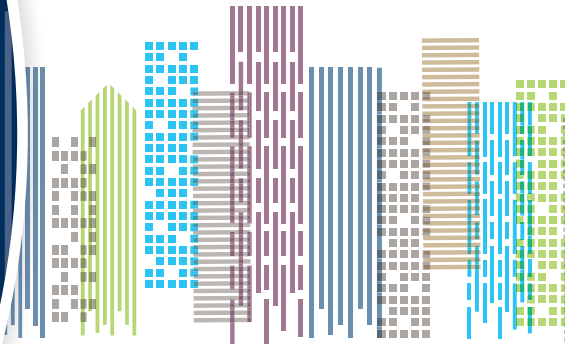


Chartered Banker

Professional Standards Board

Independent Monitoring Panel

Annual Report 2017



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Independent Monitoring Panel

Annual Report 2017

Chair's Welcome and Executive Summary

Dr Ian Peters MBE

*Independent Monitoring Panel Chair and
Chief Executive, Chartered Institute of Internal Auditors*



The Chartered Banker Professional Standards Board (CB:PSB) is a unique collaboration between UK banks and their professional body, the Chartered Banker Institute. Founded in 2011, the CB:PSB sets, implements and sustains professional standards in UK banking. The CB:PSB has broken new ground since its establishment – not only developing professional standards for the first time, but raising the professional agenda and contributing towards the rebuilding of trust and confidence in the banking profession.

The CB:PSB recognises the importance of professional standards being effectively implemented and monitored if it is going to achieve its aims of rebuilding trust, confidence and pride in banking. Indeed, Chartered Banker Institute research confirms that 66% of UK adults believe the banking industry should have professional standards that are independently verified¹. Until recently, the CB:PSB itself – its member banks and the Chartered Banker Institute – fulfilled that monitoring role. In 2015, I was asked to chair a Monitoring Working Group to examine how the independence of the CB:PSB monitoring process could be enhanced. One of its recommendations was the creation of an Independent Monitoring Panel (the Panel) which was convened in 2016. This is the first Annual Report of the Panel.

This Report sets out the Panel's view on the effectiveness of professional standards implementation and monitoring and the extent to which the CB:PSB's aims are being met. We provide a view not only on banks' commitment, resourcing and level of importance afforded to the CB:PSB but on the Chartered Banker Institute's Professional Standards Team which works closely with banks to implement and monitor professional standards. The Report focuses on the Foundation Standard for Professional Bankers (*see Appendix A*) and primarily covers the CB:PSB's monitoring between Quarter 2 of 2016 and Quarter 1 of 2017.

In the course of our work, and commentary within this Report, we have made a number of recommendations to the CB:PSB, which are:

- **appropriate resource should be committed to support the growth of the CB:PSB, to bring more banks on board and increase the reach of the CB:PSB's work.**
- **the Board should increase the Foundation Standard 'in scope' population to include all staff.**
- **the Board should set appropriate targets for the Intermediate and Leadership Standards to create collective goals to work towards.**
- **the Board and banks should consider creative ways to engage customers.**
- **the Chartered Banker Institute should seek to raise awareness of the Chartered Banker brand.**
- **banks' Boards should be made aware of the numbers of individuals within their banks who achieve professional standards annually.**
- **there should be a renewed or enhanced focus, within member banks and across the industry, on this important work.**

The Panel believes these recommendations will ensure a continued focus on monitoring and assurance at the CB:PSB Board and cement the Panel's role as a 'critical friend' to the initiative. Ultimately, however, we hope to provide reassurance to banks' customers and other stakeholders that they can indeed have confidence in this industry. On behalf of the Panel, I am delighted to present this first Independent Monitoring Panel Annual Report.



CB:PSB Chairman

Lady Susan Rice CBE

It's been a privilege to Chair the CB:PSB since its inception. Established before banking culture and conduct became key issues for policymakers and regulators, the CB:PSB set out to develop and embed professional standards for individual bankers. The CB:PSB is the initiator and custodian of a suite of professional standards setting out the conduct and expertise required of bankers. Those professional standards define what it means to be a professional banker and have supported hundreds of thousands of bankers in the UK and globally to demonstrate their professionalism on an annual basis.

The CB:PSB's aim is to help build, over time, greater public confidence and trust in individuals, institutions, and the banking industry overall and enhance pride in the banking profession. We are focused, therefore, on supporting and strengthening the elements of banking which we know resonate strongly with customers: a common Code of Conduct, a set of professional standards and independent verification that standards are being met.

Having established the Chartered Banker Code of Professional Conduct and developed our first professional standards, the Board was keen to consider the rigour of its monitoring and verification process. Developed and administered by the Chartered Banker Institute and member banks, the process had depth and probity but lacked independence.

I'm grateful to Dr Ian Peters in particular for establishing the Independent Monitoring Panel and for bringing together an exemplary set of individuals to support its work. The Panel has fulfilled its remit to enhance the independence of CB:PSB monitoring, and I'm genuinely heartened to hear of their support and belief in the work of the CB:PSB. In this first Independent Monitoring Panel Report, the Panel champion the work of the CB:PSB and encourage other banks and building societies to join this important initiative. This Report not only helps the CB:PSB to achieve its aim of rebuilding customer confidence and trust but gives added emphasis to our endeavour.



We are focused on supporting and strengthening the elements of banking which we know resonate strongly with customers.

A handwritten signature in black ink that reads "Susan Rice". The signature is fluid and cursive, with a long horizontal stroke at the end of the name.

Susan Rice

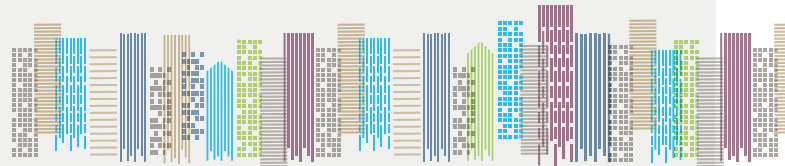
Independent Monitoring Panel

The Independent Monitoring Panel was established in 2016 following the recommendations of a Monitoring Working Group² that the CB:PSB convened in 2015. We are an independent body monitoring the effectiveness of CB:PSB professional standards implementation by member banks, the standards monitoring process, and the extent to which CB:PSB aims are being delivered³. The CB:PSB aims to:

- 1 develop a series of professional standards to support the ethical awareness, customer focus and competence of those working in the banking industry;
- 2 facilitate industry and public awareness and recognition of standards in banking;
- 3 establish mechanisms for the implementation, monitoring and enforcement of the standards; and
- 4 help build, over time, greater public confidence and trust in individuals, institutions and the banking industry overall, and enhance pride in the banking profession.

Our intent is to provide an independent overview of the extent to which the CB:PSB's aims are being delivered, and to support the CB:PSB in its delivery of those aims. We act as a critical friend to the CB:PSB Board and hope that our scrutiny and conclusions will contribute to the rebuilding of trust and confidence – particularly among customers and the wider stakeholder community – in the banking profession.

Panel members are drawn from a variety of sectors and backgrounds with each member appointed for their particular focus and expertise in monitoring. Panel members are noted in *Appendix B*.



