



Mind the Gap

Independent Oversight & Customer Outcomes in Financial Services

The Legacy & Impact of the
Lending Standards Board



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Executive summary

The Lending Standards Board (LSB) will close its doors on 31 October 2025 after more than a decade of service as the UK's independent overseer of voluntary regulation in financial services.

Our closure marks the end of a unique institution. Born out of the 2008 financial crisis, the LSB was created to operate where the evolving statutory regulatory framework could not, or did not, reach. The industry recognised that, if it were to avoid the mistakes of the past, it needed a credible framework to guide its approach to lending beyond its statutory obligations – one that would deliver independent oversight, set best practice above statutory minimums, and restore confidence where earlier attempts at self-regulation had failed.

That is what the LSB provided. We pioneered protections that anticipated statutory reform, extended safeguards to groups left outside regulation, and drove sector-wide improvements in practice. From outcomes-based Standards that pre-dated the FCA's Consumer Duty, to the only independent protections for small businesses, to frameworks that improved support for customers in difficulty and prevented losses to fraud, the LSB showed that voluntary regulation with independent oversight could deliver measurable impact. Our work supported millions of customers, shaped statutory regulation, and changed firm behaviour for the better.



We pioneered protections that anticipated statutory reform

The need for such oversight has not gone away. Public trust in financial institutions remains fragile. Customers in vulnerable circumstances still face uneven treatment. Innovation creates new risks faster than statute can adapt. And much SME lending still lies beyond the FCA's perimeter. These are structural challenges, and without independent oversight they will remain unaddressed until the next shock forces action.

The reason we are closing is not that the need has disappeared, but that our circumstances have changed. In 2024 and 2025 the UK's largest banks chose to withdraw from the LSB's business Standards. They pointed to the Consumer Duty as justification, despite the fact that it was never designed to apply to SME lending and provides no independent scrutiny for many customers. Their departure removed independent oversight for thousands of SMEs and undermined the viability of our framework as a sector-wide standard. Against a backdrop of economic pressure and political emphasis on deregulation, other firms found it harder to justify their participation. The result is that the LSB cannot be sustained and we will close – a decision we have taken reluctantly but responsibly.

