

ID	Start time	PFS Region / Local Institute
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24	11/17/21 14:26:06	The Insurance Institute for Shropshire and Mid-Wales
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Date of event

Event Chair

Number of attendees

11/16/2021 President and Vice-Presi 6

How do you feel about the addition of an experience-route to professional membership, as an alternative alongside taking qualifications?

The concept of the 'experience assessment' is flawed, particularly in a regulated advice environment. It would be dangerous to allow advisers to provide regulated advice without having demonstrated the required level of technical knowledge through academic attainment and individual assessment through invigilated examinations.

It might have a relevance for those in management, but we feel they should be focussed on more relevant qualifications in management or, through organisations such as the IoD and other professional bodies specialising in management and leadership.

Those that have already attained fellowship through studying for the attainment of higher-level professional qualifications would see this as devaluing the level of membership.

How do you feel about evolving member grades from 7 to 3 professional membership levels (supplemented by two aimed at pre-qualified and retired members)?

This concept needs to be abandoned and completely re-designed based upon consultation with members of both the PFS and the LIIs. An approach that is like the medical profession would be more suitable covering specialist administration, technical support, professional advice and planning and specialist niche advice.

Skills and knowledge that relates to leadership and management should be delivered by other organisations (e.g., MBA) and not a qualifications awarding body operating in an advice procession. This draft framework is totally unsuitable for the majority of the LII and PFS members.

The concept of four bands might resonate with larger organisations with layers of responsibility, but it does not apply to the majority of professional practices in the UK.

Certainly, in relation to the financial planning and advice profession (i.e. PFS members) the framework needs to reflect the way in which financial planning and advice practices actually work:

- i) Administration and client service and relationship management
- ii) Financial planning
- iii) Regulated professional advice
- iv) Compliance
- v) Technical support

The proposed 'simplified' professional body membership levels and designations seem to offer no value at all. They also do not show alignment with the QCF levels, which is widely recognised with the public and match the requirements got regulated advisers (e.g., Diploma or QVF Level 4).

To what extent do you agree that membership gives you a sense of belonging?

Membership of a professional membership body (i.e., The PFS and the LIIs) does provide a sense of belonging. However, there is no sense of belonging associated with the 'free membership' of the CII, the umbrella qualifications awarding body, that is granted when members join either their LII or the PFS.

We suggest more support of LIIs and PFS. PFS has unquestionably demonstrated its value to members (and the CII) and its financial performance is evidence of the value of operating as a separate legal entity. The same is the case for LIIs but more funding could be allocated to make a significant difference to member experience rather than spending on central CII projects like IWF etc.

What do you think are the advantages and disadvantages in the way that Local Institutes, Societies and the CII currently operate?

The narrative in section 4.1 contains misleading information in that it attempts to position the PFS alongside the special interest groups/faculties (e.g., The Society of Mortgage Professionals) instead of recognising its true status as an independently constituted professional membership body that sits alongside the Local Insurance Institutes, which are the professional membership bodies for the GI sector.

The CII is a qualification awarding body, holding the Royal Charter. The PFS and the LIIs are the professional membership bodies within the group and the regulator is the professional standards body. The false narrative that the CII persists in presenting is misleading and is perceived as a disingenuous attempt of supporting the establishment of a general mandate to attempt once again to deregister the PFS in order to add the PFS assets (c£17m) to the CI's balance sheet to cover up obvious underperformance and financial mismanagement.

The membership would have more respect for the CII if it at least told the truth.

What opportunities do you see for ensuring that resources are managed and deployed effectively and efficiently to further the objectives of the CII, Societies and the Local Institutes?

CII needs to re-focus on its core function of qualifications if it is to achieve its primary function and purpose. Allow each of the other societies to flourish as separately managed professional membership bodies, similar to the LII's and PFS. Stop the attempt to defensively create a 'one size fits all' strategy which does not recognise diversity and will dilute effectiveness.

Is there anything you think we should do differently in regard to governance and operations?