CB:PSB Monitoring

CB:PSB monitoring is a dual responsibility between member banks and the Professional Standards Team (PST). Banks undertake internal monitoring, measuring for example, the number of individuals achieving professional standards, how effectively standards are being implemented and how successfully banks are contributing to the CB:PSB's aims. The PST oversee this activity – both supporting implementation and providing external monitoring. Within the PST there are designated team members who support implementation and monitoring, providing a separation of duties which we see as an important element of the PST's role and function.

CB:PSB monitoring is arranged in calendar quarters, with banks and the PST focusing on one area per quarter. Depending on progress, the PST grade banks at three levels: Grow, Develop or Excel⁴ and, jointly, banks and the PST determine areas requiring focus (Action Plans) or areas that need to be categorised as Risks.

As part of the 2015 Monitoring Working Group recommendations, banks can achieve Earned Autonomy, which recognises and rewards banks that have consistently scored Excel. Details of the monitoring process are summarised in *Appendix C* and can be viewed, in full, at www.cbpsb.org

Overall, we are pleased with the extent, objectivity and depth of the CB:PSB's monitoring process. As noted, we provide an additional and independent layer of oversight and scrutiny. We meet on a quarterly basis and review the status of CB:PSB monitoring through dashboard reporting provided by the PST – the dashboard covers all CB:PSB aims and includes specific details on each bank's gradings, Earned Autonomy status, Action Plans and Risks.

We receive this information each quarter based on banks' individual progress as well as a consolidated view following the CB:PSB's year-end.

Externally, we comment on the CB:PSB as a whole but through our detailed work, we review the progress of each member bank. At our meetings, we review grades awarded to banks, seek to understand the factors which led to gradings and gain greater insight from the PST. Our approach is challenging but we have found a great degree of openness and willingness to share both good practice and lessons learned. We welcome this and hope to continue to build on this positive relationship.

² Monitoring Working Group (MWG) Report presented to the CB:PSB Board in December 2015. To find out more visit www.cbpsb.org

³ Visit www.cbpsb.org – to view the Panel's Terms of Reference.

⁴ Utilising a LEAN grading matrix.

Scale & Scope

CB:PSB Membership

In numeric terms, CB:PSB membership has remained largely static since its inception in 2011 with nine banks, to its current ten members in 2017. Aside from one merger reducing the number of banks, there has, however, been some notable movement.

The CB:PSB has recently welcomed a number of new banks – United Trust Bank in 2015, Sainsbury's Bank in 2016 and Shawbrook Bank in 2017. One of the large banks, Lloyds Banking Group, decided to withdraw from the initiative in 2016. At the time, Lloyds noted that it wished to focus its efforts on professional qualifications rather than professional standards. The Panel observes that a focus on professionalism is encouraging but also

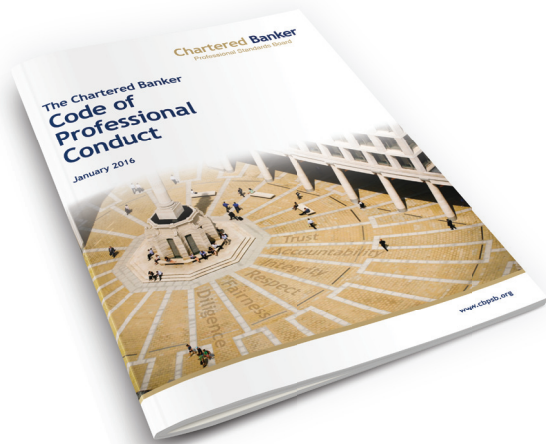
notes that the CB:PSB's agenda has evolved and that the link between standards, qualifications and membership, through professional pathways, is a key area of focus and activity. With this evolution, the Panel hope that Lloyds may reconsider their decision, not least because a common focus on raising standards is key to rebuilding public confidence in the banking sector.

The Prudential Regulation Authority lists over 150 organisations⁵ in the UK which they class as banks and building societies.

We recommend that appropriate resource is committed to support the growth of CB:PSB membership, to bring more organisations on board and increase the reach of the CB:PSB's work. Not only does a common focus support rebuilding public confidence and trust, but there are benefits to the industry – of higher standards and greater professionalism – as embedding professional standards becomes the norm.

A Common Code

The CB:PSB's professional standards are underpinned by the Chartered Banker Code of Professional Conduct (the Code) which all member banks subscribe to. This means that all employees within CB:PSB banks are covered by a common Code. In practical terms, banks have subscribed to the Code either by adopting it in full as their organisational Code or by ensuring that the elements of the Code are expressed in their own codes.



The Code sets out the values, attitudes and behaviour expected of all professional bankers. The Code is consistent with the terminology in the FCA/PRA Individual Conduct Rules. It exceeds regulatory requirements by setting out how individuals should follow best practice and demonstrate their personal commitment to professionalism in banking, by:

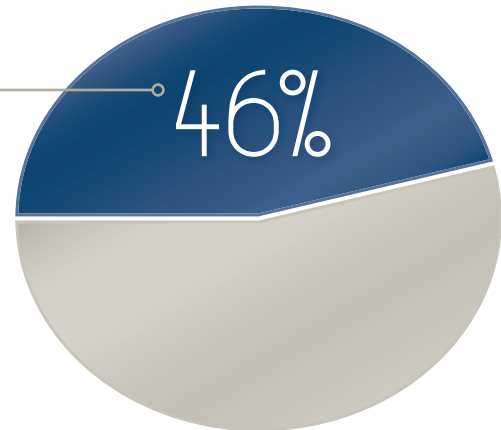
- 1 treating all customers, colleagues and counterparties with respect and acting with **integrity**;
- 2 developing and maintaining their professional knowledge and acting with **due skill, care and diligence**; considering the risks and implications of their actions and advice, and holding themselves accountable for them and their impact;
- 3 being **open and cooperative** with the **regulators**; complying with all current regulatory and legal requirements;
- 4 paying **due regard to the interests of customers and treating them fairly**;
- 5 **observing and demonstrating proper standards of market conduct** at all times;
- 6 acting in an honest and trustworthy manner, being alert to and managing potential conflicts of interest; and
- 7 treating information with appropriate confidentiality and sensitivity.

The FCA/PRA Individual Conduct Rules (published in July 2015) wording is shown in **bold**.

