

SUMMARY OF RESPONSES TO THE BSB CONSULTATION ON WHAT
GOOD BANKING OUTCOMES LOOK LIKE TO CONSUMERS

5 JUNE 2018

Executive Summary

This document summarises the responses we received to our consultation on what good banking outcomes look like to consumers. The consultation consisted of 14 questions addressing different elements of a proposed BSB Consumer Framework. This Framework was designed to:

- increase our understanding of consumer issues and concerns;
- provide the basis for the creation of good practice guidelines for firms, and a common language for firms and consumer organisations; and
- enable consumer and civil society organisations to engage more readily with aspects of the BSB's work.

The Framework comprises three key elements. First, a set of core consumer principles that many consumer organisations and regulatory consumer panels use as a tool for understanding consumers' needs and for analysing how a market is meeting those needs. Second, the Framework provides for each principle a number of high-level outcome statements describing what 'good' looks like from a consumer perspective in the banking sector; and third, it offers a range of examples illustrating what this may mean in practice.

We received 81 responses to our consultation from a range of organisations. Respondents broadly agreed with the draft principles, with some provisos based on the need to ensure consistency (between the principles themselves and with those used by other organisations) and effective implementation. Additions to the principles were also suggested relating to inclusivity and inclusive design; information; trustworthiness; and support for vulnerable consumers.

Among the principles listed in the Consumer Framework consultation document, 'access' was prioritised most frequently by respondents. This reflected the fact that access to a bank account was considered critical for employment and many other aspects of life, as well as the gateway to other financial products and services. Access also has resonance for particular types of consumer in vulnerable circumstances¹ who may be at risk of being excluded from services that other consumers are able to take for granted.

Conversely, the principles of 'choice' and 'value for money' were considered lower priority by some respondents because of they were perceived as relevant to engaged consumers only, and (in the case of value for money) reflected a subjective judgement.

Respondents tended to endorse an outcomes-based approach. This was seen as allowing firms to achieve desired ends in different ways, helping them to focus on what needed to change across the industry; and enabling consumers to hold firms to account for the results of their actions.

Most respondents agreed with the high-level outcomes proposed by the BSB, and some suggested additions. Many also said that the examples provided were helpful in illustrating the outcomes, and offered further ideas to help reflect more accurately the needs of consumers.

Only a small number of respondents addressed the two questions relating specifically to micro-businesses. Those that did generally regarded the Framework as a useful mechanism for articulating

¹ Elsewhere in this document we refer to 'vulnerable consumers'. By this we mean consumers in vulnerable circumstances. Adopting the definition used by the Financial Conduct Authority (FCA) in their February 2015 paper, *Consumer Vulnerability*, we regard a vulnerable consumer as someone who, due to their personal circumstances, is especially susceptible to harm, particularly when a firm is not acting with appropriate levels of care.

and understanding what matters most to the micro-business sector when it comes to banking, and suggested ways to enhance it further.

Broadly speaking, respondents thought that the Framework could be useful in developing good practice guidelines and a common language. They also thought that it could enable consumer and civil society organisations to engage more readily with the BSB and align some of their own future work with firms.

Some cross-cutting themes emerged from the responses to individual consultation questions. Respondents emphasised the importance of measuring and monitoring the performance of banks and building societies against the principles and outcomes, while recognising that doing this would be challenging. Many also highlighted the importance of reflecting the needs of vulnerable consumers in the Framework, while recognising that consumers are diverse. An outcomes-based approach was welcomed, provided this did not simply focus on the needs of a single type of, or 'average', consumer.

A number of respondents advocated a broader view of consumers as citizens and as members of wider communities and encouraged the BSB to consider how this might be reflected in the Framework. Finally, many encouraged the BSB to seek to align its own efforts with the work of other organisations, to avoid any potential duplication.

We are grateful to all those organisations that took the time to respond to our consultation and provided very many helpful reflections and perspectives. We will carefully consider all the suggestions made as we now finalise the Consumer Framework and identify priorities for the BSB's work in this area.

Introduction

About this document

This document summarises the responses received to the BSB’s consultation on what good banking outcomes look like to consumers. The consultation sought views, primarily from consumer and civil society organisations, on a proposed Consumer Framework that sets out principles and descriptive statements of good outcomes, and provided examples of how these outcomes might be demonstrated in practice. The Framework was created following discussions with a wide range of consumer and civil society organisations, and the consultation paper can be found on the BSB website:

<https://www.bankingstandardsboard.org.uk/bsb-consultation-what-do-good-banking-outcomes-look-like-to-consumers/>

A copy of the Consumer Framework can also be found in this document at Appendix 1.

The BSB invited responses to 13 specific questions and one general question. The consultation period ran from 2 November 2017 to 26 January 2018, and the document was publicised via our website, social media, stakeholder meetings and workshops.

A list of the questions asked can be found at Appendix 2.

Responses to the consultation

We received 81 responses to our consultation from a range of organisations, as shown in Table 1 below:

Table 1

Organisation type	Number of responses
Consumer and civil society	45
Bank/building society	10
Academic	6
Individual	3
Microbusiness	2
Professional body	2
Trade body	1
Trades union	1
Other	11
Total	81

We are grateful for all the responses received to the consultation. This document summarises the key issues and themes emerging from the responses. Appendix 3 also provides some quantitative data on the responses received, while Appendix 4 sets out examples and indicators for illustrating and measuring consumer outcomes.

Direct-to-consumer questions

As noted, our Consumer Framework consultation was aimed primarily at consumer and civil society organisations. While we welcomed responses from individuals themselves, we were conscious of the need for direct engagement at the consumer level. We therefore designed a separate questionnaire tailored to individual respondents, which ran broadly in parallel to the consultation. Details of this questionnaire and a summary of the results are provided on pages 20-23 and Appendix 5 of this document.

Key themes emerging from the consultation

Before summarising respondents' views on each of the individual consultation questions, we highlight here four cross-cutting themes that emerged from the responses as a whole.

Theme 1: Measuring firms' performance in terms of outcomes is difficult but important

Many respondents, particularly consumer and civil society organisations, felt that it was important to find a way of monitoring the performance of banks and building societies against the principles and outcomes developed, even though this was likely to be difficult. Typical quotes on this topic included:

- 'We do think that the Framework could be useful in developing good practice and a common language. However, measurement of consumer outcomes is needed to ensure good practice is effective. This needs to happen in tandem with the development of good practice'. (Consumer/civil society organisation)
- 'Yes [an outcomes-based approach is likely to be effective for this work] provided the BSB can monitor consumer outcomes effectively and challenge poor outcomes where they arise in order to raise standards within individual banks and across the industry'. (Academic)
- 'There will be difficulties in producing measures and our feedback should be considered and measures proposed for further consultation ... Perhaps the easiest way to gauge whether these outcomes are being delivered is by obtaining feedback directly from a firm's customer base. [Management Information], limits and triggers would not necessarily be needed for all of these examples, but those felt to be key should be included as management risk appetite statements'. (Bank/building society)

Theme 2: The importance of reflecting the needs of vulnerable consumers in the Framework, and of recognising that consumers represent a diverse group

Respondents emphasised both the particular needs of vulnerable consumers, and the diversity of the consumer base and therefore of consumers' needs. One respondent encapsulated the views of many with the following statement:

- 'Outcomes ... help to prevent tick boxes, putting customers at the heart. That being said, there are also some restrictions to this method, because consumers cannot be categorised as one homogenous group. Consumers will always have a variety of needs, dependent on age, work, wealth and vulnerability, to name a few factors'. (Consumer/civil society organisation)

Some respondents saw attempts to improve standards for all consumers, along the lines of the Consumer Bill of Rights,² as positive also for vulnerable consumers. Others (BSB workshop, consumer/civil society organisations) suggested that different principles, outcomes and indicators would be needed for different types of consumers. One consumer/civil society organisation thought it 'essential to ensure there is a balance between examples from mainstream customers of different types, and more vulnerable consumers'.

² The basic consumer rights originally introduced by President John F. Kennedy in March 1962. See footnote 5 below.

