

THE WHICH? BANKING MANIFESTO

Which? is calling for a change in the culture of Britain's banking industry that will see good customer service put ahead of the pursuit of short-term profit. We want banks to implement this 10-point plan

1 Sales incentives and commissions for bank staff which incentivise mis-selling should be banned. Instead, branch and call centre staff should be rewarded for providing high-quality service. All customer-facing bank staff must be suitably qualified. All advice on investment products must be provided by advisers who are qualified to at least CFP level.



7 Banks should offer a new breed of 100% guaranteed accounts. The money would be invested in UK government bonds and the like, and would be ring-fenced from a bank's other activities, so no money in these accounts could be at risk in the event of a bank failure. Higher paying accounts would be available, but subject only to FSCS protection levels.



4 Customers should be allowed to 'opt in' to unauthorised overdrafts. Those who do have overdrafts should not be overcharged. Banks should provide support for those who manage their finances poorly, and should not exploit them. Any bank charges added to an account should not contribute to a customer's financial instability.

8 Banks should continue to provide and process cheques for all consumers until there are viable alternatives in place. Banks must also not penalise customers who wish to continue transacting via branches, and must not exclude those customers who are unable or unwilling to conduct their banking online.

2 All bank charges and fees must be fair, transparent and proportionate to the costs incurred in providing the service. Banks should not use charges and fees to disguise the true cost of a deal. The industry should develop measures of total cost, which include all fees and charges, so that consumers can easily compare the cost of products.



9 Banks should resolve all complaints in a fair and timely manner. Banks should publish a detailed annual breakdown of complaints, broken down by brand and product area, and should provide detailed explanations in areas where complaints volumes are significant. There should be no incentivisation for bank staff to reject complaints.



5 Existing customers should be given the same access to products as new customers. Banks should not be allowed to offer more favourable terms to new mortgage or savings customers, for example, while preventing existing customers from taking advantage of these better deals, potentially leaving them trapped on poorer terms.



3 Remove all barriers to switching financial products. In the current account market, banks should work towards offering portable account numbers, allowing customers to switch accounts without having to transfer direct debits and standing orders. In the Isa market, transfers should be completed within 10 working days.

6 Bank staff must clearly state whether the products they are selling are covered by the Financial Services Compensation Scheme (FSCS), and this information must be provided in writing to the customer. Banks must also inform customers of the risk of having a savings balance which is close to, or above, the limit of the FSCS.

10 Bank management should have longer-term incentives built into their remuneration packages. All senior retail banking executives should also have their pay linked to overall levels of customer satisfaction, complaints levels and regulatory compliance – to help create a more customer-focused industry.