



PROFESSIONAL STANDARDS COMMITTEE (PSC)

TERMS OF REFERENCE

1. PURPOSE

The Professional Standards Committee (“PSC” or “the Committee”) oversees CII activity in terms of building, promoting and protecting professional standards throughout the insurance and financial planning sectors. Its primary responsibility is to ensure the effectiveness of initiatives that seek to promote and support professionalism, including competence and ethical behaviour across CII membership, in order to engender public trust.

2. SCOPE AND AUTHORITY

The Professional Standards Committee’s scope is the consideration of membership standards, corporate chartered standards, and ethics for the wider profession. It is authorised by the Board to deliver the following.

3. DELIVERABLES

- 3.1 Assist in the development of, approve and monitor policy, standards and rules for professional and ethical conduct and trust, including disciplinary and membership eligibility procedures, competence and the code of ethics and/or conduct.
- 3.2 Assist in the development of, approve and monitor the requirements and rules for membership schemes such as the Continuing Professional Development and Statements of Professional Standing over and above those required by any regulators.
- 3.3 Assist in the development of, approve and monitor the requirements and rules for corporate schemes such as Corporate Chartered Status and Corporate Affiliates.
- 3.4 To provide advice to the Local Institute Operations Group on the development of professional standards for Local Institutes where issues arise.
- 3.5 Assist in the development of, approve and monitor the standards and rules by which affiliated institutes must adhere to obtain and or maintain their affiliated status.
- 3.6 Ensure that the CII continues to meet the requirements of Accredited Body status. The Committee will escalate matters to the CII Board as required.
- 3.7 Provide expert insight on public trust matters and promote professionalism and the adoption of high standards within the Societies and the Profession as well as with Government, Regulators and Consumers.
- 3.8 Identify leadership themes and encourage leadership for membership and the Profession as a whole.

- 3.9 Review all standards and policies against the STAR (standards, training, accreditation and refresh) principle.
- 3.10 Promote the communication of the above standards to encourage the highest possible level of compliance to all CII members and committees.
- 3.11 Provide advice on appropriate policy and standards for CII Governance including accountability, consumer representation and transparency including identifying and providing guidance on conflicts of interest.

4. INDEPENDENT REVIEW POOL

The Committee will oversee the Independent Review Pool (IRP), which will be authorised to deal with the disciplinary and membership eligibility matters set out in its terms of reference which will be approved by the Committee.

5. MEMBERSHIP

- 5.1 Members of the Committee shall be:
 - a) An independent Chair who shall also be a member of the Board
 - b) Two independent consumer representatives
 - c) Three market representatives; one from General Insurance, one from Financial Planning, one Life and Pensions
 - d) A commercial business representative
 - e) A member appointed from the Local Institutes National Forum (LINF)
- 5.2 A member of the Committee shall be nominated to be the champion for diversity and inclusion matters.
- 5.3 Only members of the Committee have the right to attend Committee meetings. Other individuals may be invited to attend for all or part of any meeting, as and when appropriate. A standing invitation is extended to the Chief Executive, Professional Standards Director, Director of Policy and Public Affairs and Company Secretary or their nominee who may advise the Committee and make representations on agenda matters and otherwise.
- 5.4 In the absence of the Committee Chair, the remaining members present shall elect one of their number to chair the meeting.
- 5.5 Appointments to the Committee in respect of the Independent Chair, consumer representatives, market representatives and commercial business representative shall be for a term of up to three years, which may be extended, subject to Board approval, for one further three-year term provided the member remains eligible throughout that period.
- 5.6 The Board may appoint an Independent Chair at any time during the CII year.

6. MEETING ARRANGEMENTS

6.1 Secretary

The Company Secretary, or their nominee, shall act as the Secretary of the Committee.

6.2 Quorum

- 6.2.1 The quorum necessary for the transaction of business shall be one third of the total number on the Committee, or three members, whichever is the greater.
- 6.2.2 A duly convened meeting of the Committee, at which a quorum is present, shall be competent to exercise all or any of the authorities, powers and discretions vested in, or exercisable by, the Committee.

6.3 Meeting Administration

- 6.3.1 The Committee shall meet at least three times a year and at such other times as the Chair of the Committee shall require. One of those meetings will focus on the Committee's strategy and plans for the forthcoming calendar year.
- 6.3.2 If any member of the Committee fails to attend three consecutive meetings, without good cause, they may be removed from the Committee by the Chair, subject to Board approval.
- 6.3.3 Non-attendance by the Chair at three consecutive meetings, without good cause, shall be referred by the Company Secretary to the Board for discussion and if thought fit, consideration of removal.
- 6.3.4 The Committee may meet in the absence of any staff or invited members.

6.4 Notice of Meetings

- 6.4.1 Meetings of the Committee shall be convened by the Secretary of the Committee or otherwise at the request of the Chair of the Committee.
- 6.4.2 Unless otherwise agreed, notice of each meeting, confirming the venue, time and date, together with an agenda of items to be discussed, shall be forwarded to each member of the Committee and any other person required to attend, no later than five working days before the date of the meeting. Supporting papers shall be sent to Committee members and to other attendees by electronic or other means as appropriate, at the same time.

6.5 Minutes of Meetings

- 6.5.1 The Secretary shall minute the proceedings and resolutions of all Committee meetings, including the names of those present and in attendance.
- 6.5.2 Minutes of Committee meetings shall be circulated within four weeks of the meeting to all members of the Committee. An action list shall be issued two weeks following the meeting for information.

7. REPORTING

- 7.1 The Committee Chair shall report to the Board on its proceedings
- 7.2 The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit
- 7.3 The Committee shall make a statement in the annual report about its activities.

- 7.4 The Chair of the Committee or his/her nominee shall attend the Annual General Meeting and be prepared to respond to any questions on the Committee's activities.

8. RESOURCES AND BUDGET

- 8.1 The Committee is authorised to seek any information it requires from any employee of the CII in order to perform its duties.
- 8.2 The Committee shall have access to sufficient resources in order to carry out its duties and is authorized to obtain, at the CII's expense, outside legal or other professional advice on any matters within its terms of reference, such advice, in the aggregate not to exceed ten thousand pounds, per calendar year, without the further approval of the Board.

9. REVIEW

The Committee shall, at least once a year, review its own performance, constitution and terms of reference to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to the Board for approval.

10. ADDITIONAL NOTES

- 10.1 Communication between the Professional Standards Director and the Committee will continue between meetings.
- 10.2 The Committee shall be provided with an appropriate and timely induction programme for new members and training on an ongoing basis for all members when required.
- 10.3 The Committee shall give due regard to applicable laws and regulations and any published guidelines or recommendations regarding appointments as applicable to the CII.
- 10.4 The Committee shall keep up to date and fully informed about strategic issues and commercial changes affecting the company and the market in which it operates.
- 10.5 The Committee shall ensure that diversity and inclusion considerations are taken in account when carrying out all its duties and reflected in its decisions and recommendations, ensuring that Equality Impact Assessments (EIAs) on related processes are undertaken by staff when required.
- 10.6 The Committee may work and liaise with all other committees as it sees fit.

11. GLOSSARY

"Committee" shall mean the Professional Standards Committee.

"Board" shall mean the CII's governing Board.

"Independent" means a person who is not a member of the CII.

"Member" or "members" includes members of the Board and Committees.

"Staff" means the employees of the CII excluding the executive members of the Board.