Scale & Scope

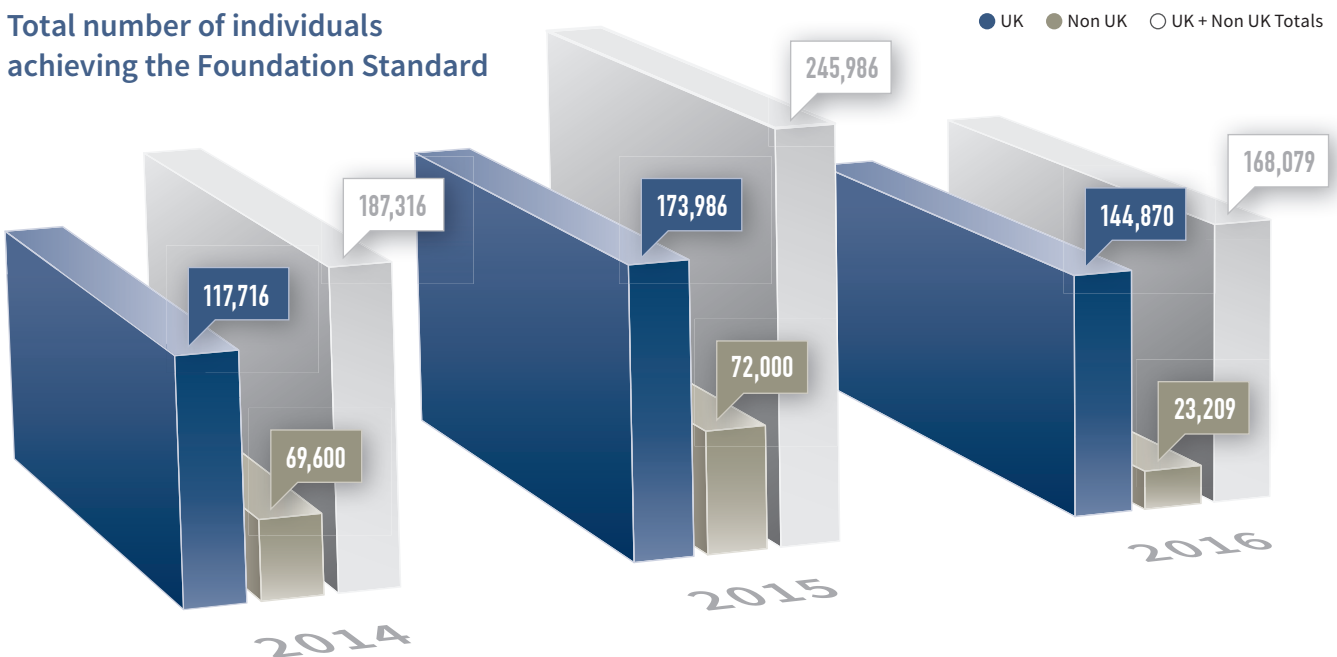
UK banking industry individuals* covered by a common code, the Chartered Banker Code of Professional Conduct

Building on the common Code, the CB:PSB sets and implements detailed professional standards which outline the professional conduct and expertise required of bankers at Foundation, Intermediate and Leadership⁶ levels. To date, banks have focused efforts on the Foundation Standard and report significant achievement figures.



*per BBA 'UK regions lead growth in banking jobs' 23rd February 2017

Total number of individuals achieving the Foundation Standard



In scrutinising these numbers, we focused on the UK. This is because the CB:PSB is primarily a UK-focused initiative and we believe the UK figures will be of most interest to the audience of this Report.

We understand there are a number of factors which led to the drop in UK achievement numbers between 2015 and 2016. Principal amongst them is the withdrawal of Lloyds Banking Group, which removed circa 37,000 individuals from the CB:PSB. Additionally, a number of banks have undergone significant restructuring – a trend which is set to continue and may also be impacted upon by the introduction of ring-fencing⁷.

On a more positive note, the numbers achieving the Foundation Standard in some banks have remained static and in others, numbers have increased.

This results from the number of employees 'in scope' – the individuals available to achieve professional standards – which is determined by the CB:PSB and individual banks, as we describe in more detail in the following pages.

⁶ Visit www.cbpsb.org to find out more on the CB:PSB's Professional Standards.

⁷ Ring-fencing legislation requires each large UK bank to separate its retail banking activity from the rest of its business: www.fca.org.uk/consumers/ring-fencing

Scale & Scope

'In scope' Population

The CB:PSB has agreed, as a minimum, that all customer-facing colleagues should work towards achieving the Foundation Standard. We agree this should be the minimum target. Some banks have gone further than this and include their entire workforce – encompassing all staff from front line customer support to the executive team and CEO. We applaud the banks who have embraced the Foundation Standard in this way and suggest that it is right that all staff, regardless of seniority or function, are included.

Building on this positive development by some banks, **we recommend that the Board increases the 'in scope' population for the Foundation Standard to include all staff.** This not only ensures consistency of approach but will build on best practice already established within the CB:PSB.

As well as looking at the overall numbers achieving the Foundation Standard, we also reviewed the numbers of individuals who did not achieve the Standard. In 2016, 95% of individuals who were working towards the Foundation Standard were successful (an increase from 93% in 2015). This means

that the vast majority of bankers who are 'in scope' are able to demonstrate the conduct and expertise required by the Standard. We are satisfied, via reporting and assurance from the PST, that those individuals who did not achieve the Foundation Standard are receiving the support and training required to help them achieve the Standard going forward.



I am pleased to see that banks are embracing the Standards and particularly commend those who are rolling them out to all staff, not just front line customer service staff.

Karen McArthur



Maintaining & Growing Scope

We recognise and are comfortable that the 'in scope' population of the CB:PSB may reduce in line with industry downsizing and restructuring, but we would be concerned if the scope is reduced for other reasons. Ring-fencing offers an interesting challenge to the way banks operate – the functions of banks serving retail, business and private customers will, from 2019, be separated from investment and high risk operations. We are aware that, for the banks which will be impacted by ring-fencing, the current 'in scope' population of the Foundation Standard straddles the ring-fence – this means that investment bankers as well as commercial and retail bankers are meeting the Foundation Standard at present.

We would be concerned if individuals currently 'in scope' were moved out of scope due to ring-fencing. It would neither be the desired impact of this regulation nor, we would argue, be in the best interests of customers.

We believe the CB:PSB is an important initiative in changing practice and culture in banking. Some of the most significant banks are delivering this initiative and we welcome and applaud

their efforts. However, 54% of the industry remain outside the CB:PSB and we believe this is unfortunate for UK banking.



We urge those outside to join the CB:PSB. We ask those organisations to think about the value to their bank, the value to their customers and the value to the profession, as a whole, of joining the CB:PSB.



We strongly believe that the CB:PSB's work and model is sound and effective and a clear way to restore customer trust and confidence.

