

# Chartered Banker

Professional Standards Board

## Terms of Reference – CB:PSB Board

### Introduction

The Chartered Banker Professional Standards Board (CB:PSB) is a unique initiative established by the Chartered Banker Institute and nine founding member firms<sup>1</sup>, in October 2011.

The founder members of the CB:PSB established the initiative on a quasi-independent basis, under the auspices of the Chartered Banker Institute. CB:PSB member firms fund the work of the CB:PSB on a restricted fund basis, and the Chartered Banker Institute provides a dedicated Professional Standards Team, as well as other resources, to support the CB:PSB.

### 1. Purpose

- 1.1 The CB:PSB Board (the Board) is responsible for ensuring the CB:PSB develops, implements and monitors professional standards for bankers which over time will help to increase public confidence and trust in individuals, institutions and the banking industry overall and enhance pride in the banking profession.

### 2. Authority, Accountability and Reporting

- 2.1 The Board has full authority to set its aims and objectives, terms of reference and determine its activities and the activities of the CB:PSB overall. In doing so, it will respect the reputation and the objects of the Chartered Banker Institute and any other institute it may deal with, and expect that in return.
- 2.2 Reflecting the CB:PSB's status as a professional standards body for the whole of the UK banking industry, the Board operates in an independent manner, informing the Council of the Chartered Banker Institute of its activities on a quarterly basis.
- 2.3 The Board is authorised to seek any information or services it requires from the Professional Standards Team, who are employees of the Chartered Banker Institute, in order to perform its duties.
- 2.4 The Board reports on its activities publicly, on an annual basis, via the CB:PSB's annual review.
- 2.5 For the avoidance of any doubt, the Board does not have any authority over any other aspects of the Chartered Banker Institute's activities, nor any disciplinary or regulatory authority over individual members of the Chartered Banker Institute.

### 3. Principal Tasks

- 3.1 The Board will:
  - Set the strategic agenda for the CB:PSB;
  - Define areas of professional practice where professional standards are required,

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<sup>1</sup> Barclays Plc, Clydesdale Bank, HSBC Bank plc, ING Direct, Lloyds Banking Group, The Royal Bank of Scotland Group, Santander UK, Tesco Bank, Virgin Money

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- Set out the general criteria for content of professional standards at an initial stage;
- Comment on the initial draft of a professional standard;
- Approve the final draft content of a professional standard for publication, post-consultation and other CB:PSB literature including its Annual Review.
- Oversee the implementation, monitoring and enforcement of professional standards;
- Approve the CB:PSB's annual budget, prepared by the Professional Standards Committee (PSC); and
- Review and comment publicly on the progress of the CB:PSB's overarching aims on an annual basis.
- Consider recommendations made by the Independent Monitoring Panel.
- Consider recommendations from the Stakeholder Forum.

#### **4. Membership**

4.1 The Board will comprise:

- The Chair;
- Up to 8 members drawn from the CB:PSB's member firms;<sup>2</sup>
- Two or more members independent of the banking industry, selected by an Appointments Panel of Board members;
- The Chair of the CB:PSB Stakeholder Forum (ex-officio); and
- The Chair of the PSC (ex-officio).

4.2 Board members representing member firms are expected to have the level of seniority and requisite skills and experience to exert influence across their organisation and promote the work of the CB:PSB to peers.

4.3 Board Members have a duty to monitor the progress of the CB:PSB against the overarching aims of the initiative and exercise independent judgement in all principal tasks aligned to the CB:PSB.

4.4 Independent Board members may serve a maximum of two 3-year terms.

#### **5. Chair**

5.1 The Chair will be appointed by the Board .

5.2 The Board may, as it sees fit, appoint one or more Vice-Chairs.

#### **6. Secretary and Support**

6.1 The Chartered Banker Institute's Governance Manager, or their delegated nominee, shall act as the Secretary to the Board.

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<sup>2</sup> All founder member banks will continue to be represented on the Board until 2017 after which rotating terms of tenure will be introduced.

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6.2 The Board's work will be supported by the Professional Standards Team, which will undertake the research/drafting required for the development of standards, in conjunction with the PSC.

### **7. Frequency of Meetings**

7.1 The Board shall meet in person four times per year. The Board may transact business of a regular nature via teleconference or e-mail as required.

### **8. Quorum**

8.1 The quorum necessary for the transaction of business shall be proportionate to the size of the Board. At full complement, it shall be seven Board members, four of whom must represent CB:PSB member firms, present in person or by simultaneous telecommunications link.

8.2 A duly convened meeting of the Board at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the Board.

### **9. Minutes of Meetings**

9.1 The Secretary shall minute the proceedings and resolutions of all Board meetings, including the names of those present and in attendance.

### **10. Delegated Authority**

10.1 The Board delegates responsibility to the PSC for the development and implementation of professional standards, under the Board's direction.

10.2 The CB:PSB Stakeholder Forum, acts as a hub for the views of key stakeholders.

10.3 Reporting to the Board, the Independent Monitoring Panel, acts as a 'critical friend', providing constructive comment, challenge and advise on the extent to which CB:PSB aims are being delivered.

10.4 The Board may set up Committees, Working Groups or other sub-groups of the Board as required. These may include Board members and co-opted individuals as determined by the Board.

### **11. Expenses**

11.1 Independent Board members will be reimbursed for reasonable expenses incurred whilst attending Board meetings and other tasks associated with the work of the CB:PSB.

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