The general consensus was to support adjustments to the Framework to accommodate the diverse needs of different types of consumer by means of a broader range of outcomes and indicators. Several respondents emphasised the importance of bringing inclusive design and specific outcomes on consumer vulnerability into the Framework, and more generally including explicit references to vulnerability throughout the document:

- ‘Banks should consider how they support [vulnerable customers] throughout all of the consumer principles listed so this could be considered a “cross-cutting theme” for the principles, but it is one that needs much greater prominence’. (Academic)

The relevance of consumer vulnerability to all of the principles was evident from the responses received. Respondents referred to this theme when discussing (among other things):

- Open Banking - the risk of vulnerable consumers being exploited if their data becomes more easily accessible;
- the impact of technology, bank branch closures and digital exclusion;
- the need for the smaller challenger banks to think about consumer vulnerability as much as the larger established banks;
- the importance of ensuring that staff working in banks and building societies had disability awareness training and knew how to deal with disabled customers;
- the need for the BSB to ensure that the principles did not have unintended consequences for vulnerable consumers, e.g. by making it harder for homeless people to access banking services as a result of more stringent security checks, or exacerbating problem gambling by enabling easier access to credit facilities;
- examples under the ‘fairness’ principle that could address more explicitly the outcomes to be expected for people in debt;
- the value of further examples of bank staff signposting vulnerable consumers to sources of help and advice;
- simple products and inclusive product design;
- examples that would highlight the need to allow consumers to specify a preferred channel and format for communication with their bank or building society; and
- third-party access, e.g. when a vulnerable consumer needed to nominate a third party to act on her/his behalf, and wanted to remain confident that her/his security would be protected.

Theme 3: The Framework should reflect the broader social and economic purpose of banking

Respondents often referred to the impact that banks and building societies had on wider society and the economy, as well as on the lives of individual consumers, and the implications of this for the Consumer Framework. Some highlighted the special importance of banking to a well-functioning economy and suggested that, in this sense, banks shared similarities with utilities. For a number of respondents (commonly from academic institutions), the importance of banks and building societies to wider society implied that their activities should be described in ways similar to those of more traditional professional relationships, e.g. by talking about them ‘advising clients’ rather than ‘serving customers’ or ‘consumers’:

- ‘Does the language of ‘consumer’ (or even ‘customer’), rather than ‘client’, convey quite the right tone? Given the work on Professionalism and the idea of Banking staff as professionals does it quite capture the relationship of a professional to those s/he serves?’ (Academic)

- ‘It is in virtue of this purpose regarding deposits and lending/borrowing, and their utility-like role, that banks and building societies, have a duty to act in the best interests of clients, and also in the public interest’. (Academic)
- ‘All commercial decisions need to be evaluated thoroughly for potential consumer detriment and whether or not the intended outcomes will be good for consumers’. (Consumer/civil society organisation)
- ‘Consumer outcomes are a necessary component in relation to raising standards in the banking sector, but they are not, in themselves, sufficient. This is because banks exist to serve not only their particular existing customers but also a broader social and economic purpose’. (Academic)

Some respondents discussed the need to consider consumers in their broader, societal context:

- ‘Consumers and citizens cannot be separated: we are the same people. Once we look beyond the direct impacts of banks’ products and services on customers, it is clear that those customers’ lives are affected more broadly and deeply by their indirect impacts’. (Consumer/civil society organisation)
- ‘As a customer I would like to know why the organisation thinks it exists, how it serves the common good and the needs of key stakeholders, whether it views itself as shareholder-value oriented, and what its investment policies are (i.e. what might my money be used to support?)’. (Academic)
- ‘The outcomes framework proposed understandably treats consumers as individuals, and we agree that this is an essential and useful starting point. But we would like to see – and support – a discussion of consumers as households and communities and test how the proposed Framework supports good outcomes at these levels as well’. (Consumer/civil society organisation)

Theme 4: The Consumer Framework should complement work undertaken by other organisations

A variety of organisations and individuals noted outcomes-based consumer work being undertaken elsewhere, in particular by the FCA, the Lending Standards Board (LSB) and UK Finance. The LSB, for example, has an independent oversight role in relation to UK Finance’s Access to Banking standard, and has adopted an outcomes-based approach in its Standards of Lending Practice, while the FCA’s ‘Approach to Consumers’ paper sets out the regulator’s initial views on what good looks like for retail consumers. Respondents were keen to ensure that the BSB’s work was aligned with the work of these and other bodies to minimise the risk of duplication, complexity and confusion:

- ‘The framework is a good way for consumers to understand what to expect from their bank/building society ... It would be especially useful if it can be aligned to the existing outcomes-based regulation and assessments from the FCA and LSB’. (Consumer/civil society organisation)
- ‘The broad topics are sensible but are duplicative in places and create confusion when compared to the variety of other principles/guidelines already in place across the industry’. (Bank/building society)

- ‘When reviewing responses to this consultation and drafting the final version of the consumer framework, we encourage the BSB to reflect on the FCA Mission Statement and possibly adapt the consumer framework to more closely align with the FCA’s Approach to Consumers’. (Professional body)

Summary of responses to individual questions

Overall, responses were broadly supportive of the BSB’s efforts to develop an outcomes-focused Consumer Framework. The majority of respondents supported an outcomes-based approach, while also suggesting additions and amendments to the specific principles, outcomes and examples listed. We consider below the response to each of the questions asked.

Questions 1 and 3: Agreement with the consumer principles listed, with some provisos

Questions 1 and 3 asked for views on the consumer principles listed in the Framework. These were access, choice, clarity and transparency, safety and security, redress and being listened to, value for money, and fairness. Respondents commonly answered questions 1 and 3 (on the consumer principles) together, while answers to question 2 (on consumer outcomes and raising standards) were linked closely to questions 4 and 6 (on an outcomes-based approach) and are considered later in this report.

The majority of the 69 respondents who answered question 1 agreed with the consumer principles listed in the Framework. Reasons given for endorsing the principles included: their comprehensive coverage, their potential for positive impact on customer care, their potential for supporting vulnerable consumers, their scope for real-world application and their clear and straightforward nature. Some respondents also noted and welcomed the fact that the principles closely reflected similar principles adopted by consumer organisations and regulators.

A further 15 respondents agreed with the principles but expressed reservations or provisos. These included concerns about the potential for inconsistency or overlap with principles used by consumer organisations and regulators; the need for the principles and outcomes to be clearly defined or ‘fleshed out’ further; reservations relating to a lack of detail about implementation; and a feeling that some of the principles overlapped and might usefully be consolidated. Some respondents also emphasised the need for the principles to be applied to a customer’s ongoing relationship with a firm and the whole ‘customer journey’³, rather than individual sales and transactions in isolation.

Three respondents had stronger reservations about the principles. One was concerned about insufficient reference to the need for qualified staff in local bank branches. Another commented on the exclusive focus on retail, as opposed to investment/wholesale banking, which suggested that the Framework was incomplete. A third was keen to utilise the language of professionalism rather than consumerism when describing the activities of banks and building societies.

Question 3: Support for additional principles

Question 3 asked respondents whether they would add or remove any principles, and whether they thought that any were particularly important. Many respondents were keen to add further principles to the BSB’s draft Framework. Among a wide variety, the four most commonly suggested are outlined below.

³ A ‘customer journey’ is generally defined as the totality of the experiences that a customer goes through when interacting with a company or brand, rather than solely the end outcome.

Inclusivity and inclusive design

The principle of inclusive design describes the design of products and services such that they are ‘accessible to, and usable by, as many people as reasonably possible’.⁴ While this definition, from the British Standards Institute (BSI), encompasses the needs of vulnerable customers, the BSI also acknowledges that specialist solutions may be required for those with severe difficulties. Inclusivity also implies a broader aim of ensuring that specific consumer groups are not isolated and excluded from the mainstream.