Scale & Scope

95%

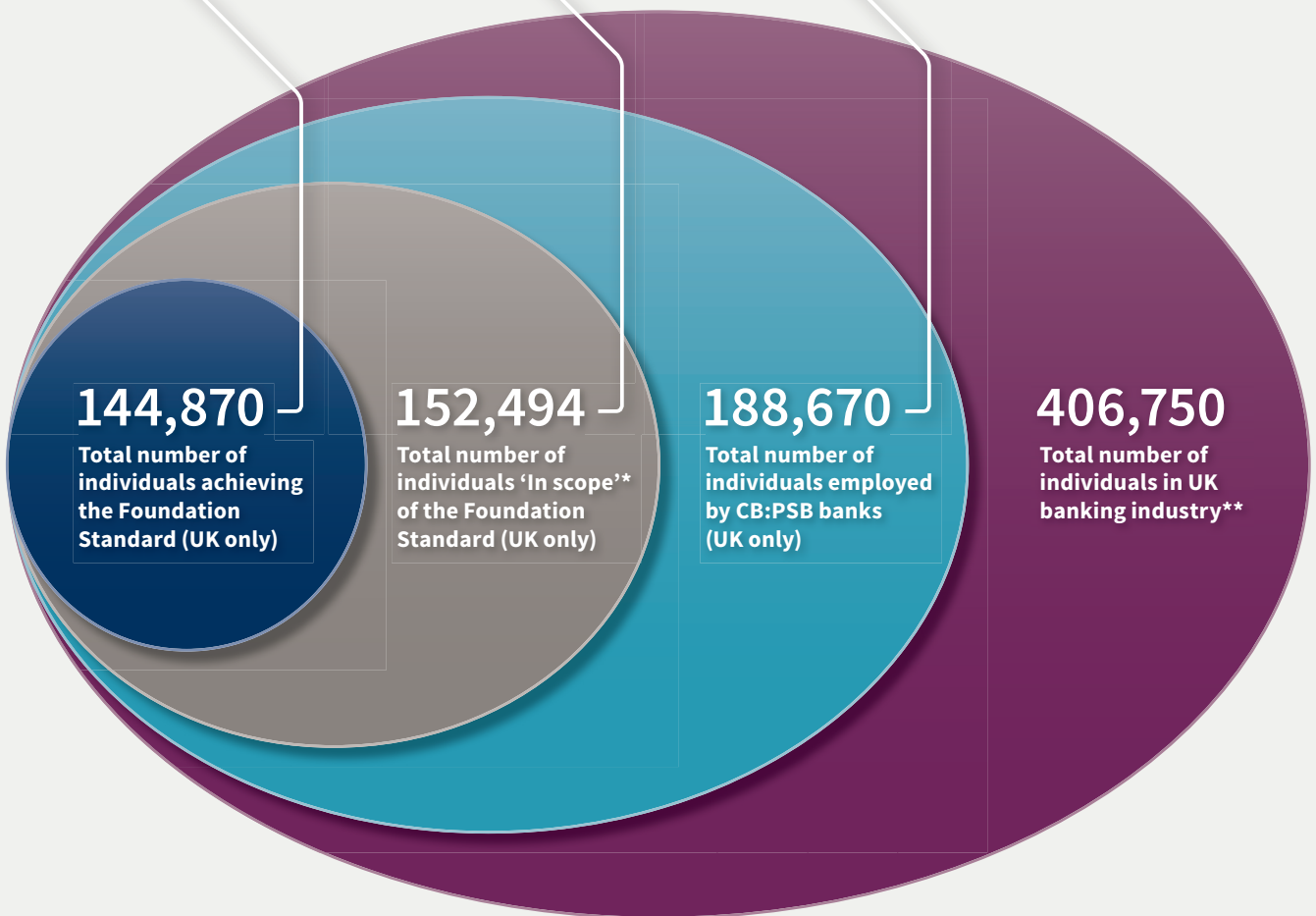
of total number of individuals 'in scope' of the Foundation Standard.

81%

of total number of individuals employed by CB:PSB banks.

46%

of total number of individuals in UK banking industry.



**In scope' individuals are defined by the CB:PSB/each bank and are the number of individuals available to achieve professional standards – for some banks, this currently encompasses all customer facing colleagues (the minimum expected by the CB:PSB Board), for other banks, this encompasses their entire workforce (customer and non-customer facing).

**Per BBA 'UK regions lead growth in banking jobs' 23rd February 2017.

All figures quoted are from 2016 and have been validated by the CB:PSB's annual monitoring process.

Monitoring Process

Gradings, Action Plans and Risks

As we have noted, we are pleased with the extent, objectivity and depth of the CB:PSB's monitoring process. In this section, we seek to outline monitoring in more detail, focusing on extent and depth rather than the step by step process which can be seen in *Appendix C* or online at www.cbpsb.org/professional-standards/monitoring--enforcing-professional-standards.html

In 2016, the CB:PSB's reporting highlighted that six banks received an overall Excel grading, meaning that all objectives had been delivered. One bank received a Develop rating, indicating that further work was required to deliver objectives and three banks were not yet included in the process due to their recent recruitment to the initiative. We are comfortable with the level of activity graded Excel as the Foundation Standard has become business as usual for most banks and it has taken a number of years for banks to achieve this status. Indeed, if we compare reporting in 2015 and 2014, we see that many banks received Develop or Grow grades, for individual quarters and year-end monitoring. The fact that 2016 grades are predominantly Excel, confirms the progress made by banks across all aspects of monitoring.

In 2016, there were 10 Action Plans and 4 Risks identified and managed, which is a significant improvement on 2015 – 43 Action Plans and 5 Risks.



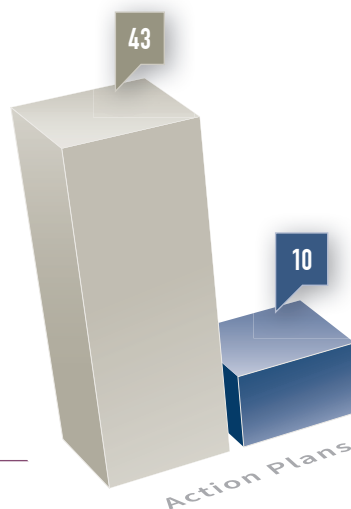
A very positive process which is maintaining and improving quality.

Dr Ian Peters MBE

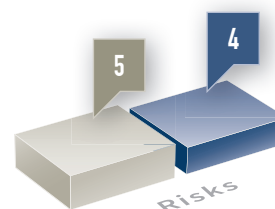


Action Plans & Risks

Total number of **ACTION PLANS** raised by Monitoring



Total number of **RISKS** raised by Monitoring



We recognise that Action Plans may be opened to ensure appropriate short-term focus on a specific activity rather than necessarily highlighting an issue. Nonetheless, it is welcome to see the number of Action Plans decrease so markedly.

The level of Excel grades achieved means that many banks have gained Earned Autonomy. This was a key recommendation of the Monitoring Working Group, to recognise and reward banks that consistently score Excel in quarterly monitoring. We consider Earned Autonomy to be working effectively – banks are benefitting from less stringent reporting requirements and value the time that they have regained.

However, we have been keen to ensure that we can still understand, in detail, the performance of CB:PSB banks with Earned Autonomy. To enable this, we have asked the Professional Standards Managers to share insight from their meetings with banks and we now invite a manager to attend our meetings.



The process is designed to enable people to re-establish professionalism.

Dr. Sarah Blackburn



Monitoring Process

Year-end Reporting

All banks scored Excel for their reporting on how many individuals in their banks achieved and did not achieve the Foundation Standard.

From the quarterly and year-end Reporting provided to the Panel by the PST, we are satisfied that the CB:PSB employed rigorous and robust monitoring to substantiate that the total number of UK Foundation Standard achievers at 31st December 2016 was 144,870, with a further 23,209 non UK achievers. To provide some further detail, the PST asks banks, amongst other things, to confirm that:

- their internal systems and processes are benchmarked against the requirements of the Foundation Standard;
- an Internal Monitoring Team is ensuring that the implementation and achievement of professional standards is carried out correctly and consistently; and
- they have a robust and replicable method for confirming the overall number of individuals achieving professional standards (i.e. verified data, tracking).

Banks substantiate outcomes via three different lines – the individual responsible for implementation, a separate individual responsible for monitoring and, thirdly, the senior accountable executive – normally a CB:PSB Board member – who not only provides external assurance to the PST but also provides internal assurance to a suitable Board or Executive Committee. We were pleased with the rigour and degree of granularity in this process. Our view is that it is entirely fitting for an initiative, established to restore customer confidence and trust, to be so rigorous.