The gap left by the LSB must be filled

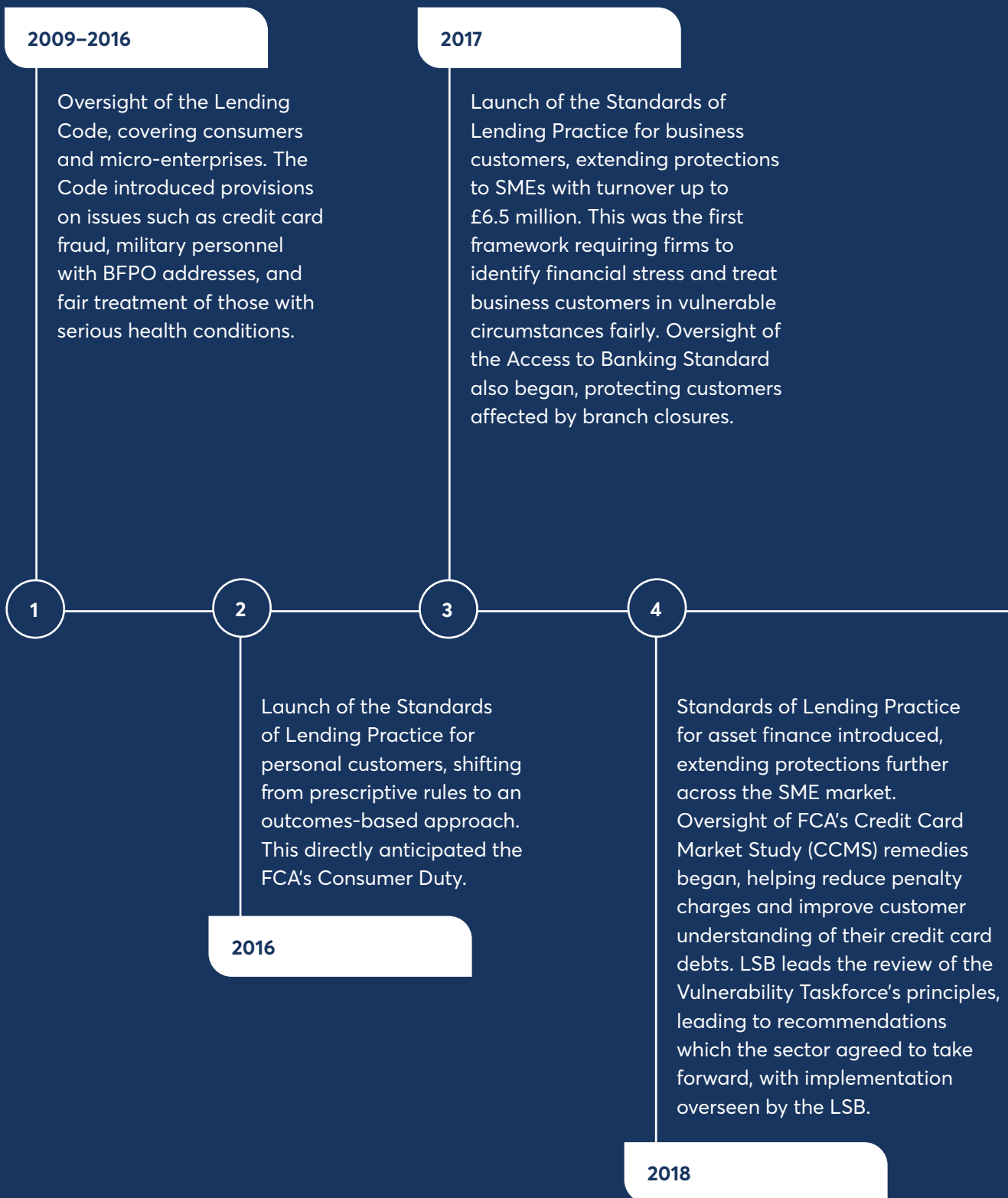
Our closure comes at a cost. What disappears is not only a set of voluntary standards but the independent scrutiny that gave them credibility. Without that element, the financial services system is less flexible, less resilient, and less able to anticipate risks before they crystallise.

The gap left by the LSB must be filled. To work, any replacement must build on the lessons of the past fifteen years. It must be structurally independent, so that firms, regulators and customers have confidence that oversight is impartial. It must be outcomes-focused, measuring whether customers actually achieve fair results, not just whether firms meet technical requirements. It must be broad in participation, bringing in major banks, challengers and niche providers alike, so that protections apply consistently across the market. And it must be adaptable, able to move at pace in response to new risks such as AI-driven decision making or green finance that statutory regulation will take years to address. Without these features, voluntary regulation cannot carry weight or deliver lasting improvements in customer outcomes.

This is the LSB's legacy. We close knowing that we made a tangible difference, and with the conviction that voluntary regulation with independent oversight remains essential to the long-term health, reputation and resilience of UK financial services sector – and to the millions of SMEs and consumers that depend on it.



The LSB: a timeline



2019

Responsibility for the Contingent Reimbursement Model Code for Authorised Push Payment fraud passed to the LSB. New requirements on turnaround units and debt sales added to the business Standards. Scope of the business Standards expanded to cover lending to SMEs with turnover up to £25m.