Information

It was suggested that ‘Information’ should be added to the Consumer Framework. A number of respondents referred to the basic consumer rights set out in President John F Kennedy’s speech of March 1962 and subsequently adopted, expanded, and elaborated on by an international coalition of consumer groups. In their original formulation, these principles included ‘the right to be informed - to be protected against fraudulent, deceitful, or grossly misleading information, advertising, labelling, or other practices, and to be given the facts [needed] to make an informed choice’.⁵ As one respondent from a university pointed out, ‘Clear information is crucial at every stage of decision making in relation to financial services. This includes information about terms and conditions which are often extremely complex’.

Trustworthiness

The importance of trustworthiness was frequently mentioned in consultation responses, but there was less agreement about whether this should be identified as an additional principle in its own right or embedded within the existing Framework. One representative from a professional body argued that, ‘We would not recommend adding or removing any of the existing Principles. However [...] “Trustworthiness” could be included more explicitly, either as a part of each Principle [...] or as an ‘umbrella’ or overarching Principle that encompasses all the others.’

Support for vulnerable consumers

Some respondents envisaged support for vulnerable consumers as falling within an inclusivity principle, while others emphasised the importance of making it a principle in its own right. A number also took the opportunity to highlight the diverse range of vulnerable circumstances that consumers might experience, such as serious illness, gambling, alcohol or drug addictions and difficulties with decision making and mental capacity.

Question 3: Prioritising the consumer principles

Question 3 also asked respondents whether they regarded any of the principles as particularly important. Respondents could (and often did) suggest more than one principle in this context; we received in total 78 answers to this question from 53 respondents. Of these 78 answers, 37 favoured prioritising one or more of the principles. In six answers, all principles were identified as being important. In 15 answers respondents identified ‘access’ as the most important principle. The next

⁴ University of Cambridge, [Inclusive Design Toolkit](#) (accessed online 9 May 2018); British Standards Institute (BSI), *Design management systems - Managing inclusive design - Guide* (London: BSI, 2005)

⁵ President John F. Kennedy, ‘Special Message to the Congress on Protecting the Consumer Interest’, 15 March 1962, available online at Peters, G., and Woolley, J.T., [The American Presidency Project](#).

most commonly prioritised were clarity and transparency; fairness; safety and security; and redress and being listened to (each being prioritised in around five responses).

The reasons given for prioritising access varied. Some consumer organisations cited independent research and feedback from consumers demonstrating that access problems persisted and that a significant proportion of deprived consumers still lacked access to a current account. Since a bank account is often seen as a gateway to other financial products and services, and is critical for employment and many other aspects of daily life, respondents emphasised its central role in determining good consumer outcomes.

Other respondents drew a distinction between the principles in the BSB Framework that seemed to apply to all consumers (of which 'access' was one), and those they considered relevant only to a proportion of relatively sophisticated, engaged and motivated consumers. Access was seen as having resonance for vulnerable as well as mainstream consumers. It was of central importance to vulnerable consumers who might be at risk of digital exclusion and unable to travel long distances if local bank branches closed, or might not have the documentary evidence required to open a bank account. It was also noted as being relevant to consumers with unspent convictions whose access to products and services might be severely limited.

'Choice' and 'value for money' were seen as less important by some respondents because they lacked the widespread relevance and applicability of 'access'. As one organisation put it, 'people don't always want choice and struggle to make choices'. Other respondents thought that, while relevant, the principles of 'safety and security' and 'redress' had been the focus of more attention recently and that it would be useful to shift the focus on to other principles.

Questions 2 and 4 to 6: Views of an outcomes-based approach and possible alternatives

Question 2 and questions 4 to 6 asked respondents for their views on the outcomes-based approach proposed.

The merits of an outcomes-based approach for raising standards in the sector

Question 2 asked respondents whether they thought that focusing on consumer outcomes was a good approach to raising standards in the banking sector and, if not, what their concerns and suggested alternatives were. 42 of the 58 respondents who answered this question felt that an approach based on consumer outcomes was a good one, and another 13 indicating support for the approach with some reservations or provisos.

The effectiveness of an outcomes-based approach for increasing the BSB's understanding of consumer issues and providing the basis for future work.

Question 4 asked whether an outcomes-based approach was likely to be effective in three main ways: first, by enhancing the BSB's understanding of consumer issues and concerns as they related to aspects of its work; second, by providing the basis for the creation of good practice guidelines for firms and a common language for firms and consumer organisations; and third, by enabling consumer and civil society organisations to engage more readily with aspects of the BSB's work.

34 of those who responded to question 4 thought that an outcomes-based approach was likely to be effective in this work. A further 17 of those responding to the question expressed mixed views or qualified support for the approach.

Reasons given for favouring an outcomes-based approach included:

- it would help in assessing the extent to which firms were meeting the needs of consumers;
- avoiding prescriptive standards and a 'tick-box' approach would allow for different ways to achieve desired outcomes. This could help vulnerable consumers who might require variations in process, with the overall outcome remaining the barometer of success;
- it enabled a broader view of the customer's journey and ongoing interaction with a bank;
- it would help businesses adopt a consumer perspective on issues, rather than one of operational convenience;
- it would prompt firms to set goals and work backwards from these goals to ensure that they were achieved; and
- focusing on consumer outcomes was important in understanding whether efforts to change culture in banking were having a positive effect.

Reasons given for expressing mixed views or qualified support included:

- the success of such an approach depended on establishing meaningful outcomes that reflected real benefit for consumers;
- doubts about whether some of the outcomes already proposed were realistic, and uncertainty as to whether they were aspirations or requirements;
- the outcomes had to be specific and tightly drawn up in order to be measurable;
- it would be important to ensure that the 'customer journey' was taken into account, and that processes received attention as well as outcomes;
- the challenge of making one set of outcomes relevant to a diverse range of consumers;
- since banks had an important role to play in the economy and wider society, consumer outcomes were a necessary but insufficient component for raising standards in the sector;
- as well as focusing on the consumer, a complementary approach to raising standards was also needed, based on professional norms among individuals working in banks;
- outcomes focused on the simplification of complex financial products could not replace the need for basic financial capability;
- outcomes needed to be accompanied by practical guidance as to how organisations might achieve them, otherwise their practical application was likely to be limited;
- caution had to be exercised to prevent an outcomes-based approach developing into a culture of fear if people got things wrong; and
- the approach needed to include long-term as well as short-term outcomes.

Agreement with the outcomes listed

Question 5 asked respondents whether they agreed with the high-level outcomes that the BSB had listed under each of the principles. 34 of the 42 respondents who addressed this question said that they agreed with the outcomes. Reasons given included:

- the outcomes were clear and relevant;
- agreement with the statement under the 'access' principle that consumers' needs would change over their lifetimes; and
- approval of one of the outcomes under the 'fairness' principle that addressed 'trigger events', such as the death of a partner, sudden illness or redundancy.

Some respondents who expressed broad agreement with the outcomes nevertheless made suggestions for ways in which they might be strengthened further. One respondent suggested that the outcomes should be reviewed annually to ensure that they continued to reflect consumers' needs. Other suggestions included:

- bringing out more explicitly the issue of digital exclusion (where consumers are locked out of using banking products and services due to not being online or having the required technical skills);
- rewording the outcome under the 'access' principle to take account of third-party access, and forms of access that are most convenient and suitable for consumers;
- rewording the outcome under the 'safety and security' principle to incorporate the broader need to consider consumers themselves, as well as the obligation to protect their assets and data, in cases of financial crime and abuse, e.g. by considering victims' well-being and need to access their money.
- emphasising the importance of communicating risks and problems, and the actions being taken to mitigate them, under the 'safety and security' principle;
- combining some of the outcomes under the 'choice' principle;
- adding an outcome under 'redress and being listened to' to reflect the importance of the visibility of redress schemes to consumers; and
- broadening the scope of the 'fairness' outcomes beyond a 'products and services' focus.
- adding a 'trust' outcome to each of the principles;
- expressing the outcomes in 'first person' language to reinforce the point that they represented consumers' views of what good looked like;
- rather than concentrating on outcomes themselves, focusing more on how banks and building societies should achieve these outcomes; and
- simplifying the outcomes further, perhaps by asking consumers to indicate on a scale of 1 to 10 whether their bank was 'good' or 'helpful'.

