage their money on a day-to-day basis if they have an accessible local bank with well-trained staff but may become vulnerable to exclusion and fraud if that branch closes and alternatives are not accessible.

Organizations that understand consumer vulnerability and provide an inclusive and flexible approach, are better able to meet a diverse range of consumer needs, making it easier for consumers to access services and information, make good decisions and achieve positive outcomes.

Inclusive design

BS ISO 22458 recognizes that anyone can be vulnerable at any time. Therefore, inclusive design is vital to help organizations plan for vulnerability and to ensure that services, service-related products, processes and procedures reduce barriers and problems, rather than create them.

An inclusive approach to service design can help organizations to mitigate against exacerbating consumer vulnerability and reduce the risk of harm occurring. However, it is also important to recognize that an organization's systems, policies and processes can reduce or exacerbate consumer vulnerability. It can also be fair and reasonable, in some cases, for an inclusive service provider to limit access for individuals outside of the organization's target audience, where the main objective is to protect consumers and prevent harm. For example, preventing children from accessing online gambling sites.

Organizations will need to consider how services are not only accessible to as many consumers as possible but also usable by those consumers. Organizations should also look at ways to include consumers in service design and conduct the necessary research to understand the needs and experiences of specific groups of consumers. BS ISO 22458 provides organizations with the guidance they will need to gain an understanding of the demographic of their customer base to ensure appropriate representation within the research.

For example, data mapping can highlight demographics and social indicators that might be useful in planning inclusive service provision, such as population numbers, age profiles, languages spoken, number of people with internet access or mobile phones, or living in urban or rural communities. This will then help an organization to identify those who might be at risk due to external factors, such as power cuts or flooding.

The standard requires organizations to proactively collect insight into consumer needs and experiences to improve the understanding of the nature and scale of vulnerability characteristics that may be present in their current and potential customer bases. In addition, the collected insight should help the organization to understand the impact of vulnerability and how this can affect consumer experience, needs and outcomes.

Organizations need to take a proactive approach that anticipates the needs of vulnerable consumers and prevents issues from occurring in the first place. Organizations that consider vulnerability at all stages of the service design process will be better able to meet the needs of all consumers.

Inclusive design of services will also require organizations to take steps to protect consumers in vulnerable situations by providing tools that allow individuals to control their own access to services that have the potential to cause harm. For example, those providing gambling services will want to allow consumers to pause access to the service, whilst lenders will want to impose limits on the number of short-term loans that can be taken out within a specified time. Other tools include, for example, daily spend limits, the ability to block certain websites or prevent payments to specific organizations.

As part of the design of an inclusive service, BS ISO 22458 also guides organizations on the steps needed to make sure that organizational behaviours do not unfairly penalize consumers in vulnerable situations. For example, imposing financial penalties that particularly impact those who are vulnerable, imposing higher costs of service or restricting those consumers ability to switch.

BS ISO 22458 guides organizations on considering inclusive design throughout the customer journey including at all touchpoints where a consumer interacts with the organization. These might include multiple contact channels, consumer information (documentation, online content, etc.), sales and contracts, payments and billing, service termination and cancellation, complaints and disputes and the service environment, such as online, instore and field service.

This approach to inclusive design helps organizations to minimize the risk of the organization's own actions, or omissions, creating or exacerbating harm to consumers in vulnerable situations. The standard also highlights the importance of listening to feedback to help organizations to assess the potential positive and negative impacts of a service on consumers in vulnerable situations by understanding how vulnerability affects individuals.

The nine principles

BS ISO 22458 defines the nine overarching principles for organizations to follow at all stages of service design and delivery. The success will be dependent on the leadership and top-level commitment of the organization's senior management.

Top-level management in an organization should seek to develop and maintain a culture that enables and supports staff to take responsibility for reducing the potential for harm to vulnerable customers. The principles will help organizations to build a culture that encourages the fair treatment of vulnerable consumers, not just on the frontline but also within areas such as sales, billing and product design.

Top-level management will be responsible for making sure that the fair treatment of vulnerable customers is considered throughout the whole customer journey – and gathers feedback and learning from the frontline.

The nine principles are:

1 accountability	4 fairness	7 innovation
2 empathy	5 flexibility	8 privacy
3 empowerment	6 inclusivity	9 transparency

The organization's top management shall ensure that these principles are clearly communicated to staff at all levels within the organization to ensure that consumers in vulnerable situations are identified and supported.