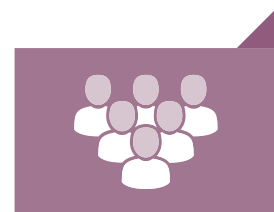
The level of granularity in the process also helps us to carry out our role effectively – the detail provided by banks and the PST allows us to make informed judgements and assessments on the work of the CB:PSB.



Relationship Building

The success of the process relies heavily on relationships and we are pleased with the support framework that has been established between the PST and individual banks. Within the PST, two Professional Standards Managers are responsible for the main interaction with banks, with the Head of Professional Standards, Business Manager and Operations and Governance Co-ordinator also providing support and engagement.

Professional Standards Managers tend to interact with individual banks on a bi-weekly or monthly basis as well as bringing banks together quarterly for Implementation Group meetings. Meetings are structured around best practice and issue sharing and have been successful in helping progress the CB:PSB agenda. We are also heartened to learn that banks engage with each other on an informal basis to share experiences, best practice, implementation and monitoring lessons.



Outcomes

In this report, we have focused our comments on our own role, the scale and scope of the CB:PSB and the monitoring process. We conclude our commentary by looking at the CB:PSB's aims. As noted, we wholeheartedly support the CB:PSB in working towards its aims to:

- develop a series of professional standards to support the ethical awareness, customer focus and competence of those working in the banking industry;
- facilitate industry and public awareness and recognition of standards in banking;
- establish mechanisms for the implementation, monitoring and enforcement of the standards; and
- help build, over time, greater public confidence and trust in individuals, institutions and the banking industry overall; and enhance pride in the banking profession.

Delivering Professional Standards

The CB:PSB has set itself a significant task and, in our view, it has achieved considerable success to date. We have commented on the success of the Foundation Standard but we urge the CB:PSB to seek similar outcomes with the Intermediate and advanced level Leadership Standards. The CB:PSB has a diverse agenda and it is important that all aspects are implemented by member banks. We know that this year, some banks are making preparations to implement the Intermediate Standard and likewise, following its current review, we anticipate the Leadership Standard will be implemented in 2018.

We acknowledge that a key reason for the Leadership Standard not having been implemented to date was its publication coinciding with the announcement of the FCA and PRA Individual Accountability Regime (IAR). We accept that regulatory requirements can, and often do, take precedence over voluntary activities, but as the Leadership Standard can support the effective 'letter and spirit' implementation of aspects of the IAR, we encourage banks to implement it.

We want to see the success achieved with the Foundation Standard replicated with the CB:PSB's other professional standards. Whilst we appreciate that achievement numbers will be markedly lower, as 'in scope' populations will be smaller, **we recommend the Board sets appropriate targets for the Intermediate and Leadership Standards to create collective goals to work towards.**

One of the most effective elements of the CB:PSB is collaboration and peer encouragement – we would like to see these strengths continue to drive the CB:PSB's agenda forward.



Outcomes

Raising Awareness

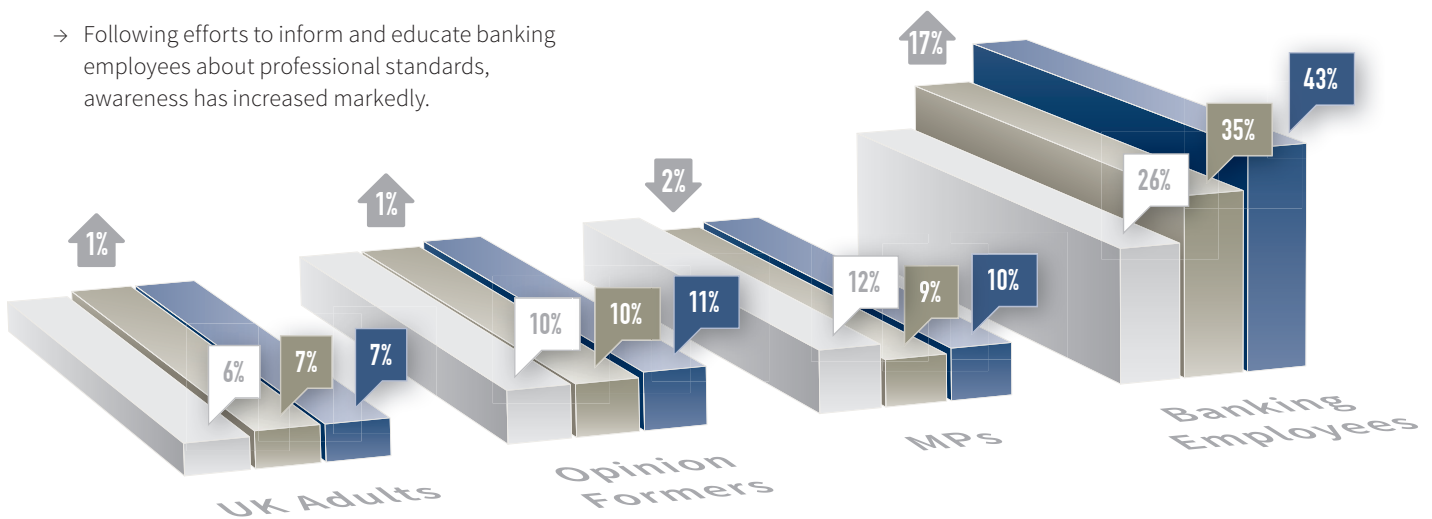
We believe that there are a number of ways that the CB:PSB could increase awareness of its activities externally, and most importantly, with banks' customers. We advocate the use of posters and leaflets in branches, messages online and in customer correspondence and methods to support staff to talk about professional standards when they engage with their customers. We understand that many of these options have been discussed within the CB:PSB, and **we urge the Board and banks to consider creative ways to engage customers** and turn these discussions into action. The sustained effort to raise awareness amongst staff has paid off (see graph below), a similar effort with customers may also pay such dividends.

Additionally **we also support raising awareness of the Chartered Banker brand**. Professional standards are one part of the Chartered Banker Institute's service, and as standards and other aspects of the Institute's services (qualifications and membership) come together in professional pathways, it becomes more important to focus on the Chartered Banker brand. Banking needs a strong professional body to support its continued development and professional status. This is increasingly relevant in light of the changes banking is experiencing, with the emergence of new and digital institutions and the growing impact of technology in this area. We encourage the Chartered Banker Institute to adapt alongside the industry and maintain its focus on standards and professionalism.

% of Respondents who are aware of the CB:PSB initiative.

○ 2012/13 ● 2016 ● 2017 ▲ Rising trend over 4/5 years

- Levels of awareness of the CB:PSB and professional standards remains very low outside of its banks.
- Following efforts to inform and educate banking employees about professional standards, awareness has increased markedly.



Strengthening the Monitoring Process

In this Report, we have provided a positive assessment of the systems and processes developed to implement and monitor professional standards. We believe there is a robust system in place that provides assurance that standards are being implemented effectively – and that ‘we’, that is the Panel, the banks and the wider customer and stakeholder community, can have confidence in the CB:PSB's outcomes.

One area which we feel could be strengthened is the profile given to the CB:PSB within member banks. We recognise that a senior accountable executive provides internal assurance but our perception is that professional standards are not necessarily on the agenda of the banks' main Boards.