Two respondents expressed more fundamental concerns about the outcomes listed, in particular with respect to the 'fairness' principle. One thought that the fairness outcomes simply repeated the idea of being dealt with 'fairly'. The other said that the 'fairness outcomes [did] not go far enough' and that 'there should be more ambition as regards behaving responsibly as lenders and service providers and achieving and indeed surpassing best practice'.

Potential alternatives to a consumer-focused, outcomes-based approach

Question 6 asked, 'Do you think a different approach [to an outcomes-based approach] should be taken'? 31 respondents were content with the approach suggested. Six were in favour of taking a different approach, while four thought that the existing approach should be amended or supplemented in some way. Among the respondents who supported a different approach or changes to the existing approach, suggestions included:

- creating a broader 'social contract' between firms, consumers and government, backed by stricter consumer protection (and competition) regulation relating to retail banking;
- focusing on processes and customer journeys as much as outcomes; and
- ensuring that trustworthiness was a core part of the Framework by adding a trust outcome under each of the principles.

Views about the 'real life' examples in the Consumer Framework

Question 7 asked whether the examples provided by the BSB were helpful in illustrating the outcomes identified. Of the 45 respondents who addressed this question, nearly all (41) said that they were helpful, while three expressed mixed views. Those who considered the examples helpful stated that they:

- brought the Framework to life and made it easy for consumers to relate to;
- helped to translate words into action and ensured the focus remained on the individual rather than the firm;
- accurately represented the principles or outcomes they were describing;
- made the language accessible to non-specialists, and the impact more real for those working in the industry;
- helped consumers to think about the kind of service they should be receiving from banks and building societies;
- clearly demonstrated what consumers wanted;
- were written in the first person (using 'I' statements); and
- seemed authentic, reflecting the real-life problems experienced by consumers.

Suggested improvements included:

- adding an example to illustrate the importance to consumers of reliable ways of authorising third parties to access and manage their finances;
- ensuring a balance between examples relating to mainstream consumers of different types, and more vulnerable consumers;
- providing further examples covering a wider range of issues, and perhaps an illustration using one person going through a series of life events (e.g. studying, getting a mortgage, starting a family, having an elderly relative needing help, retirement);
- providing examples relating to business as well as domestic consumers, drawing perhaps on examples from the Business Banking Insight Survey;⁶
- ensuring the examples were realistic and considered against existing regulation and guidance already in place across the industry;
- clarifying whether the examples were aspirations or requirements, and whether they comprised an indicative or an exhaustive list;
- expressing the examples in terms of outcomes rather than problems (e.g. 'I want to understand how I am charged' could be 'I understand how I am charged'); and
- under the 'choice' principle, rethinking the example of banks and building societies automatically informing consumers about the best product for them: this could lack transparency or result in the wrong solution for either consumers or firms, or both.

The three respondents who expressed greater reservations about the examples felt that:

- they risked detracting from the outcomes-based nature of the overall Framework and being turned into prescriptive rules by firms' internal audit and compliance teams;
- further consideration should be given to how the examples would be interpreted by firms, customers and consumer groups, and what they were intended to be used for;
- they reflected what a consumer wanted or thought, and where consumers were not fully informed, they risked creating unintended consequences;
- firms could be delivering and displaying many of the features outlined in the examples given, even if they had a poor culture; and
- to be useful, the examples should be specific rather than general.

Questions 8 and 9: Examples and indicators for illustrating and measuring consumer outcomes

Question 8 asked respondents whether they would add, amend or remove anything from the existing list of examples, to reflect more accurately the needs of consumers. 39 respondents (just

⁶ For more information see: <https://www.businessbankinginsight.co.uk>

under half of the total) provided substantive replies, and most of those (33) indicated that they would make changes to the list. Question 9 asked whether there were any indicators that might be helpful for measuring consumer outcomes, inviting suggestions under each of the principles in the Consumer Framework. Many respondents chose to address question 8 and 9 together, and we report the responses to both together here, giving a sample of the examples and indicators that were suggested under each principle. A longer list of examples and indicators is provided in Appendix 4.⁷

Access

Examples

- I need to access banking services offline and not get treated as a second-rate customer.
- I want to have a choice in the way I access banking services.
- I have additional needs. I want my bank to keep pace with technological advancements in inclusivity so that I can control my own finances without having to rely on other people.

Indicators

- The coverage of a bank's branch network.
- Figures on the take-up of basic bank accounts, broken down by consumer segment to ascertain whether any particular groups are disproportionately affected by access issues.
- Views of disabled consumers on accessibility of different websites.

Safety and Security

Examples

- If I lose my card or mobile, I need to know that my bank will respond quickly and keep my money safe.
- I need to get my money back quickly and easily if I lose money as a result of fraud, where I have not been negligent.
- I want my bank to have an independent security rating.

Indicators

- Numbers of reportable data security breaches.
- Measures of consumers' understanding about data protection and its importance.
- The steps taken by firms to help raise consumers' awareness about the risk of fraud and the importance of data protection.

Clarity and Transparency

Examples

- I want you to warn me early in the month if it looks like I might run out of money.

⁷ In selecting items to include within this longer list we were influenced by two main factors. First, 'width' or 'coverage'. Items were selected on the basis that they provided a reasonable indication of the spread or range of views expressed on an issue. Second, 'depth' or 'intensity of feeling'. Items were more likely to be selected if they were frequently mentioned by different respondents.

- I want to see the key terms and conditions that will affect me, without having to read through pages of small print.
- I want charges for credit products (e.g. credit cards and overdrafts) to be clear and easy to understand, and do not want any hidden charges.

Indicators

- Complaints data relating to a perceived lack of clarity or transparency.
- Readability indicators, with an expectation set that documents should have a reading age of no more than 13, so that the majority of customers can understand them.
- Feedback from customers on their experience of being able to find information quickly and easily on a firm's website.

Choice

Examples

- I want to be able to make new choices when my circumstances change without being penalised.
- If I am switching banks, I don't want to have to go through all the same processes again, such as proof of address and credit checks.
- I do not want staff to promote or try to persuade me to take products that may not be appropriate to my needs.

Indicators

- Consumers' ability to find products to match their needs (perhaps tested by means of scenarios or case studies).
- Levels of consumer switching between products.
- Time spent by consumers navigating websites in search of an appropriate product before buying that product.

Redress and Being Listened To

Examples

- I want to be able to speak to someone in person if I feel that my calls and emails are not being listened to or responded to appropriately.
- I don't want to listen to 'scripted' responses from call centre staff when trying to resolve a problem.
- I want it to be simple to nominate an advocate to take up a complaint on my behalf.
- I want my issues resolved promptly.
- I want to have complaint assistance if I have a vulnerability.
- I want to be able to complain easily without having to fill in lots of forms.

Indicators

- Time it takes for a customer to get through to talk to an adviser on the phone or obtain an appointment.
- Feedback on complaints handling processes from customers.

- Themes emerging from complaints and actions taken by firms and across the sector to learn from mistakes; processes used by banks to learn lessons from patterns in complaints

Value for Money (examples)⁸

- I want bank charges to be relevant, fair and reflective of the costs involved.
- I want to be offered rewards for being a good, long-standing customer.
- I want additional extras offered to fee-paying account customers to be worthwhile and relevant to me.

Fairness (examples)

- I want flexibility and understanding in the way that firms treat customers.
- If I make a mistake (such as becoming overdrawn without setting up an arranged overdraft, or missing debt repayments) I need to know that I will not be subject to disproportionate penalties.
- I don't want my bank to hide behind 'the system'. I want honesty and I want to know what alternatives or next steps might be open to me.

Fairness (indicators)

- Whether new customers get a similar deal to existing customers.
- A review of how people in debt have been treated by firms.
- Standards such as BS 18477: 2010⁹ on inclusive service provision, and any replacements subsequently developed.

