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Dear Martin

Thank you for bringing to our attention the Banking Standards Board (BSB) consultation published on 2 November 2017 – What do good banking outcomes look like to consumers?

We understand that the primary focus of this consultation is to explore the views of consumer and civil society organisations, to help inform the BSB's work to develop and refine its thinking towards a Consumer Framework. The latter could, among other things, provide the basis for the creation of good practice guidelines for firms that serve consumers, along with a common language for both firms and consumer organisations.

While the insight that UK Finance can offer in response to the consultation questions is limited by nature, we welcome the opportunity to respond to the BSB at this stage and to offer high level thoughts in response to the proposals. These are as follows:

- We are supportive of the principle of applying a consumer perspective to help firms to understand the extent to which their service offering meets the needs of consumers. We also understand the value that this may have in helping to shape metrics around firm culture (for example, the extent to which desired consumer outcomes are driving conduct). Such an outcomes-based approach has also been central to the work of the Financial Conduct Authority (FCA) - particularly around consumer access and vulnerability - leading to tangible change across the banking sector over the past few years.
- We understand in part BSB's rationale for developing its consumer framework proposals closely aligned to the values and consumer outcomes defined by the FCA. However, we also note significant overlap in these proposals.
- We encourage the BSB to carefully consider how a new set of guidelines reconciles with the broader context of regulatory and industry activity, including voluntary codes and metrics, and the extent to which additional guidelines will bridge any gaps, improve consumer choice and industry standards. For example:
 - The Lending Standards Board is providing independent oversight for the Access to Banking Standard.
 - UK Finance and its members are actively considering the extent to which other industry voluntary codes can come under similar oversight. For instance voluntary remedies following from the FCA's Credit Card Market Study and the Financial Services Vulnerability Taskforce recommendations, including more detailed principles developed for their delivery such as those addressing bereavement, third party access, identification and address verification requirements for excluded cohorts and financial abuse.
 - As part of fulfilling the FCA's requirements for industry service metrics for Personal Current Accounts (PS17/26), UK Finance has agreed to coordinate development of an industry agreement to voluntarily publish comparable information about the current account services firms offer to customers aligning to the categories of potential vulnerability discussed in the FCA's Financial Lives Survey and Approach to Consumers.
 - The FCA is presently consulting on its Mission – Our Future Approach to Consumers which also tackles questions around financial capability and consumer behaviour more widely.

- Some members have questioned whether the present proposals might lead to additional costs for firms, which however add little to the delivery of better outcomes or potentially reduce some firms' appetite to lead on best practice in a competitive market.

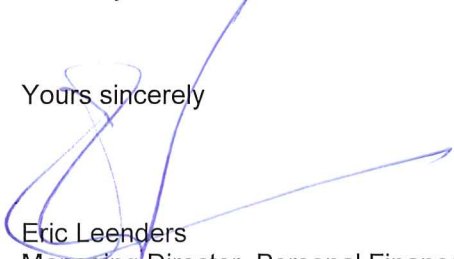
It would be useful if the BSB could articulate in further detail how the development and deployment of the Consumer Framework fits with initiatives identified above.

By way of background, UK Finance represents nearly 300 of the leading firms providing finance, banking, markets and payments-related services in or from the UK. UK Finance was created by combining most of the activities of the Asset Based Finance Association, the British Bankers' Association, the Council of Mortgage Lenders, Financial Fraud Action UK, Payments UK and the UK Cards Association.

Our members are large and small, national and regional, domestic and international, corporate and mutual, retail and wholesale, physical and virtual, banks and non-banks. Our members' customers are individuals, corporates, charities, clubs, associations and government bodies, served domestically and cross-border. These customers access a wide range of financial and advisory products and services, essential to their day-to-day activities. The interests of our members' customers are at the heart of our work.

Should you like to discuss the above in more detail, do not hesitate to contact iris.kapelouzou@ukfinance.org.uk.

Yours sincerely



Eric Leenders
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