Certainly, **CB:PSB banks' Boards should be made aware of the numbers of individuals within their banks who achieve professional standards annually** on the basis that ‘what gets measured gets done’. The success, or otherwise, of this initiative rests very much on the profile and focus that it is given. **We would welcome renewed or enhanced focus on this important work.**

Outcomes

Building Trust, Confidence & Pride

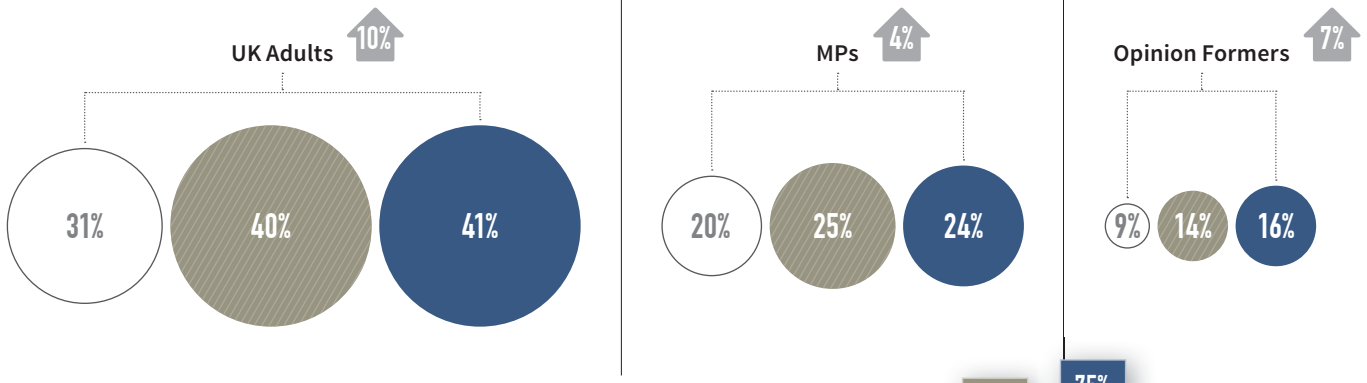
The CB:PSB's *Progress Report* and *Building Professionalism in Banking Research Report*⁸ both indicate that levels of public trust and confidence, and pride among employees, are improving. The public is showing increased trust in local bank staff, in particular, but overall the data shows levelling of sentiment rather than continued positive growth.



Trust & Confidence

○ 2013 ● 2016 ● 2017 ↑ Rising trend over 4 years

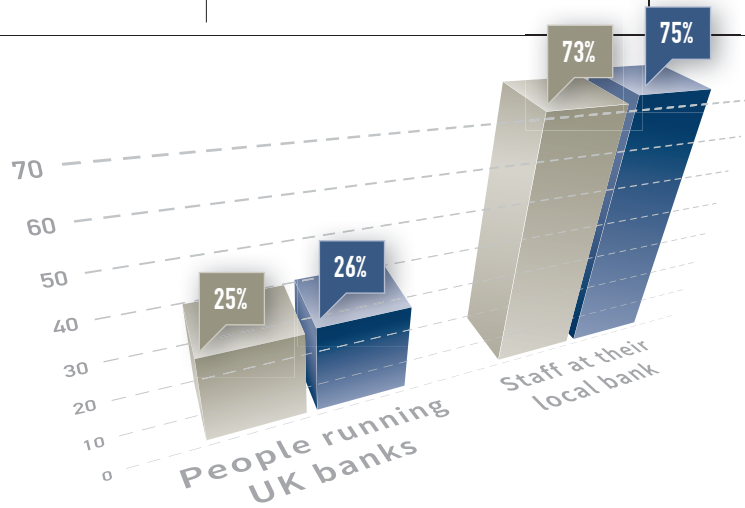
% of Respondents who said they have 'high' or 'some' confidence and trust in the UK banking industry.



Trust

% of UK Adults who trust people running UK banks and staff at their local bank to tell the truth a great deal/fair amount.

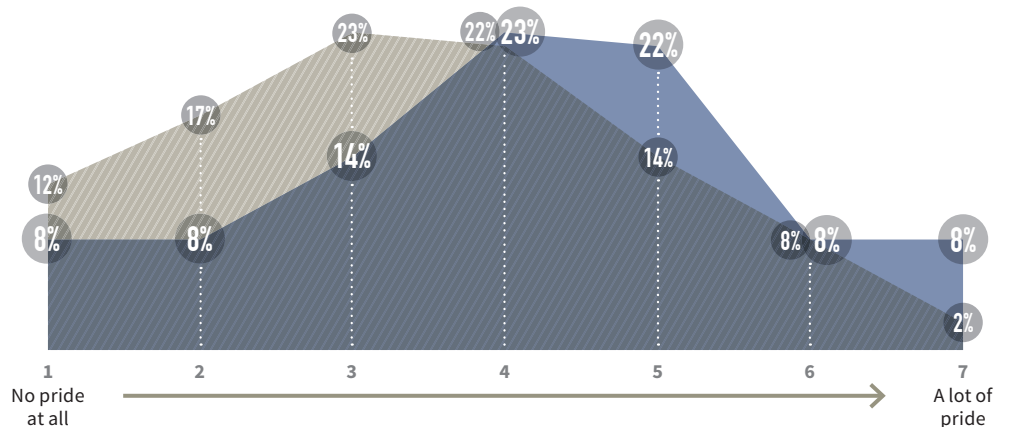
● 2015 ● 2016



Pride

On a scale from 1-7, where 1 is no pride at all and 7 is a lot of pride, % of Banking Employees who rated how much pride they felt in the banking industry.