Understanding and reflecting the needs of micro-businesses

Questions 10 and 11 focused on the micro-business sector. Question 10 asked for views on whether the framework was useful for articulating and understanding what matters to micro-businesses when it comes to banking. Of the 26 respondents who responded to this question (2 of which represented micro-businesses directly), 21 thought that the Framework was useful for this purpose, and a further three that it could be improved. Two respondents did not think it would be useful.

Some respondents who expressed reservations about whether the Framework would be useful for micro-businesses felt that it did not distinguish sufficiently between the needs of micro-businesses and other types of consumer. One respondent mentioned the different risk profile of personal consumers and micro-businesses; another, the changes in cash flow that micro-businesses had to manage. Several pointed out that the micro-businesses sector was not homogenous, and that the needs of sole traders could vary from larger businesses.

The overall feeling was that the Framework was useful to both personal consumers and micro-businesses, but that there was scope for improvement by adding outcomes and examples that addressed issues particularly relevant to the micro-business sector. At the same time, respondents were keen to emphasise that micro-businesses could be just as vulnerable as personal customers and that those running them were not necessarily more financially astute.

⁸ Very few respondents provided suggestions for indicators of 'value for money'. The few indicators that were suggested replicated the indicators more commonly suggested under other principles, such as 'choice' or 'clarity and transparency', and we have incorporated them under those headings instead.

⁹ For more information see: <https://shop.bsigroup.com/ProductDetail/?pid=000000000030213909>

In their answers to question 11, respondents provided views on what they thought should be added or removed from the Framework to reflect more accurately the needs of micro-businesses. They included the following:

- adding a specific principle to look at the needs of micro-businesses;
- emphasising the importance to micro-businesses of saving time and money, ease of opening new accounts and service reliability by means of an example under the ‘access’ principle;
- incorporating - with an outcome or example under the ‘fairness’ principle - the need for micro-businesses to be treated as fairly and favourably as personal consumers, not least when it came to product offers and forbearance in times of financial difficulty;
- adding an example under the ‘clarity and transparency’ principle illustrating the need for banks to provide micro-businesses with clear explanations of the reasons for rejecting credit applications (where applicable); and
- adding an example under the ‘access’ principle to illustrate the need among micro-businesses for information and advice, including advice about starting up a new business.

Question 12: Developing good practice guidelines and a common language

We received 45 responses to question 12, which asked for views on whether the proposed Framework could be useful in the development of good practice guidelines and a common language. Most respondents (39) thought that the Framework could be useful for the purposes indicated. An additional five expressed more mixed views, and one respondent expressed more serious doubt. Reasons given for regarding the Framework as potentially useful included:

- it could help firms move from ‘minimum standards’ to more aspirational ‘good practice’;
- it would help firms to develop and become more innovative in how they dealt with customers;
- it could enable independent consumer organisations to gain consensus on their relationships with financial service providers;
- it was written from a consumer perspective, which was crucial to establishing a common language;
- the principles and outcomes were broad enough to form the basis of good practice guidelines;
- it has scope for development over time as organisations provided feedback on their experience of using it;
- the focus on outcomes and illustrations would help organisations to use the principles more effectively; and
- it was easy to envisage how the concrete, ‘real world’ examples could contribute to the development of a common language.

At the same time, there was a general consensus that the potential benefits of the Framework would be realised only if there was collaborative action across the full range of stakeholders in the sector, including firms, consumer and civil society organisations, and regulators. This should also mean ensuring that any new measures to develop guidelines and a common language were considered against those already in place. Many respondents also emphasised that the ability to measure progress against outcomes and, if necessary, hold firms to account for making progress against those outcomes, needed to accompany the development of good practice guidelines.

The respondent who expressed more serious doubt about the role of the Framework in developing good practice guidelines and a common language felt that it should be ‘much more aspirational and should truly reflect the spirit of Open Banking in the digital age’.

Question 13: Usefulness of the Framework in developing good practice guidelines and a common language

Question 13 asked whether the Framework enabled consumer and civil society organisations to engage more readily with the work of the BSB, and potentially align some of their own future work. We received 34 responses to this question, the majority of which (32) indicated that the Framework did enable this. Reasons given included:

- it would help consumer organisations to align their evidence of good and bad practice with outcomes;
- it was written in accessible language;
- it helped to raise visibility of the BSB across organisations that might not otherwise engage with it;
- it provided future opportunities for co-ordinated or joint working, which was essential given the capacity limitations of consumer and civil society organisations;
- it opened the door for productive and positive networking between all parties and facilitated common goal setting, which benefitted both consumers and firms;
- consumer principles were used by groups and experts around the world to protect consumers, and the relevant illustrations or examples should help to promote greater levels of engagement;
- it offered the potential to overcome a narrow, condition-specific approach to consumer need – viewing consumers in a more holistic way; and
- it provided structure for shaping future conversations, although a substantial programme of consumer engagement would also be required to flesh out those conversations and lead to change.

Other comments

Respondents were invited to offer any other comments on issues not addressed by the questions. The 31 respondents who chose to do so raised a number of points, including:

- the need to ensure that the Framework remained ‘grounded’, thereby avoiding the fate of some other Frameworks which ‘became far too technically detailed’;
- the importance of integrating the Framework with other work being conducted by industry and consumer organisations as well as by the FCA;
- a suggestion that the BSB should focus its work on two or three key areas that were not currently fully addressed by regulation and/or where additional best practice guidance might be useful;
- the importance of ensuring effective implementation of the Framework, including measuring changes in outcomes, monitoring progress and holding firms to account for failure to act in line with the principles;
- consideration of how best to capture and address the diverse spectrum of consumer needs and expectations, avoiding an ‘average’ view;
- the value of considering outcomes for communities as well as individual consumers;
- the importance of effective staff performance management in helping to deliver good outcomes for consumers; and

- the need to ensure that specific issues such as ‘third-party access’ and ‘trust in banks and banking’ were covered by the Framework.

Direct-to-consumer questions

Our Consumer Framework consultation was aimed primarily at consumer and civil society organisations. While we welcomed responses from individuals themselves, we were conscious of the need to do more to encourage direct engagement at the consumer level, and therefore designed a separate digital questionnaire tailored to individual respondents. We are grateful for the support of a number of organisations in helping to distribute and promote this survey, including Money Saving Expert, Money Advice Scotland and Young Scot.

The questionnaire (which can be found at Appendix 5) comprised:

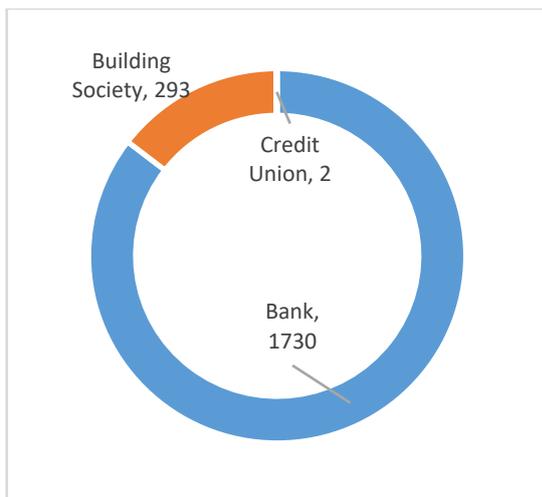
- six customer-focused questions;
- a question about the elements of our draft Consumer Framework; and
- two demographic questions.

The survey questions were designed to help us understand:

- 1) consumers’ views on how customer-focused they thought their bank/building society was; and
- 2) which of the bank or building society characteristics identified in our draft Consumer Framework (e.g. choice, access, clarity) were valued most by consumers.

The questionnaire ran over a period of three months in late 2017 and early 2018, and received 2,025 responses. For 85% of respondents the primary type of financial institution they used for day-to-day banking was a bank, and for 15% a building society.