5

6

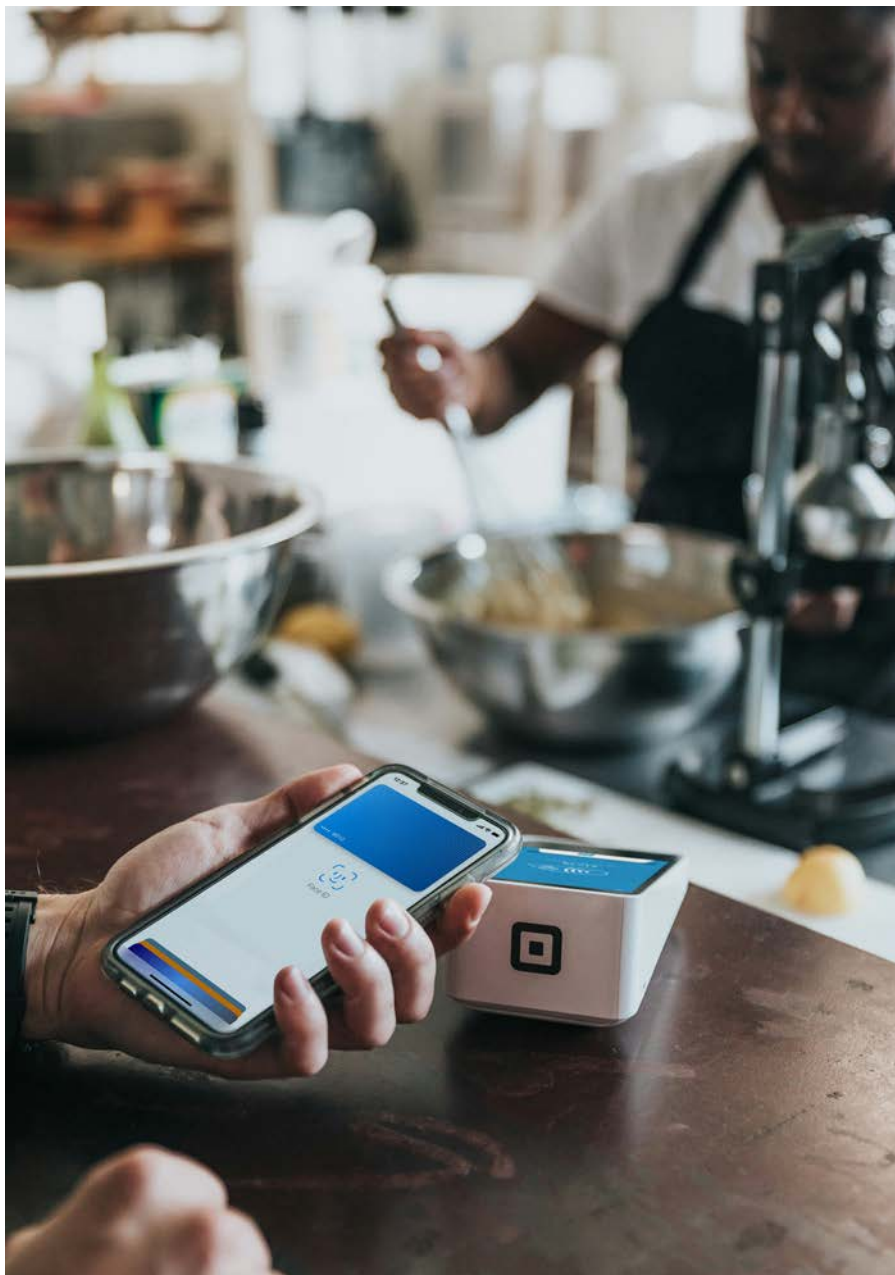
2024–2025

Updated business Standards to improve governance and address the use of personal guarantees. Research on ethnic minority-led businesses exposed systemic barriers to finance, building momentum for a new Code backed by firms, business groups and government.

7

Thematic reviews on vulnerability, financial difficulty and APP fraud prevention. Expansion of deaf accessibility tools across the sector following the LSB's 2023 report. Continued improvements to CRM Code and assessment of the Access to Banking Standards and CCMS remedies.

