



PROTECTING THE PUBLIC INTEREST

In the first of a series of articles about the structures that underpin the insurance sector's journey to maintain and improve the profession, we feature the work of the CII's Professional Standards Board

ILLUSTRATION: DALE EDWIN MURRAY

The creation of the Parliamentary Banking Commission to look at standards in banking in the wake of the LIBOR scandal; the Leveson inquiry into media standards; and the recent parliamentary expenses scandals are but a few of the most recent issues that raise the importance of standards in public and business life.

The link between these and other challenges in public trust is the call for independent and transparent oversight of professions. Insurance is already well placed for this challenge. The insurance profession's governance has evolved over the years and, unlike banking for example, has well established and robust self-regulation with proper oversight and disciplinary process with appropriate sanctions. Over the years

the CII has developed its Code of Ethics, disciplinary processes, mandatory CPD and Awarding Body standards overseen by an independently led Professional Standards Board (PSB). This has ensured that the insurance sector remains at the "leading edge of professional standards" according to David McIntosh, the PSB's current independent chairman. The insurance sector can be proud of

COMPOSITION OF THE PSB



- **David McIntosh QC (Hon)**
Independent non-exec chair
- **Teresa Hunter**
Lay representative
- **Sue Lewis**
Lay representative
- **James Morris**
Lay representative
- **Nicola Mullany**
Lay representative
- **Professor Charles Munn**
Lay representative
- **Jackie Wells**
Lay representative
- **Jonathan Bush ACII, Chartered insurance broker**
Practitioner representative
- **Edward Grant FPFs, Chartered financial planner**
Practitioner representative
- **Tom McGrath CBE, FCII, Chartered insurance broker**
Practitioner representative

The PSB plays a vital role in acting as the voice of the public overseeing the development of the profession. It is a key cog to reinforce and enhance the purpose of the Royal Charter, to promote the public interest and to provide public trust and confidence in the profession.

the progress made but must continue to evolve to meet future public interest challenges. Protecting the public interest is central to the CII's purpose, as the Charter states, and maintaining and improving public confidence and trust in the financial services market will be achieved only by creating a genuinely global profession where the best interests of the public are to the fore, ongoing learning and expertise are

ROLE OF THE PROFESSIONAL STANDARDS BOARD

The role of the professional standards board (PSB) is to:

- Develop policy and standards for CII members, including professional conduct and trust, discipline, ethics and competence;
- Develop appropriate policy and standards for the CII's governance including accountability, diversity, consumer representation and transparency;
- Monitor and review these standards;
- Communicate the standards to the members and committees; and
- Promote professionalism and the adoption of high standards within the

industry, with government, with regulators and, most importantly, to consumers.

The PSB is always chaired by an independent figure and that role is currently held by eminent lawyer David McIntosh QC (Hons), himself a previous president of the Law Society. It also comprises a mix of senior practitioners and lay representatives. It has a majority of lay representation and membership is chosen in line with the Nolan principles. The current representation is set out in box two. The PSB also has a diversity sub-group chaired by Liz Coyle, a Chartered insurer.

“The PSB has evolved to be at the leading edge for professional standards oversight of the financial services sector. Something that should be prized and celebrated by the insurance sector”

David McIntosh QC (Hon)

cherished, and the highest standards of ethical behaviour are pursued.

Modern professional bodies need to demonstrate to the wider public that there is good governance in place to guide this work and ensure it meets the famous challenge of George Bernard Shaw that "all professions are conspiracies against the laity".

The CII's commitment to higher standards is achieved through a broad spread of services, including membership, qualifications, continuing professional development and a code of ethics guiding professional behaviour. But all of these must be governed by a robust set of processes that are seen to be, and are, acting in the public interest. We have independent disciplinary machinery in place to oversee the policing of the code of ethics – a disciplinary and an appeals committee are in place to see this happens. Both are independently chaired by practising lawyers.

The CII ensured there was a further lock in place when it established a professional standards board more than a decade ago to oversee our professional standards framework. The first independent chairman of the PSB was the eminent Lord Hunt, a veteran champion of robust self-regulation of the professions. The role of the PSB is set out in the box above. ❷

In the next edition we will cover the code of ethics and the disciplinary and appeals process that underpins the code.