Chart 1: Primary financial institution used for day-to-day banking needs



n=2,025

In interpreting the results of this survey we should note that we cannot say with confidence that these more than 2,000 responses represent the views of all UK banking consumers. By definition, they come from a self-selecting sample of respondents. While we must be careful not to over-

interpret the findings, the results are nevertheless very helpful in informing our further thinking on this issue.

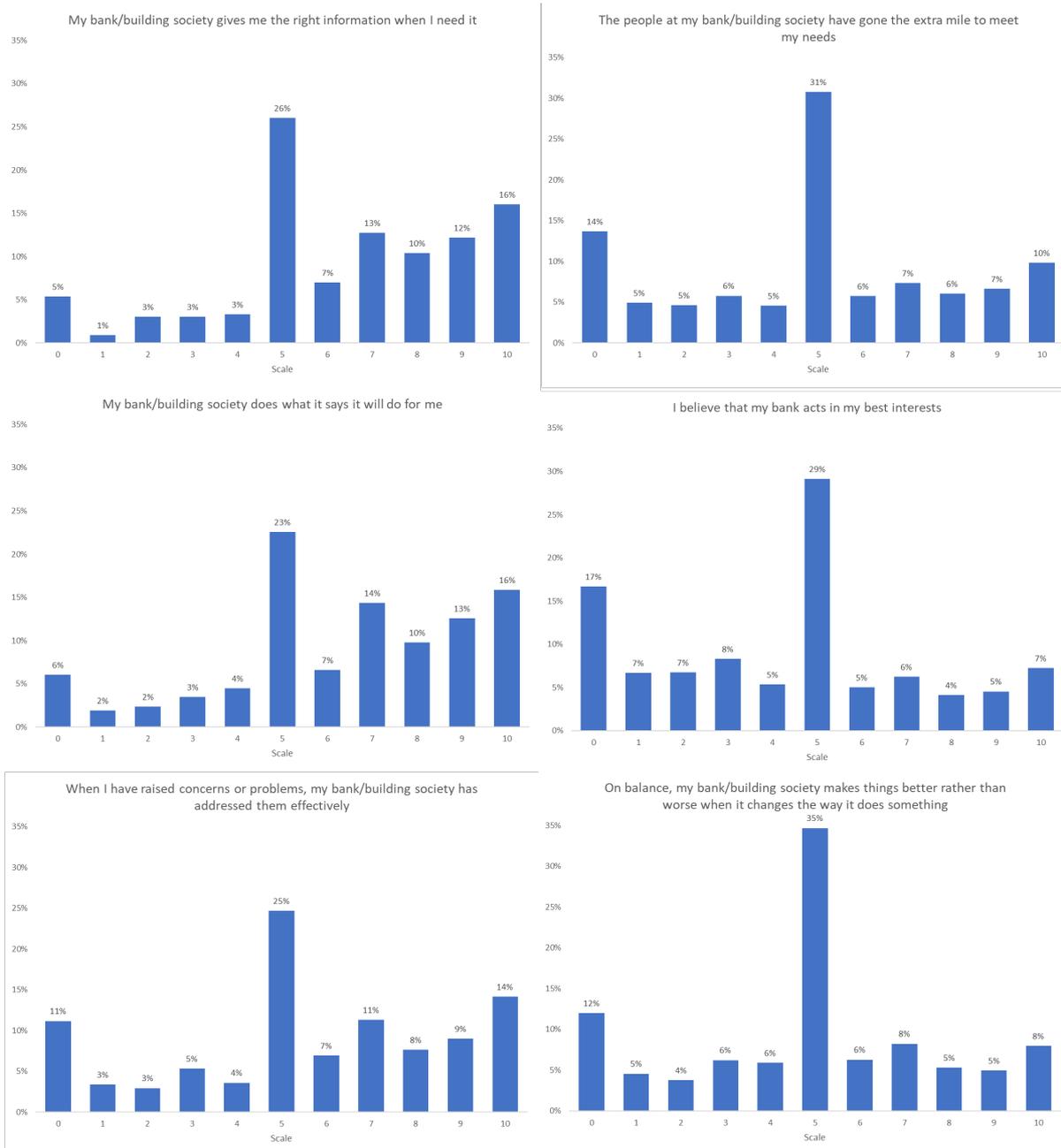
The six questions used in our questionnaire drew on the customer focus-related questions in the BSB employee survey¹⁰ and asked individuals to rate their bank or building society on a 0-10 scale.

On three of the questions, the majority of customers who responded were favourable towards their bank, building society or credit union. Respondents, on balance, felt that their banking institution provided the right information when it was needed. The majority also felt that their banking institution delivered on what it said it would do, and addressed their concerns effectively when these arose.

On two questions, responses were neutral overall. In response to the question about whether their banking institution went the extra mile to meet their needs, around the same proportion of people agreed as disagreed. There was a similar response to the question, 'on balance, my bank/building society makes things better rather than worse when it changes the way it does something'.

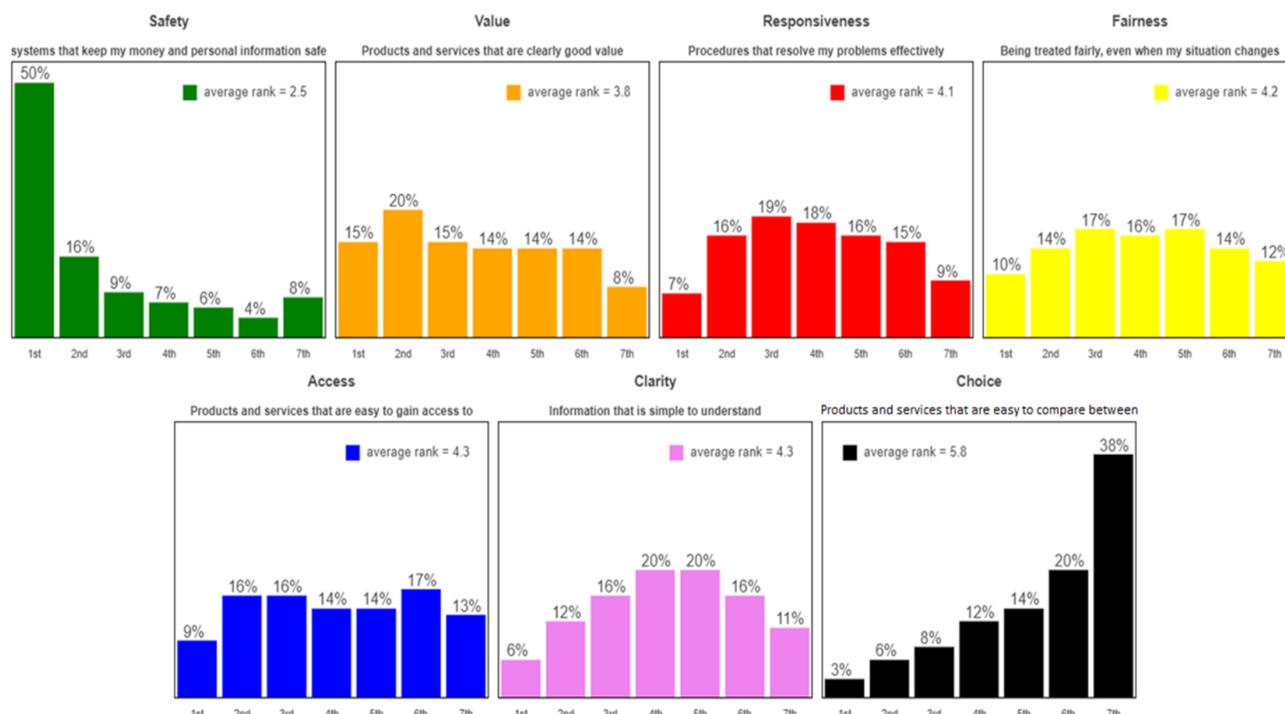
On one question – whether customers believe that their banking institution acts in their best interest – responses were negative overall; more people disagreed than agreed with this statement.

¹⁰ See: <https://www.bankingstandardsboard.org.uk/assessment-results-2017/>



Building society customers responded more positively than bank customers on all six questions, and particularly so on believing that their bank/ building society acted in their best interest. Given, however, the relatively small sample size (only 293 respondents from building societies), we cannot say that these findings are representative of the relative views of customers of building societies and banks in general.