Implementing BS ISO 22458

The development and implementation of a programme to deliver fair and inclusive services for consumers in vulnerable situations is an ongoing process that requires a flexible and holistic approach. BS ISO 22458 provides a comprehensive and systematic approach to implementation that allows each organization to develop a tailored and phased approach recognizing that available resources, staffing implications, existing levels of provision and nature of services will differ between organizations.

The standard can either be used to implement a programme to support consumers in vulnerable situations that builds on existing organizational initiatives (e.g. customer experience or diversity and inclusion) or be implemented as a standalone programme.

It is recommended that businesses follow these steps when implementing BS ISO 22458:

1 Commitment to change
– Seek commitment from top management to implement the standard and provide required resources
– If necessary make a social/business case for change
– Raise awareness amongst top management and key personnel of the organizational benefits of inclusive servce

2 Conduct gap analysis
– Review existing policies, procedures, systems and delivery service against the requirements and recommendations of this document
– Identify gaps and areas of improvement

3 Create action plan
– Identify key areas of improvement
– For each area, lits what needs to be done to reach compiance with this document, how that will be achieved and who will be resonsible
– Create a realistic schedule for completion

4 Implement changes
– Roll out necessary staff training
– Engage with relevant stakeholders including consumers
– Carry out necessary changes or improvements to policies, procedures, systems and services
– Ensure data collection, monitoring and feedback systems are in place

5 Monitor, evaluate, improve
– Regularly review service data/metrics and feedback (staff and consumers)
– Ensure that appropriate actions are taken in response to feedback
– Evaluate what does and doesn't work
– Embed approach of continual improvement
– Recommence to process for future improvements

Responding to consumer vulnerability

Consumers in vulnerable situations need to be treated fairly but also require support that is flexible and meets their needs.

Staff need to be empowered to make decisions and take action without being overly restricted by inflexible and unnecessary processes and procedures. Organizations will need to train staff on the processes they need to follow – including what questions to ask, correctly recording the responses and what actions to take.

A caring and compassionate approach is important, as is consistency. Regulators will often look for consistency as a sign of how well an organization meets its obligations. BS ISO 22458 requires organizations to provide frontline staff with the necessary resources and support to enable them to:

- think creatively and innovatively about potential response options

- be flexible in their response and tailor options to meet individual needs

- improve outcomes and minimize harm for the individual, now and in the future

- improve outcomes and minimize harm for others using the service

Organizations will need to develop guidance for frontline staff on how to better understand the difficulties being faced by consumers and the potential consequences, effects and harm that could occur as a result of vulnerability, so that they can respond appropriately to mitigate risks and meet needs. BS ISO 22458 provides the tools organizations will require to develop clear, usable guidance that will allow frontline staff to better understand individual needs.

This also includes suggested questions that can be used by frontline staff to better understand the difficulties faced by the individual, and the support needed, such as:

'So, when did this first start to happen?'

'Do you have any difficulties in accessing the service?'

'How does your situation make it difficult to afford our services/pay bills and meet living costs?'

'How can we make that easier for you?'

BS ISO 22458 is an outcomes-based standard. Organizations will need to evidence that consumers in vulnerable situations receive fair and flexible treatment and are supported through difficulties. The standard requires organizations to be outcomes focused in order to achieve such positive outcomes for consumers in vulnerable situations as well as such those outcomes that minimize the risk to consumers and prevent harm.

BS ISO 22458 recognizes that organizations will need to ensure that:

- consumers in vulnerable situations can be confident that they will receive fair treatment from the organization and experience outcomes as good as those for other consumers

- services are designed inclusively to meet the requirements of consumers with a wide range of needs and abilities and do not create or increase the risk of harm

- consumers can obtain from the organization the information and support they need to understand and make informed decisions

- the information, advice or support provided is suitable for a consumer's needs and takes account of their personal circumstances related to vulnerability

- consumers do not face unreasonable barriers to accessing services, communicating with the organization, switching products or price plans, submitting complaints and obtaining satisfactory redress

- services do not unfairly disadvantage or penalize those in vulnerable situations, making their life more difficult. For example, consumers should not be penalized by being required to pay higher prices or incur financial penalties due to the vulnerability of their situation. Also, organizations should take action to ensure consumers in vulnerable situations do not encounter limitations on their ability to switch products, tariffs or plans

Organizations that can reliably identify vulnerable consumers, can then treat them appropriately. This may mean:

- offering a customer with low financial resilience and more affordable payment plan

- proposing a payment holiday to a customer experiencing a new life event

- communicating with a hearing or visually impaired customer in the way that's best for them

Monitoring

The definition of consumer vulnerability continues to evolve, and organizations will need to continually review service provision to make sure that positive outcomes continue to be delivered for consumers in vulnerable situations. The approach to consumer vulnerability should also continuously improve with ongoing reviews of practices, processes and procedures to improve outcomes for consumers in vulnerable situations.

