

BCCC Finding CX6212 – Appendix 1

Good Practice Guidance

The Banking Code Compliance Committee (BCCC) issues this guidance based on the findings it made in relation to investigation CX6212. It sets out the BCCC's expectations for how Code-subscribing banks (banks) should ensure ongoing compliance with the Code.

Oversight of business units' compliance with the Code

1. Banks should take their compliance with the Code seriously and this applies to all their relevant business units.
2. The governance framework and systems banks operate under should be aligned in such a way that banks are able to:
 - a. promptly identify which of their business units are required to comply with the Code, and
 - b. robustly monitor and oversee the relevant business units' ongoing compliance with the Code's standards and requirements.
3. Banks should also ensure that the training programs, systems, processes and technology available to staff members in the wider bank are aligned with those provided to staff members in the business units. This ensures that the entire organisation shares common knowledge and skills to enable its staff to assist customers in the most efficient, effective and consistent manner.

Provide adequate and appropriate training to staff members

4. The training provided by banks to staff members in relation to the Code should go beyond awareness by educating them about the Code's role in consumer protection framework, and the importance of them meeting their Code obligations to customers. Training should also extend to any relevant third parties e.g. brokers acting on behalf of the bank.
5. Banks should focus on tailoring the training to suit specific roles within the organisation. For example, staff members dealing with Guarantees should be provided in-depth training on the Guarantees provisions of the Code compared to a call-centre staff member.
6. Such specified training increases employee engagement with the content, encourages knowledge retention and bridge the gap between employees' awareness of the Code and their understanding about role specific Code compliance obligations.
7. If banks do not ensure that their staff members have the right capabilities and competency to effectively carry out their functions under the Code, it is highly likely there would be detrimental consequences for customers who are being provided a financial service by the banks.
8. Banks should also, on a regular basis, revisit the content and frequency of existing training programs and/or requirement of new training programs to ensure that they are aligned with any regulatory developments, updated guidelines, the BCCC's Guidance Notes etc.