What qualities do consumers value from their banks/building societies?



We asked respondents to rank, in order of importance, the characteristics from our Consumer Framework. 75% of respondents ranked 'safety' as one of the three *most* important qualities, and 72% of respondents ranked 'choice' as one of the three *least* important qualities. Differences between the other five qualities were negligible.

There is inevitably some overlap between the way in which different categories are interpreted and this may influence the validity of the findings in this question. A respondent's perception of a financial institution's *fairness* could, for example, be derived from the institution's *responsiveness* to complaints or the amount of *choice* it offers. Similarly, some respondents may believe that the *value* of a product is at least partly influenced by its *safety* or *clarity*.

To insert pdf of Consumer Framework

Appendix 2 — List of consultation questions

Consumer principles

1. Do you agree with the consumer principles listed in the Framework? (These are access, choice, clarity and transparency, safety and security, redress and being listened to, value for money, fairness.)
2. Do you think that focusing on consumer outcomes is a good approach to raising standards in the banking sector? If not, what are your concerns and possible alternatives?
3. Would you add or remove any principles? Do you think that there are any that are particularly important?

Outcomes-based approach

4. Is an outcomes-based approach likely to be effective for this work?
5. Do you agree with the high-level outcomes listed?
6. Do you think a different approach should be taken?

Examples of what the outcomes mean to consumers

7. We have included some 'real life' examples of what the outcomes might mean to consumers, provided by consumer and civil society organisations and drawn from existing consumer research. Do you think these are helpful in illustrating the outcomes identified in the Consumer Framework?
8. Would you add, amend or remove anything to reflect more accurately the needs of consumers?

How could the outcomes be measured?

9. Are there any indicators that you think might be helpful for measuring consumer outcomes, and that we should consider in subsequent stages of this work?

Micro-businesses

10. Do you think the Framework is useful for articulating and understanding what matters to micro-businesses when it comes to banking?
11. Would you add or remove anything to reflect more accurately the needs of micro-businesses?

Aspirational benchmark and usefulness to consumer and civil society organisations

12. Do you think the Framework could be useful in the development of good practice guidelines and a common language?
13. Does the Framework provide a way for consumer and civil society organisations to more readily engage with our work at the BSB (for example, advising on the development of good practice), and potentially align some of their own future work when working with the banking sector?

Any other comments

14. Do you have any other comments you wish to add?

Appendix 3 — Table of Responses to BSB Consultation Questions

The following table contains a quantitative summary of responses to the BSB's November 2017 consultation paper, *What do Good Banking Outcomes Look Like to Consumers?* Responses to Question 9 have not been presented in tabular form owing to the nature of the question, but the responses to this question are summarised in the main body of this document.

1. Do you agree with the consumer principles listed in the Framework?	Number of responses
Agree with the consumer principles listed	51
Agree with principles to some extent/in some respects	15
Do not agree with the consumer principles listed	3
No response	12
2. Do you think that focusing on consumer outcomes is a good approach to raising standards in the banking sector? If not, what are your concerns and possible alternatives?	Number of responses
Yes, focusing on consumer outcomes is a good approach	42
Yes, but with some reservations and/or provisos	13
No, we have concerns about a consumer outcomes focused approach	3
No response	23
3. Would you add or remove any principles? Do you think that there are any that are particularly important?¹¹	Number of responses
Would add principles	23
Would not add, remove or prioritise any particular principles	6
Would remove one or more principles	6
All the principles are important	6
Prioritise one or more specific principles	37
No response	28
4. Is an outcomes-based approach likely to be effective for this work?	Number of responses
Yes, an outcomes-based approach is likely to be effective	34
Mixed views on whether approach is likely to be effective	17
No, an outcomes-based approach is not likely to be effective	1
No response	29
5. Do you agree with the high-level outcomes listed?	Number of responses
Yes, agree with the high-level outcomes listed	34
Agree with some aspects, or some of the outcomes listed	6
No, do not agree with the high-level outcomes listed	2
No response	39
6. Do you think a different approach (to an outcomes-based approach) should be taken?	Number of responses

¹¹ Respondents may give multiple answers, resulting in a total exceeding 81

No, a different approach should not be taken	31
Yes, a different approach should be taken	6
The approach should be amended or supplemented in some way.	4
No response	40
7. We have included some 'real life' examples of what the outcomes might mean to consumers ... Do you think these are helpful in illustrating the outcomes identified in the Consumer Framework?	Number of responses
Yes, the examples are helpful in illustrating the outcomes	41
Mixed views on whether the examples are helpful	3
No, the examples are not helpful in illustrating the outcomes	1
No response	36
8. Would you add, amend or remove anything to reflect more accurately the needs of consumers?	Number of responses
Yes, would add/amend/remove from the examples	33
No, would not add/amend/remove anything	6
No response	42
10. Do you think the Framework is useful for articulating and understanding what matters to micro-businesses when it comes to banking?	Number of responses
Yes, the Framework is useful for this	21
The Framework could be improved for this purpose	3
No, the Framework is not useful for this purpose	2
No response	55
11. Would you add or remove anything to reflect more accurately the needs of micro-businesses?	Number of responses
Yes, would add/remove things to reflect this	11
No, would not add/remove anything to reflect this	7
No response	63
12. Do you think the Framework could be useful in the development of good practice guidelines and a common language?	Number of responses
Yes, the Framework could be useful for these purposes	39
Mixed views about whether the Framework could be useful	5
No, the Framework would not be useful for these purposes	1
No response	36
13. Does the Framework provide a way for consumer and civil society organisations to more readily engage with our work at the BSB?	Number of responses
Yes, the Framework provides for this	32
No, the Framework does not provide for this/not on its own	2
No response	47

14. Do you have any other comments you wish to add?	Number of responses
Yes, other comments to add	31
No, no other comments to add	13
No response	37

Appendix 4 - Illustrating and measuring consumer outcomes; a summary of examples and indicators suggested in the course of our consultation

Access

Most of the examples given by respondents related to the 'access' principle. These included:

- I need to access banking services offline and not get treated as a second-rate customer.
- I want to have a choice in the way I access banking services.
- I have additional needs. I want my bank to keep pace with technological advancements in inclusivity so that I can control my own finances without having to rely on other people.
- I want simple and universal technology across providers of similar products.

Indicators that respondents suggested could be helpful in measuring access outcomes included:

- The coverage of a bank's branch network
- Bank branch opening hours.
- Travel costs incurred by consumers in accessing banking services.
- Numbers of customers terminating a service and citing access-related issues as a reason.
- The ratio of current account refusals to acceptances.
- Figures on the take-up of basic bank accounts, broken down by consumer segment to ascertain whether any particular groups are disproportionately affected by access issues.
- Views of disabled consumers on accessibility of different websites.

Safety and Security

The second largest number of examples related to the 'safety and security' principle and included:

- If I lose my card or mobile, I need to know that my bank will respond quickly and keep my money safe.
- I need to get my money back quickly and easily if I lose money as a result of fraud, where I have not been negligent.
- I want my bank to offer me options or solutions to help me keep my money safe.
- I want my bank to have an independent security rating.
- I want to be aware of risks and, in the rare case of my data being accessed, I want to be informed by my bank about what to do next.

Suggested indicators that might be helpful for measuring safety and security outcomes included:

- Numbers of reportable data security breaches.
- The number and cost of incidents of fraud.
- The number and nature of consumer complaints relating to data misuse and fraud, particularly since the introduction of Open Banking.
- A review of innovations that firms have implemented for their customers to fight fraud.
- A review of instances where firms have sought to address or prevent fraud cases.
- Measures of consumers' understanding about data protection and its importance.
- The steps taken by firms to help raise consumers' awareness about the risk of fraud and the importance of data protection.