The wider context

The Equality Act 2010 imposed several duties on organizations which are designed to prevent customers from being the subject of unlawful discrimination on the grounds of certain protected characteristics.

In the following years, UK regulatory bodies have also commissioned research, published guidance and developed strategies to increase awareness of vulnerability and help organizations to deliver inclusive services that treat all consumers fairly.

February 2016: The Water Services Regulation Authority, OFWAT, publishes a report following a big increase in support for water customers who were potentially in circumstances that made them vulnerable. OFWAT creates a practitioners' pack to assist companies.

February 2019: CMA publishes its 'Consumer vulnerability: challenges and potential solutions' research paper which considers definitions of consumer vulnerability and provides advice to government and regulators upon the challenges faced by different types of vulnerable consumers, and what could be done to help overcome those challenges.

September 2019: OFCOM, the communications regulator, publishes 'Treating vulnerable customers fairly: a guide for phone, broadband and pay-TV providers' guidance which set out measures that regulated providers could adopt to help make sure they treat vulnerable people fairly and give them the help, support and services they need.

October 2019: OFGEM publishes its Consumer Vulnerability Strategy 2025. This 5-year plan sets out how the regulator will focus on vulnerable consumer protection activities.

February 2021: FCA publishes regulatory guidance, 'FG21/1 guidance for firms on the fair treatment of vulnerable customers' which highlights the actions regulated firms should take to understand the needs of vulnerable customers to make sure they are treated fairly.

Conclusion

BS ISO 22458 has been developed to help organizations to deliver inclusive services that are designed to help organizations better engage with consumers and understand the challenges experienced by consumers with a range of vulnerability characteristics – such as being on a low income, having a physical disability or mental health problem, or being elderly as well as facing external conditions such as the pandemic.

The standard encourages organizations to utilize the nine principles to guide the design and implementation of inclusive services. BS ISO 22458 provides a comprehensive toolkit for organizations wanting to deliver inclusive services including practical examples as well as strategies to follow to reduce the risk of causing harm to those consumers in vulnerable situations. The guidance on monitoring and evaluating the outcomes further aids organizations in understanding the wider benefits that can be derived from implementation of the standard.

Inclusive design that is built on an understanding of consumers and the impacts of vulnerability could lead to new and innovative products and services. This should then boost an organization's revenue and profits.

Recommended reading

Getting support to those who need it. How to improve consumer support in essential services. – Citizens Advice

Consumer vulnerability: challenges and potential solutions. – CMA (2019)

Final report. – The Commission for Customers in Vulnerable Circumstances (2019)

Consumer vulnerability. A guide to identifying consumers who may be vulnerable.
– Chartered Trading Standards Institute (2021)

Suggested next steps

Staff within compliance, customer and corporate social responsibility departments should review any existing policies, procedures and guidance produced to support their organization's approach to supporting vulnerable consumers. These should be updated to reflect the changing context and definitions of consumer vulnerability.

Top-level management in organizations should review roles and responsibilities and ensure that inclusive service design is appropriately owned and resourced.

About the author

Michael Hill is Product Strategy Director for Civica's Case Management division and has worked on projects, around the world, helping organizations to gain when customers complain. His experience covers a wide range of sectors including insurance, travel, transport, leisure, manufacturing, automotive, consumer lending, mortgages, property management, healthcare and government. He has written books and many articles on how business benefits can be delivered through the effective handling and analysis of complaints. He is a co-founder of the UK Complaint Handling Awards which also incorporates categories related to organizational best practices in addressing consumer vulnerability. His other roles include being a committee member for the British Standards Institution's Customer Service Committee (SVS/0) as well as being a participating committee member in the development of international standards (ISO) including acting as a chair of the committee that drafted BS ISO 22458.
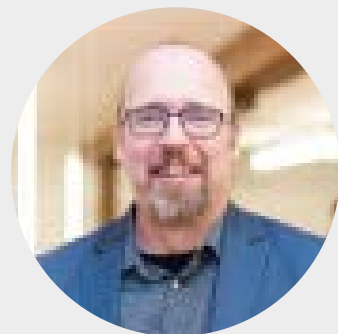
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