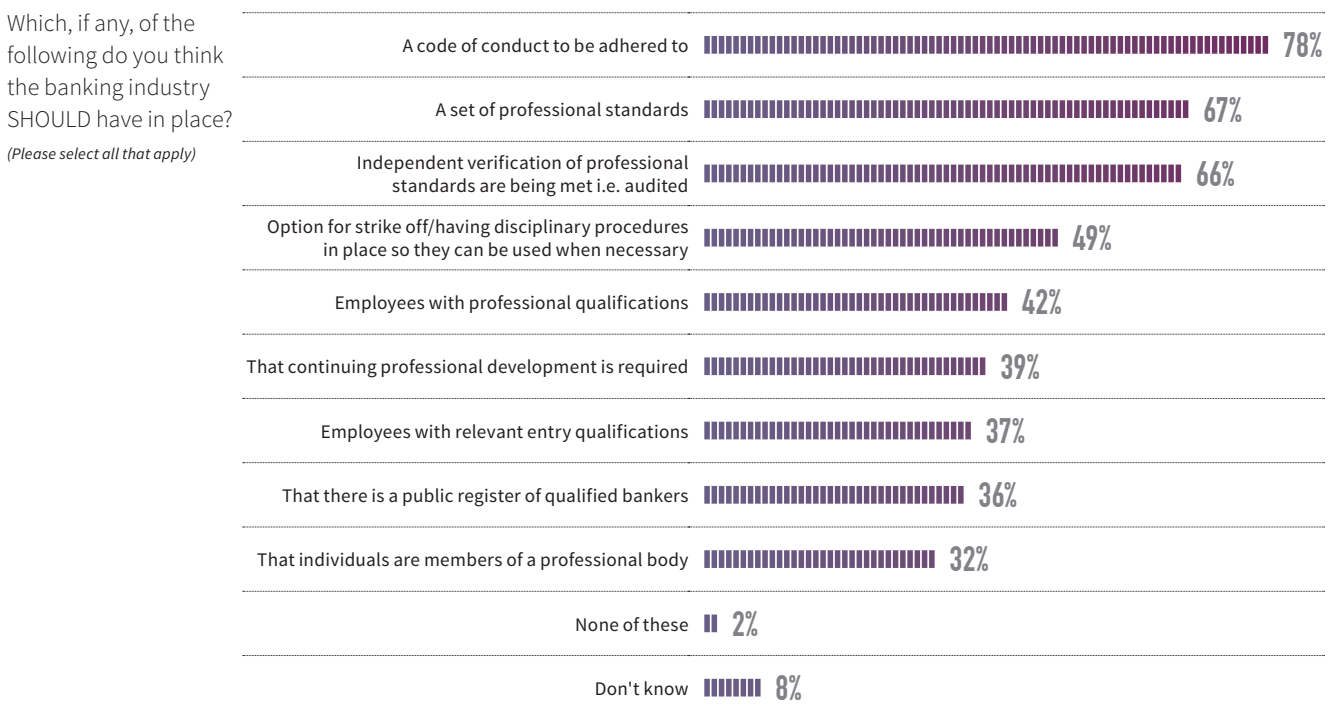
● 2013 ● 2017



NB: Data omitted relates to "don't know" or "rather not say".

Outcomes

We are aware, from Chartered Banker Institute research⁹, that the key components of the CB:PSB initiative – a common code of conduct, a set of professional standards and independent verification of standards, are the elements UK Adults think should be in place in the banking industry.



Whilst the CB:PSB cannot directly link changes in levels of trust and confidence to its activities, we see a strong relationship between the data presented here.

It follows that if the public value a code of conduct, professional standards and independent verification of those standards, the more these are a visible and tangible part of banking, we would anticipate levels of trust and confidence increasing.

As there is still a great need for improvement in levels of trust in banks and the banking industry overall, we see this as a powerful motivation for more banks to be part of the CB:PSB, and for the CB:PSB to drive its agenda forward more assertively.

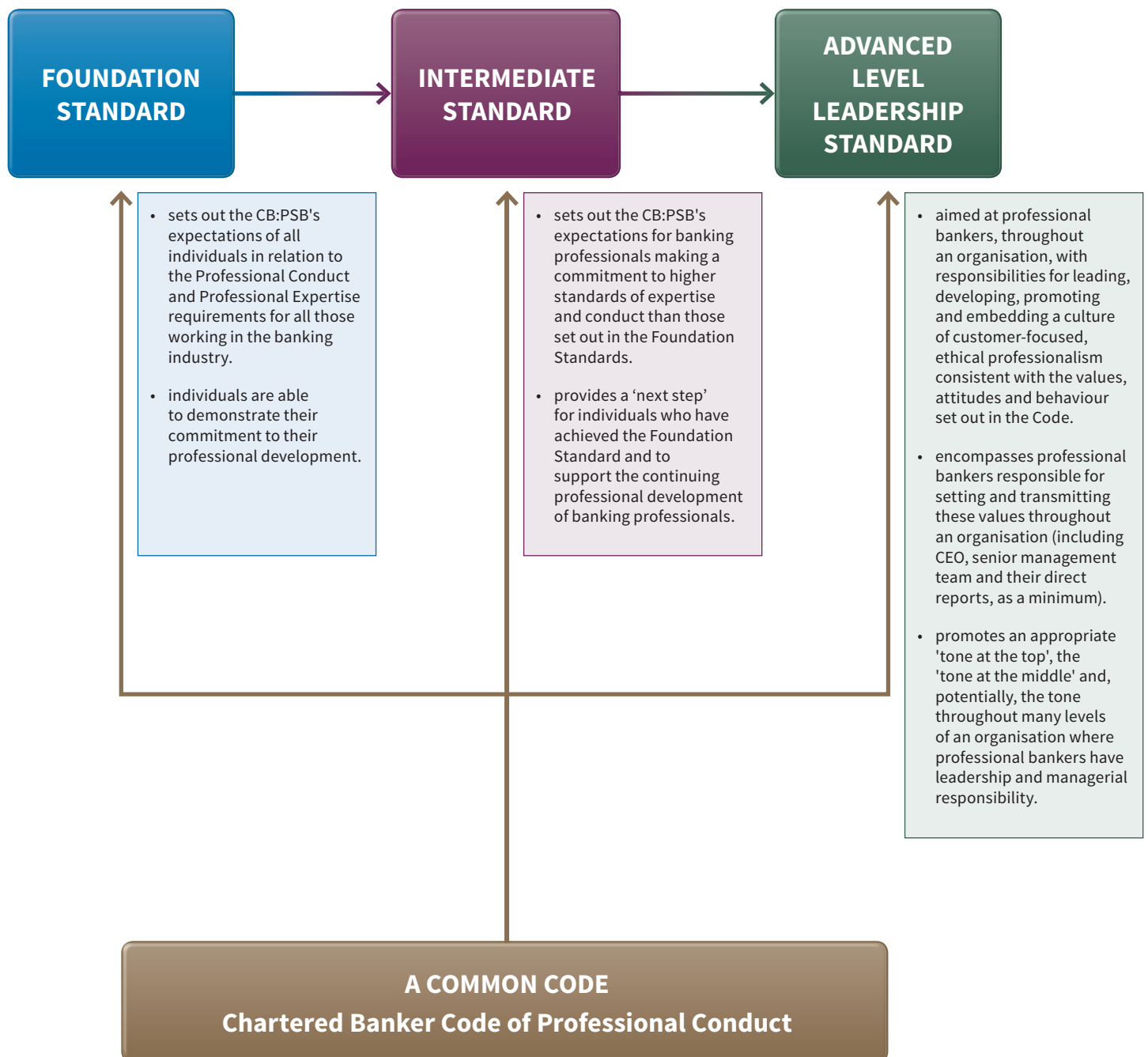
Last Word

The panel has seen how well the Foundation Standard has been implemented across the participating banks. We believe that the CB:PSB, in working with a number of stakeholders to develop and implement professional standards, provides one element which can contribute to an improved image of banking. Not just senior management in member banks but people at all levels across the industry should continue to focus on implementing professional standards.

⁹ Chartered Banker Institute/YouGov Qualifications Survey March 2015. Survey size: 2076.

Appendix A

CB:PSB Professional Standards



Appendix B

Panel Members

The Panel comprises the following appropriately skilled and experienced members:



Dr Ian Peters MBE

Chief Executive of the Chartered Institute of Internal Auditors. In 2015 Ian was awarded an MBE for services to regulatory reform and in recognition of his work as a member of the Government's Regulatory Policy Committee.



Dr Sarah Blackburn

A varied career including teaching, accountancy and audit, Sarah has extensive professional experience in several professional bodies and has chaired audit and risk committees in public sector organisations, currently at NHS Digital.



Zinta Krumins

Following a long and successful career in the Pharmaceutical industry, Zinta made the connection between this tightly regulated industry and the CB:PSB, looking to share 'best practice'.



Karen McArthur

Karen has a portfolio of roles covering ethics, Professional Standards and consumer advocacy. In addition to serving on other Professional Standard's panels she is a Magistrate and member of the Teacher Misconduct Panel.