2020–2023



Introduction



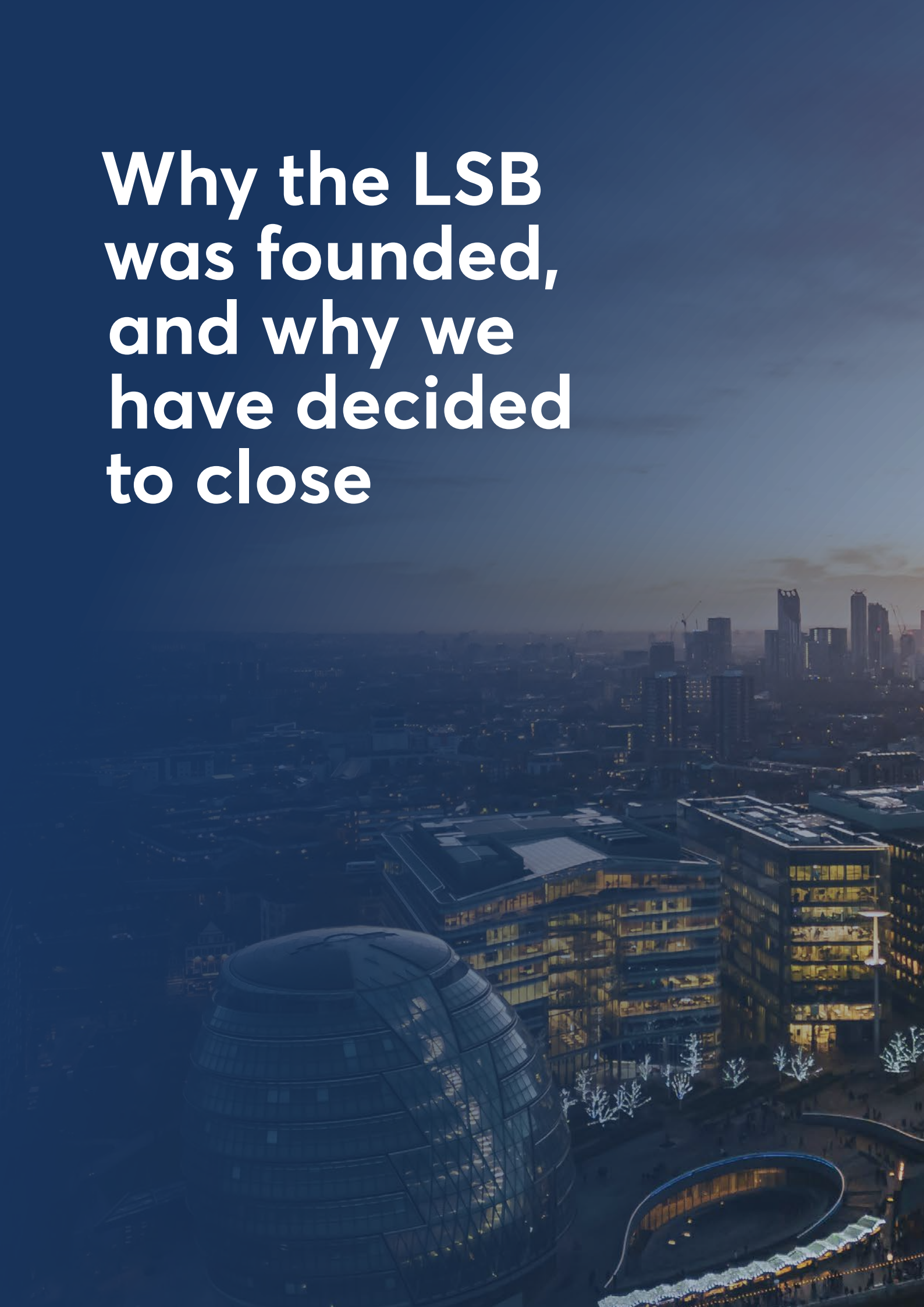
This publication marks the conclusion of the LSB's work. Its purpose is to set out what we achieved, why our role mattered, and what lessons should be carried forward. It reflects on our history, records our impact, and considers what the future of voluntary oversight should look like.

Our aim is not to rehearse every detail of our work but to capture what is most important: the protections that voluntary regulation has provided, the gaps that remain in the market, and the insights we leave behind. The document is written for policymakers, regulators, firms, and all those with a stake in how financial services serve customers and businesses.

We hope that this record of our work, and the blueprint it sets out for the future, will contribute to the ongoing effort to ensure that financial services deliver better outcomes for those who rely on them.



Why the LSB was founded, and why we have decided to close





Why the LSB was founded, and why we have decided to close

The 2008 financial crisis shattered confidence in the way banks treated their customers. Mis-selling scandals, a loss of consumer trust, and the withdrawal of support from small businesses showed that better protections were needed. Reform was inevitable.