Yes:

- i) Appoint an 'independent' chair of the CII Board.
- ii) Appoint a ringfenced 'whistleblowing' board director. This would help avoid CII members of staff having to resort to tactics such as using Glassdoor and maintaining anonymity to feel safe in reporting matters of concern and grievances without fear of victimisation.
- iii) The CII to publish full accounts that are clear and simple to understand.
- iv) Board packs should be reduced in size and issued well in advance of meetings (ref: comments made by existing board members)
- v) The PFS should reinstate the CEO role
- vi) Change the PFS Articles of Association to change the voting rights to prevent any further attempts to ride roughshod over its members to force deregistration.
- vii) CII transfer the cash that it holds on behalf of the PFS to an account in their name and under their control
- viii) Implement an independent review to address the outstanding issues of concern that were summarised at the 2021 AGM, including the circumstances surrounding the sale of Aldermanbury (the family home) the exam fiasco that rumbles on, the SJP exclusive, the poor financial position of the CII and the unethical practice of exam bundling.

service standards and qualifications relevance, as well as the implementation of its 5yr manifesto over the past few years, including a significant negative media attention.

It is also our understanding that the 'consultation' has come about following a motion submitted at the CII's June 2021 AGM, calling for an independent review of the manifesto, which started in 2016 and was due to conclude in October 2021.

The consultation, however, seems to ignore the motion and CII's Chair's commitment to address it with the wider membership, instead seeming to deflect accountability, replace transparency and openness for opaqueness, including self-claims of success and an attempt to ignore the motion instead asking members to consider the future rather than the past.

It is clear that this approach avoids the accountability being called for and feels both underhanded and unethical. So our first piece of feedback would be to put a halt to current strategy and culture in favour of actions which genuinely address the evident issues raised and claims of putting members views and feedback first.

The 5yr manifesto claims to have incorporated significant member feedback via a PWC review but the current consultation suggests that none of that feedback had any positive impact or indeed may have been ignored by management. So we feel that it would be prudent to understand what went wrong over the past 5yrs to avoid repeating history.

How do you feel about the proposal to streamline core qualifications?

The belief that adding more qualifications is not the right answer fails to address the many flaws in the existing qualifications framework and does not address the fact that it has lost relevance over the last 5 years. Gill White admitted that the CII, ‘...had got into a rut,’ which had allowed the qualifications framework to fall out of relevance.

The fact that the CII has not consulted with members, either directly or through the PFS Board or the councils of the LIIs and appears to have ignored input from the Practitioner’s Panel, is disappointing and represents a significant missed opportunity to put matters right.

How do you feel about the proposal to introduce learning and assessment that targets sector-specific skills and behaviours, in addition to applied technical knowledge?

The proposal to allow practitioners with significant experience to be awarded Chartered and Fellow status is worrying. Please reference our comments above. However, this has the potential to de-value these higher levels of professional qualifications and may lead to a loss of trust and confidence in the professions of both general insurance and financial planning.

In terms of assessment, our experience is that sitting 3-hour written exams is still fit for purpose; and open book assessment is no less stressful but just as valuable.

You suggest moving towards an assessment methodology instead of invigilated exams. Why not do both?

How well do you think the CII currently recognises previous study and qualifications?

It is inconsistent and needs a major overahaul.

Audience feedback: Are there any other themes or topics that you feel we should include in our Learning and Assessment offer?

Other themes that should be included are:

- i) Supporting and advising clients in vulnerable circumstances
- ii) Acting for a fiduciary
- iii) ESG
- iv) Water life accreditation
- v) Advanced estate planning, trusts and inheritance tax
- vi) Specialist areas, including divorce, loss of mental capacity, clinical negligence, and personal injury.

How well does the membership certification model provide assurance of professionalism to employers and the public?

The existing certification model broadly works well and is aligned with the QCF framework and, subject to bringing it up to date to make it modern and relevant, the model does not need to be altered.

To what extent do you agree that introducing a Chartered Ethos for individual Chartered professionals, in line with the existing Corporate Chartered Ethos, would enhance public trust?

There is already a Chartered Ethos, which is embodied within an Oath that all PFS chartered members take upon graduation. This is a very powerful commitment to always place your client's interests above any commercial interest.

You may wish to extend this out to GI members as well though.

To what extent do you agree that the membership certification model and individual Chartered Ethos will enhance ethical conduct in the Personal Finance and Insurance professions?