Clarity and Transparency

A large number of suggestions also related to examples and outcome indicators under the clarity and transparency principle. The following were among the examples suggested:

- If you change something, I want you to show me what you have changed and how to use it.
- I need justified confidence that any information produced by my bank or building society is truthful and not misleading.
- I want you to warn me early in the month if it looks like I might run out of money.
- I want to know how my 'free' current account is paid for.
- I want terms and conditions that I can understand.
- I want to see the key terms and conditions that will affect me, without having to read through pages of small print.
- I want the information about my product, including the terms and conditions, to be in plain English or be available in my native language.
- I want to be able to ask questions about products with someone that understands my needs and the products on offer.
- I want charges for credit products (e.g. credit cards and overdrafts) to be clear and easy to understand, and do not want any hidden charges.

Suggested Indicators:

- A review of terms and conditions, including the format they are provided in.
- Customers' feedback on their experience of using different sets of terms and conditions.
- Complaints data where the issue relates to a perceived lack of clarity or transparency.
- Visual representations or risk warnings on communications, to help people with low literacy levels distinguish products that may be unsuitable or likely to cause detriment.
- Readability indicators, with an expectation set that documents should have a reading age of no more than 13, so that the majority of customers can understand them.
- Feedback from customers on their experience of being able to find information quickly and easily on a firm's website.

Choice

Suggested examples:

- I want to be able to make new choices when my circumstances change without being penalised.
- If I am switching banks, I don't want to have to go through all of the same processes again, such as proof of address and credit checks.
- I want to be able to compare similar products and services to select the right one for me in a timely way.
- I want to be able to easily share the information held by my bank about me with a third party, so that a third party may advise me.
- My bank must give me choices related to my specific circumstances and tell me about better products elsewhere.
- I need to be able to find good quality information through multiple channels not just a computer or electronic device offline.
- I do not want staff to promote or try to persuade me to take products that may not be appropriate to my needs.

- I want firms to use algorithms responsibly to make suitable product recommendations.
- No matter my choice of provider, I want the people managing my finances to be appropriately qualified and have the necessary training needed to do their job to a high standard.
- If my bank or building society does not offer what I needed or if I am turned down for a product, I need to be signposted *appropriately*.
- I need to be communicated to in a way that I can understand, and be free to choose my preferred channel of communication.

Suggested indicators:

- Consumers' ability to find products to match their needs (perhaps tested by means of scenarios or case studies).
- Take up of products and apps that allow consumers to make direct comparisons between different product offerings.
- Levels of consumer switching between products.
- Staff qualifications and training.
- Time spent by consumers navigating websites in search of an appropriate product before buying that product.

Redress and Being Listened To

Suggested examples:

- When a mistake happens, I want my bank/building society to take responsibility and automatically correct it and, if appropriate, provide a refund/compensation and/or an apology.
- I want a dedicated person at the bank that handles my relationship with the bank.
- I want to be able to speak to someone in person if I feel that my calls and emails are not being listened to or responded to appropriately.
- I don't want to listen to 'scripted' responses from call centre staff when trying to resolve a problem.
- I want to be able to make a complaint through any means I would usually communicate with my bank, whether that is over the phone, in person or in writing.
- I want it to be simple to nominate an advocate to take up a complaint on my behalf.
- I want my issues resolved promptly.
- I want to have complaint assistance if I have a vulnerability.
- I want the bank to consider whether I have been treated fairly and have flexibility to act appropriately towards me.
- I want banks to deal with small problems before they become big ones.
- If I have a complaint, I want the bank to stop the same problem arising in the future.
- I want senior executives to understand how customers are treated and listen to their views.
- I don't want to be penalised for making small mistakes.
- I want to be able to complain easily without having to fill in lots of forms.
- I need to know that it is worthwhile complaining and that it will make a difference.
- After an issue has been rectified, I want my bank to come back to me to check that everything is fine.
- I want my bank to keep their promises. If they say they will do something, this should be done.

Suggested indicators:

- Time it takes for a customer to get through to talk to an adviser on the phone or obtain an appointment.
- Feedback on complaints handling processes from customers.
- Details of complaints received and how they were resolved.
- Themes emerging from complaints and actions taken by firms and across the sector to learn from mistakes; processes used by banks to learn lessons from patterns in complaints
- Issues identified through tools such as call listening and mystery shopping.
- The characteristics of complainants (e.g. age, sex, ethnicity) in order to understand the types of complainants who are seeking redress.
- The degree to which complaints are recognised, resolved, and recorded in line with policy and guidance.
- Information on whether vulnerable consumers are identified and handled appropriately.

Value for Money

Suggested examples:

- I want to understand why banks are increasing charges.
- I want to understand the benefits I receive in return for the charges I pay to my bank, and whether I can cut the charges (e.g. by taking on some tasks myself).
- Where I am charged extra for services, I want them to add value and better meet my needs.
- I want bank charges to be relevant, fair and reflective of the costs involved.
- I want to be offered rewards for being a good, long-standing customer.
- I want additional extras offered to fee-paying account customers to be worthwhile and relevant to me.
- I would like to know why a product is free – for example, is a bank sharing my data?
- I don't want any hidden charges.
- I need to know when the same product is available for a better price from another bank or building society.
- If I'm being charged for a service, I expect to be able to have what I need when I need it.

Fairness

Suggested examples:

- I want my bank to treat all people fairly, not just me. This includes people on low incomes and with additional needs.
- I want firms to consider how people in all circumstances can be helped, including those at risk of being almost entirely excluded from financial services because of their financial and personal situation.
- My bank or building society should not place customers in financial difficulties in a worse situation.
- All customers should be treated fairly and with respect, regardless of race, gender, sexuality or income level.
- I want there to be flexibility and understanding in the way that firms treat customers.
- I want staff to be rewarded for treating me fairly, rather than for selling me something.
- I do not want to be penalised for loyalty, by being charged more, or getting an inferior product, than a new customer would.

- If I make a mistake (such as becoming overdrawn without setting up an arranged overdraft, or missing debt repayments) I need to know that I will not be subject to disproportionate penalties.
- I would like to see a breathing space scheme in operation where consumers are seeking debt advice or have engaged with their banks about repayment plans.
- I want the products and services available to me to be consistent, regardless of the channel I decide to use.
- I don't want my bank to hide behind 'the system'. I want honesty and I want to know what alternatives or next steps might be open to me.
- I want firms to ensure that the continued and growing move towards greater automation in banking is not shutting out the flexible, people-driven interface which can be vital for meeting the needs of those on the edges of society.

Suggested indicators:

- Whether new customers get a similar deal to existing customers.
- A review of how people in debt have been treated by firms.
- Complaint levels, themes of complaints, and corrective action taken.
- Standards such as BS 18477: 2010¹² on inclusive service provision, and any replacements subsequently developed.

¹² For more information see: <https://shop.bsigroup.com/ProductDetail/?pid=00000000030213909>

Appendix 5 -Direct to consumer questions

1. Are you currently a customer of any of the following? (Please select all that apply)
2. Which do you use for most of your day-to-day banking? (Please select one option)
3. My bank/building society gives me the right information when I need it (Likert scale)
4. My bank/building society does what it says it will do for me (Likert scale)
5. I believe that my bank acts in my best interests (Likert scale)
6. The people at my bank/building society have gone the extra mile to meet my needs (Likert scale)
7. When I have raised concerns or problems, my bank/building society has addressed them effectively (Likert scale)
8. On balance, my bank/building society makes things better rather than worse when it changes the way it does something (Likert scale)
9. Please rank the following in order of importance to you, 1 being most important, 7 the least. You can either rank the statements using the numbers 1 to 7 in the left-hand boxes or – if using a desktop or laptop - drag and drop each statement into your preferred order:
 - a. Access: Products and services that are easy to gain access to
 - b. Choice: Products and services that are easy to compare between
 - d. Safety: Systems that keep my money and personal information safe
 - e. Clarity: Information that is simple to understand
 - f. Responsiveness: Procedures that resolve my problems effectively
 - g. Value: Products and services that are clearly good value
 - h. Fairness: Being treated fairly, even when my situation changes