But, as the regulatory framework was reshaped, the industry recognised that firms needed further support, guidance and independent oversight if they were to deliver protections that went beyond statutory obligations and would avoid repeating the mistakes of the past. That recognition led to the transformation of the Banking Code Standards Board into the Lending Standards Board, with a mandate to oversee the re-shaped Lending Code and establish best practice frameworks above and beyond regulation.

It is that purpose that ultimately forged the LSB as an organisation that:

- Delivered independent oversight, with the agility to respond quickly to emerging risks.
- Pioneered outcomes-focused standards and codes.
- Offered tailored support and protections for different customer groups, including, uniquely, SMEs.

This model – voluntary standards backed by independent scrutiny – was the way to give customers protection where statute did not reach, and to give the sector confidence that its commitments would be seen to count. The LSB has championed both better outcomes for customers and those firms who have held themselves to the highest standards. Our work has helped build trust and confidence in the financial services sector, in turn helping the sector achieve its mission of supporting growth and building financial resilience in the UK economy. We are immensely proud of our track record.



And while the landscape looks very different now to when we were first created, the need for an organisation like the LSB has not diminished. The sector still needs a way to set best practice and provide assurance where statute does not extend, to develop Standards that can pave the way for future regulation, and to respond quickly to emerging risks that statutory regulation might take years to address. It still needs a place where firms can hold themselves to account, share lessons, and demonstrate a commitment to best practice.

We existed to ensure that financial services providers could deliver better outcomes for their customers. We are closing not because the need for our work has gone, but because of material changes to our circumstances and operating environment.





Changes in participation

In 2024 and 2025, the UK's largest high street banks chose to withdraw from the Standards of Lending Practice for business customers. Their withdrawal removed independent oversight for thousands of SME customers and undermined the authority of the Standards as a sector-wide framework.

The role of the Consumer Duty

The FCA's Consumer Duty, introduced in 2023, was a major step forward for personal customers. Its overlap with our personal Standards allowed us to retire them, showing how voluntary oversight can anticipate statutory reform. Our role in the consumer lending space shifted to benchmarking, insights and guidance on key issues.

But the Duty was never designed for business lending, much of which lies outside the FCA's perimeter. When banks used the Duty to justify leaving our business Standards, they left SMEs without tailored protections or independent scrutiny. The Duty was a factor in banks' withdrawals but it does not close the gap in SME lending protections our Standards were needed to fill.



The commercial consequence

The withdrawal of the largest banks undermined the commercial viability of the LSB's business Standards. Without their participation, smaller lenders found it more difficult to justify their involvement in these and other Standards or Codes, despite many continuing to see value in independent oversight. Despite new firms signing up to the business Standards, the loss of critical mass meant that they could no longer be sustained as a sector-wide framework.

A difficult operating environment

These developments took place against a wider backdrop of regulatory change and economic pressure. Statutory reforms, such as the Consumer Duty and new rules on fraud reimbursement, have added to the weight of regulation facing firms. In that context, with costs under scrutiny and political emphasis on deregulation, some firms have sought to reduce their oversight commitments where they have had a chance to do so.

However, these decisions will have long-term consequences. With the LSB's closure, the sector has lost a distinctive part of the regulatory framework: an independent body able to set best practice where statute did not reach, to respond quickly to emerging risks, and to provide assurance that voluntary commitments would be honoured. Without that element, the system is less flexible and less resilient than it was.





**The gap we
are leaving**

The challenges the LSB was created to address are as relevant as ever. Public trust in financial services remains fragile. Customers in vulnerable circumstances still face uneven treatment. Innovation is creating new risks, from scams to digital exclusion, faster than statutory regulation can respond. And the pressure to enable innovation without weakening customer outcomes is as present today as it was in 2009.

With the closure of the LSB, the parts of the financial services sector we have worked in – small business lending, inclusion, vulnerability, scam prevention and more – are left exposed once again. What disappears is a framework of voluntary standards with the independent oversight that gave them credibility. Without these tools, the sector loses the ability to anticipate risks before they crystallise, firms lose the assurance that comes from independent scrutiny, and customers lose protections where statutory regulation does not apply.