Whilst the aspiration should be for both the general insurance and the financial planning professions to be recognised as chartered professions with parity of esteem, there is a danger that by focussing too much on chartered members at this stage, you alienate members who have no aspiration to be chartered. The analogy is a firm of chartered accountants or solicitors, where there are level 3 and level 4 qualified practitioners within the practice that undertake non-contentious work and support level 6 and 7 practitioners.

The firm can be chartered but not everyone working within the firm needs to be chartered; and they don't need to be shoehorned into one of four bands.

We are on a journey, and we need to ensure that we get the balance right between attracting new talent, whilst continuing to evolve into much larger professions that are perceived as safe pairs of hands.

Is your professional body sufficiently active in raising standards and securing public trust?

The most important step that the CII could and should take is to apply the highest standards of ethical behaviour to its own activities. In our view, the CII should review its own internal practices and communications and eradicate all unethical conduct and all existing conflicts of interest.

Issues such as the unethical practice of bundling learning material and exams, and issuing misinformation to members, not only creates conflict of interest that could be easily avoided but continuing to operate in this unprofessional manner is corrosive and destroys trust and confidence that members have in the CII. If the members cannot have trust and confidence in the qualifications awarding body, then how can the CII justify the trust and confidence of the public, which is its primary obligation under the Royal Charter?

It is frustrating to witness the CII as a qualification awarding body, issuing misinformation to members, operating in an unethical manner, and not applying the same standards of professional conduct that members comply with. In other words, the CII needs to put its house in order and become an example of high standards to ensure that they meet their obligations under the Royal Charter. It is a huge disappointment that members feel the need to point out unethical behaviour to the CII!

Do you think your professional body is sufficiently active in the public arena in addressing reputational issues?

No.

The CII failing to deal with issues of mal-practice by members of both the GI sector and the PFS members to whom they issue statements of professional standing (SPS) in a timely manner, has left both the GI and financial planning professions with further damage that could have been mitigated.

Allowing issues such as the BI debacle and the South Wales Steelworkers (who were in vulnerable circumstances) DB transfer fiasco to pass without comment or intervention by the CII was seen as a significant failure in term of addressing the reputational damage that these major disasters caused. The damage to the professions of GI (Ref the BI debacle) and financial planning and advice (Ref the DB transfer disaster) by the CII not reacting swiftly and appropriately, allowed unnecessary reputational damage to occur.

These types of failure in term of challenging poor practice that causes harm to members of the public further erodes trust and confidence and needs to be urgently addressed.

What are the benefits of the Professional Map for individuals?

We can see no benefit.

What are the key benefits of the Professional Map for HR / training professional?

We are not HR or training professional; so cannot comment.

As an individual working in the sector, what would help you make the best use of the Professional Map?

We are are council of LII and not able to comment.

As an employer / HR professional, what would help you make the best use of the Professional Map?

As above.

Are there any skills, knowledge and or behaviours that you would add to the Professional Map?

The Professional Map lacks any real substance. It is not clear what it does specifically include, which makes it difficult to make any meaningful comment on what might be missing.

How effective do you think the initiatives for Developing Professionalism and Building Professional Capital are?

Ineffective.

In future, should the importance the CII places on International activity be greater than today, less than today, or about the same?

Less.

Would you like to provide additional commentary on the CII's international focus?

We understand that International represents less than 10% of the total membership and the money invested over the past few years has had no positive impact on revenue or membership numbers. We therefore feel this is an expensive distraction from truly modernising the CII for its primary UK membership and marketplace - please do not allow the CII's reputation as a qualifications body continue to deteriorate, be proud of what our predecessors built rather than deride and destroy it.

What do you think are the advantages and disadvantages in how the PFS and CII currently operate?

16 years ago, the CII board had the vision and understanding to establish the PFS as a separate membership body (to some extent as a defensive move to stop others doing so) but the current CII strategy is forcing others to again create alternatives.

The CII and PFS have co-existed for over 16yrs in unity until recent news broke regarding attempts to de-register. This has caused outrage amongst some members and the CII's actions are causing fragmentation, which is shocking and unhelpful - if this is not intended, then simply stop and re-align. The PFS has grown in membership, recognition, and financial strength, especially post RDR from 2013.

