

CISI Response to FCA Quarterly Consultation CP24/11 No 44

Introduction

The CISI is a charity, operating as a global membership body, under a Royal Charter. We welcome the opportunity to respond to this consultation. Our 52,000-strong membership is broad and reflects those in capital markets, operations, risk and compliance, wealth management and financial planning. We also work with more than 50 universities to help prepare students for careers in finance through CISI qualifications and membership.

Through our work as part of the Chartered Body Alliance, alongside the Chartered Insurance Institute and Chartered Banker Institute, as well as individually, we work to raise levels of professionalism and trust across financial services, making it easier for the public to access the services of qualified professionals. Together, we strive to set high standards and promote ethical practices within the industry and across the financial advice profession to ensure that consumers receive reliable and trustworthy financial guidance.

Question 2.1: Do you agree with our proposals to introduce DBS checks (or equivalent) at the authorisation's gateway?

We broadly support the FCA's proposals to introduce DBS checks (or equivalent) at the authorisation's gateway. As a professional body, CISI looks to promote the highest standards of ethical behaviour across the financial services sector, and we agree that these checks will contribute to this goal.

However, we believe that more guidance from the FCA is needed regarding the action that will be taken if DBS checks show that individuals hold a criminal record. The proposal to conduct a standard DBS check means that, as the FCA notes, cautions, reprimands and spent convictions will also be included. Whilst we broadly support the FCA's proposal to introduce DBS checks, we believe it is important that the FCA clearly lays out the implications of this with regards to individuals' right to work as a controller, particularly for minor or spent offences.

At CISI, we ask all individuals to disclose criminal convictions during their application, renewal or any other point throughout their membership. We then assess the applications on a case-by-case basis, taking into account the severity of the offence and whether it is spent. We do not consider that a criminal conviction should automatically disqualify someone from being a CISI member or from working in financial services.

We believe that the FCA should update its proposal to provide further guidance on this, ensuring an approach that helps to deliver high professional standards and consumer protections across the financial services sector, whilst maintaining fairness and proportion.