The question is not whether such oversight is needed. Experience has already shown that it is. The question is how long the gap will remain unfilled before the next external shock tests the resilience of the sector.

Through its oversight of voluntary Standards and Codes, the LSB had a unique vantage point on the most pressing risks in the sector. How well the sector manages these risks will dictate how quickly the gap left by the LSB will need to be filled.





SME lending

The ability of SMEs to access finance on fair terms is critical to investment, innovation and employment in the economy. Yet billions of pounds of SME lending sits outside statutory regulation. The LSB's Standards of Lending Practice for business customers were the only framework providing independent oversight of how firms treated many of their SME borrowers and supported their growth.

Our most recent review of the business Standards identified 102 areas of non-compliance across all registered firms, including weak support for businesses in financial difficulty, poor handling of customers in vulnerable circumstances, and gaps in governance and management information. Each finding posed a real risk that struggling businesses might be left without support, or that problems in lending relationships would go unchallenged.

The implications are significant. SMEs often rely on a small number of credit relationships and their bargaining power with large lenders is limited. Without consistent standards and independent checks, there is a real risk that some will face uneven treatment and reduced confidence in their ability to access finance on fair terms.

Business Standards review findings

102

areas of non-compliance

6.4

average findings per
registered firm

30%

of all business Standards
findings related to the treatment
of customers in financial difficulty

Opinium survey for the LSB

88%

of SMEs say that
independent oversight
of financial services
providers is crucial

76%

of SMEs support the idea
of more financial services
providers becoming registered
with the LSB

65%

of SMEs indicate they would be
more likely to choose a financial
services provider registered with
the LSB over one that was not

2 in 5

**consumers are or have
previously been in
vulnerable circumstances**

2 in 3

**of these customers have
faced challenges in seeking
support from their lender**

Vulnerability and financial difficulty

The treatment of customers in difficulty has long been a test of how financial services firms live up to their responsibilities. The LSB's 2023 thematic review of vulnerability found persistent shortcomings. Firms were often unable to distinguish between financial difficulty and wider vulnerability, leading to a narrow focus on repayment problems while missing other risks. Customer disclosures were frequently overlooked or customers lacked the option to make a disclosure in the first place, signposting to support was generic rather than tailored, and management information was incomplete or inaccessible.

Nor is this a niche issue. Our own research¹ shows that as many as two-in-five consumers are or have previously been in vulnerable circumstances, and of these over two-thirds have faced challenges in seeking support from their lender.

For individual consumers and for businesses, these gaps mean that people at their most vulnerable are not always identified or supported in the right way. Progress has been made, but it remains uneven.

¹ RFI Global research for the LSB, survey of 4,000 consumers, June-July 2025

19%

**of ethnic minority-led businesses
were approved for the full loan
requested in a 12-month period**

58%

**of White British-led businesses
were approved for the full loan
requested in a 12-month period**

Inclusion and access

Access to financial services is not equal. Our research² revealed that ethnic minority-led businesses face systemic barriers when seeking to access finance. Only 19% of those applying for lending in the previous 12 months were approved for the full amount requested, compared with 58% of White British-led SMEs. Nine-in-ten reported difficulties during the application process, and nearly half had made a complaint against their lender in the past year.

These figures matter because ethnic minority-led businesses are among the UK's most ambitious and growth-oriented firms. Barriers to finance not only restrict their potential but also hold back wider economic growth.

Accessibility challenges affect other groups too. The LSB's 2023 report on barriers faced by deaf customers demonstrated that mainstream financial services often failed to meet basic access needs. Following the report, firms began to introduce new tools such as British Sign Language interpretation and video relay systems. This experience shows both the scale of the challenge and what can be achieved when issues are brought into focus.

² RFI Global research for the LSB, survey of 1,177 SMEs, October-December 2024



Fraud and scams

Fraud is one of the fastest-growing risks in financial services. UK Finance data shows that the number of all financial services fraud cases increased 12% in 2024 compared to 2023, while over £1bn was stolen by fraudsters³. Financial crime is one of the FCA's four strategic priorities, with significant fines issued to firms with inadequate AML systems and controls⁴.

