

200,000 financial professionals call for an enhanced new FCA Directory

Responding to a recent UK FCA consultation¹ on a new Directory to help consumers and firms check the status and history of those working in financial services, the Chartered Body Alliance², has called on the FCA to make it easier for consumers to differentiate between individuals, who have made a personal commitment to higher standards, and those that haven't.

The Alliance, which has a combined global membership of 200,000 individuals, considers the FCA proposals will fall short of their aim to “empower the consumer” by failing to include key and relevant information. The proposals:

- 1) do not include fields to show an individual’s professional affiliations, such as professional body membership and standing, or achievement of a professional standard;
- 2) do not reference whether an individual holds a valid Statement of Professional Standing (SPS), and with which Accredited Body. An SPS is required for advisors in the retail investment market to provide advice to customers.

Sian Fisher, CEO of the Chartered Insurance Institute explained: *‘We believe that predominantly the public interest lies in knowing that the Directory person is authorised to do their role, and suitably qualified to do so. Both of these are important factors for consumers to evaluate when considering their options for the provision of financial services, who would have a clear indication about the adviser’s ability to practise and also have a clear signpost to further information about the individual from the professional body itself – for example, information about further qualifications and specialisms on the professional body’s website.’*

Simon Culhane, CEO of the CISI added, *‘Details about professional body membership, and whether the individual is an SPS holder, is, in my view, materially relevant information. Being a member of a Chartered professional body is an achievement signifying an ongoing personal commitment to high levels of knowledge, skills and behaviour that go beyond the minimum standards required by regulators. I believe the public should be able to differentiate between those that have made such a personal commitment to higher standards, and that the new Directory should highlight this.’*

¹ <https://www.fca.org.uk/publications/consultation-papers/cp18-19-introducing-directory>

² <http://charteredbodyalliance.org/uploads/2018/10/Alliance-response-to-FCA-directory.pdf>

Furthermore, the Alliance calls on the FCA, in its final policy and guidance, to highlight “individual accountability”, with regards to the data presented in the new Directory. Simon Thompson, CEO of the Chartered Banker Institute commented; *‘While we agree that firms have a responsibility to take reasonable steps to ensure data is accurate and complete, and have measures in place to verify information that is given to them, it is also true that individuals have a responsibility to disclose information accurately, and to communicate openly with the regulator and their professional body.’*

Ends

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Notes to Editors:

About the Chartered Body Alliance

The [Chartered Body Alliance](#) is composed of three of the leading Chartered professional bodies in the sector (the Chartered Insurance Institute, Chartered Institute for Securities

& Investment and the Chartered Banker Institute). We recognise our primary duty to the public of enhancing and sustaining professionalism in financial services.

We believe that by working together the Alliance will achieve greater public benefit, continuing to raise professionalism and trust across financial services by promoting high standards of knowledge, skill, integrity and behaviour.

The Alliance positions itself as a “third force” on the financial services horizon (not regulatory, nor organisational), focusing on delivering cultural change across the profession.