Many are now alerted to the fact that this success has disguised the under performance of the CII's financial management, which we acknowledge and hope is a conflict of interest that the CII board also acknowledge. We believe that the PFS success is due to its dedicated independence and any deviation would damage the PFS, CII and its membership in the medium to long term - our feedback and recommendation is to desist from the reckless course of ignoring an 'independent' membership board and the sentiment of members via direct and media feedback. Unification is allowing the PFS to flourish and us all working together, not an aggressive take-over and ultimately further fragmentation.

How do you think PFS and the CII would best co-exist in the future?

See comments in 28. However, we would add that the CII's evident proposal to subsume the PFS into the CII is flawed in so many ways. One fundamental flaw is that it would create a conflict of interest that does not currently exist.

One of the key reasons for the success of the PFS is that it is not also a 'qualifications awarding body' - it outsources that to the CII. This has allowed the PFS to avoid any conflict of interest, which is exactly what you would expect of a professional membership body!

How do you think PFS and the CII would best co-exist in the future?2

The existing arrangement has worked well for 16 years. It is only the actions of the current CII's Executive over the last 5 years that have caused fragmentation. The formula of having its own independent board, setting the strategy for the PFS, with its own dedicated CEO, has created a professional membership body that is growing, relevant and successful based upon any method of measurement.

Why change a winning formula?

There is huge potential for the PFS to continue to grow and evolve into a significantly larger professional membership body. The Law Society and the ICAEW are good examples of large professional membership bodies in the UK; there is no reason why the PFS should not over time become as large and influential. The CII should not fear the PFS becoming larger and more successful than the CII because, ultimately, the CII would benefit from the increased levels of revenue from providing learning materials and examinations - why would the CII shoot itself in the foot?

By continuing to damage the PFS, the CII is creating an environment for other professional bodies (e.g. CISI) to attract PFS members across to the detriment of the PFS, the CII and the profession of financial planning. There are already signs that CISI are seeking to capitalise on the debacle that the current CII executive has created by offering to grandfather chartered financial planners to CFP members of CISI.

The suggestion of decoupling the PFS from the CII, inferred in your consultation papers, is a red herring that we believe has been manufactured by the CII to support the narrative that it is a binary option between deregister or not. This storm of unrest and fragmentation has been caused by the CII executive, who should be ashamed of their actions - it is short-sighted and demonstrates a depth of ignorance about the financial planning profession that is difficult for us to fathom.

How can the personal finance and insurance professions best work together in order to raise standards and secure public trust?

Please refer to comments made in previous sections.

Is there anything you would like to see your professional body doing more of, or doing differently?

- i) Stop disseminating misinformation and making misleading statements to the membership
- ii) Create a culture of transparency and accountability
- iii) Adhere to your own Code of Ethics
- iv) Commission an independent audit of the CII's activities over the last 5 years under the 2016 manifesto to establish what went wrong.
- v) Recognise the significant value provided free of charge by the many members of both the LII and the PFS in delivering voluntary effort to help evolve the individual professions. Instead of seeking to deregister the professional membership bodies, but to increase the level of support available to them to help them with their important work on the ground.
- vi) Desist from riding roughshod over the PFS Board and respect their decisions to not deregister; and amend the Articles of Association to prevent any future attempts to usurp the efforts of the PFS in their quest to continue to evolve in both size, influence, and reputation.
- vii) Be transparent and hold the CII executive to account for their unprofessional behaviour. Whilst no one is interested in pointing the finger at individuals, it is important for there to be a recognition of poor behaviour and underperformance of the CII and a simple apology to the members would be a good starting point.

- viii) Refund the grants that the CII has clawed back from the LIIs
- ix) Reduce the LTIP budget to £Nil
- x) Improve support that the CII gives to LIIs
- xi) Collaborate with other professional membership bodies. These include:
 - i) The Law Society
 - ii) The ICAEW
 - iii) The ACCA
 - iv) RASE
 - v) STEP
 - vi) SOLLA
 - vii) Headway
 - viii) The Alzheimer's Society
 - ix) COPPA
 - x) The Financial Vulnerability Taskforce