The central challenge is prevention. Current statutory rules focus on reimbursing victims after the event, but that does not reduce the number of people falling victim in the first place, nor does it address the psychological harm or the wider erosion of trust in financial services. The LSB's experience with the Contingent Reimbursement Model Code showed what happens when firms adopt a consistent prevention framework. Growth in scam numbers slowed then fell, reimbursement rates rose, and customers covered by the Code lost far smaller sums of money than those outside the Code's protections.

With the Code now retired, that consistency risks being lost. The industry is left with a patchwork of individual approaches at a time when fraud continues to rise. Unless industry and regulators are willing to build the frameworks needed to prevent harm at source, the scale of the problem will continue to increase.

³ [UK Finance, Annual Fraud Report 2025](#)

⁴ [FCA Strategy 2025-2030](#)

89%

of 'excellent' LSB Mystery Shop experiences were linked to a webchat which allowed free-flowing dialogue

74%

of 'poor' or 'very poor' LSB Mystery Shop experiences were linked to a webchat with template dialogue

Emerging risks

The financial services landscape is changing rapidly. New technologies and new products create opportunities to serve customers better and improve outcomes, and our research shows that customers are open to these changes where they deliver tangible benefits.

But these benefits are yet to be fully realised. Our mystery shop of firms' online customer service found that customers received better support when they could interact with a human agent than when using AI-driven webchats⁵. The difference mattered most for people in difficulty, where generic or incomplete responses from automated systems left needs unmet. Similarly, research with the Money and Mental Health Policy Institute highlighted that, while many firms provide online resources for customers in vulnerable circumstances, these tools are not always accessible or genuinely supportive⁶.

Innovation in financial products presents parallel challenges. Buy-Now, Pay-Later (BNPL) is a clear example. Moves to bring BNPL within the scope of statutory regulation are welcome, but additional guidance is still required. Our research has shown that BNPL products are disproportionately used by customers in vulnerable circumstances, and that users often have limited understanding of the protections available. Without greater clarity, the very customers most at risk are left least protected.

These examples underline a broader truth. New technologies and financial innovations will continue to reshape the sector. They can support better outcomes, but only if firms and regulators anticipate the risks, test the impact on customers, and adapt accordingly.

⁵ [The LSB Explores – Customer Outcomes in Digital Communication Journeys – Webchats, May 2025](#)

⁶ Money & Mental Health Policy Institute research for the LSB, September-October 2024

In Summary

Taken together, these findings underline the challenges facing the market. Some are long-standing, such as the treatment of customers in difficulty or vulnerable circumstances. Others, like digital exclusion or barriers faced by ethnic minority-led businesses, are more recently uncovered but equally significant. The LSB's role has been to bring visibility to these issues, highlight where change is needed, promote good practice, and work with the sector to improve customer outcomes. As the sector continues to evolve, these challenges will remain central to the health of the financial system and the confidence of those who rely on it.



A photograph of a person sitting on a couch, reading a book. The person is wearing light-colored pants and a dark jacket. In the background, there is a potted plant with long, green leaves. The entire image is overlaid with a blue gradient. The text "The LSB's impact" is written in white, bold, sans-serif font in the lower-left corner.

The LSB's impact



For over a decade, the LSB pioneered protections that pre-dated statutory regulation, supported millions of customers and businesses, and helped shape the regulatory environment. What follows are examples of that contribution and the tangible impact the LSB has made in changing sector behaviours and delivering better outcomes for customers of financial products and services.

Shaping outcomes-based regulation

In 2016 the LSB replaced the prescriptive Lending Code with the Standards of Lending Practice for personal customers. This was the UK's first outcomes-based framework for consumer lending. It required firms to ask not only whether rules were met, but whether customers were achieving fair outcomes, a shift that anticipated the FCA's Consumer Duty by seven years. Stakeholders and firms told us that the Standards prepared firms for the Duty and prompted a shift in mindsets.