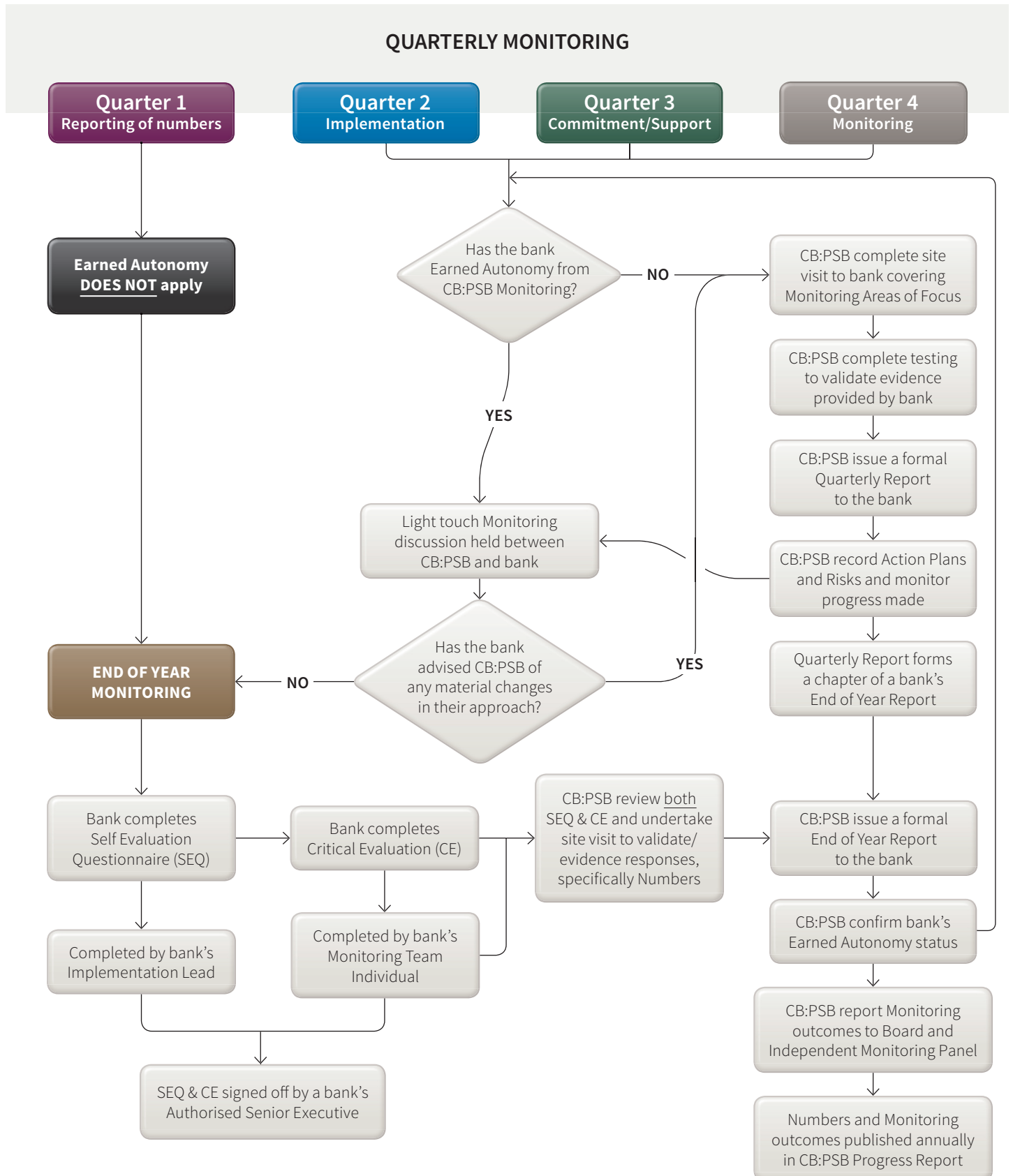


Cat MacLean

Cat is a lawyer and partner at a legal firm with a long-established professional interest in banking and banking litigation.

Appendix C

CB:PSB Monitoring Process



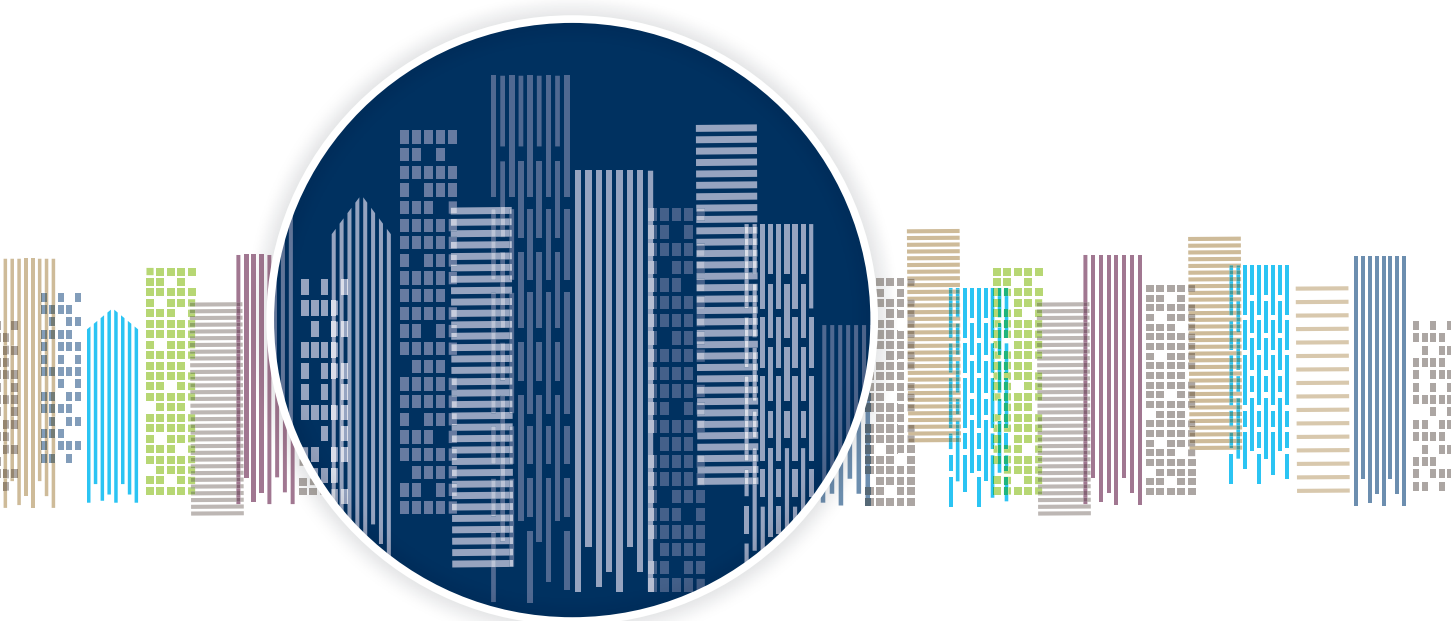
Notes

Chartered Banker

Professional Standards Board

CB:PSB Independent Monitoring Panel

Annual Report 2017



The Chartered Banker Professional Standards Board and Chartered Banker Institute have offices in Edinburgh and London.

Email: cbpsb@charteredbanker.com

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