Creating the only independent protections for SMEs

From 2017, the LSB extended independent oversight to small and medium-sized businesses through the Standards of Lending Practice for business customers. These Standards were the first framework to recognise that SMEs are not just consumers, but nor are they large corporates with equal bargaining power or sophistication. They required firms to spot financial stress early, treat business customers in vulnerable circumstances fairly, and explain lending decisions clearly. For many businesses, these Standards were the only route to assurance of fair treatment, since much SME lending lies outside the FCA's perimeter. The FCA's formal recognition of the Standards as one of just four industry codes underscored their credibility and importance.



Improving governance of branch closures

The LSB oversaw the Access to Banking Standard between 2017 and 2021, covering hundreds of branch closures at a time of rapid change in the high street. The Standard required firms to give proper notice, consult with communities, and provide clear alternatives such as Post Office access. Independent oversight ensured commitments were honoured in practice. The framework set expectations that were later absorbed into FCA rules, demonstrating how voluntary standards can pave the way for statutory requirements.

73%

of APP fraud victims' losses
reimbursed under the Code

4x lower

average losses inside the
Code than outside

Tackling APP fraud

Under the LSB's oversight between 2019 and 2024, the Contingent Reimbursement Model (CRM) Code for Authorised Push Payment fraud demonstrated the positive impact voluntary regulation can have for customers and the wider financial services sector. Before the Code, most scam victims were left to absorb their losses and, unchecked, APP scams were growing rapidly. Under LSB oversight:

- More than **90% of cases** were covered by the Code⁷.
- Victims were reimbursed in **73% of cases**, compared with **28%** outside the Code⁸.
- Average losses were almost **four times lower** inside the Code than outside it⁹.
- While scams covered by the Code constituted the vast majority of all cases, they represented only a minority of cases that led to a complaint to the Financial Ombudsman Service¹⁰.
- By 2024, APP scam numbers were falling for the first time¹¹.

The Code drove changes in firm behaviour: stronger detection systems, improved warnings, and more consistent treatment of victims. Unlike the statutory scheme that followed, it covered prevention and detection as well as reimbursement, showing the value of a holistic, independently monitored approach.

^{7, 8, 9, 11} UK Finance Annual Fraud Report Data

¹⁰ [Financial Ombudsman Service Complaints Data, Q1 2024-25](#)

73%

of the Deaf Inclusion Industry Group now offer instant British Sign Language translations into call systems

Nearly

two-fifths

of Deaf Inclusion Industry Group members offering Video Relay System call-backs introduced the service in 2024-25

Normalising vulnerability as a core responsibility

When the LSB introduced vulnerability requirements into its Standards in 2016–17, firms had little experience of considering how vulnerable circumstances affected outcomes. The LSB made awareness of vulnerability a mainstream expectation, requiring governance, training and Management Information to support it. By 2023, sector-wide assessments highlighted persistent gaps, and firms acted to strengthen escalation routes, frontline training and tailored support. The LSB helped shift vulnerability from a niche concern into a core part of good conduct.

Improving accessibility for deaf customers

The LSB's 2023 research showed how deaf customers faced barriers when seeking to engage with basic banking services. The report was a catalyst: since its publication over 30 firms have joined a sector working group designed to drive best practice, while the availability of access tools like British Sign Language interpretation or video relay systems is increasing. Recognition of deaf customers' unique needs is growing too. Accessibility moved from the margins into mainstream service design.



Exposing systemic barriers to finance

In 2025, the LSB's research into access to finance among ethnic minority-led businesses provided the first robust dataset on their experience of lending. This work built on the LSB's groundbreaking 2023 report which shone a spotlight on the barriers faced by ethnic minority-led businesses. The findings drew strong backing from government, business groups and lenders, laying the foundations for a new Code on inclusion and growth. The work demonstrated how independent evidence can shape policy and firm behaviour in an area that statutory regulation does not address.

Reducing charges for credit card customers

From 2018, the LSB oversaw implementation of the FCA's Credit Card Market Study remedies. These required firms to alert customers when promotional rates were due to expire, when balances neared limits, and when payment dates could be adjusted. Monitoring by the LSB showed that these prompts changed behaviour: more customers paid down balances, avoided penalty charges, and exercised control over unsolicited credit limit increases. The result was lower costs and fewer complaints for thousands of consumers.

What we would have done next...

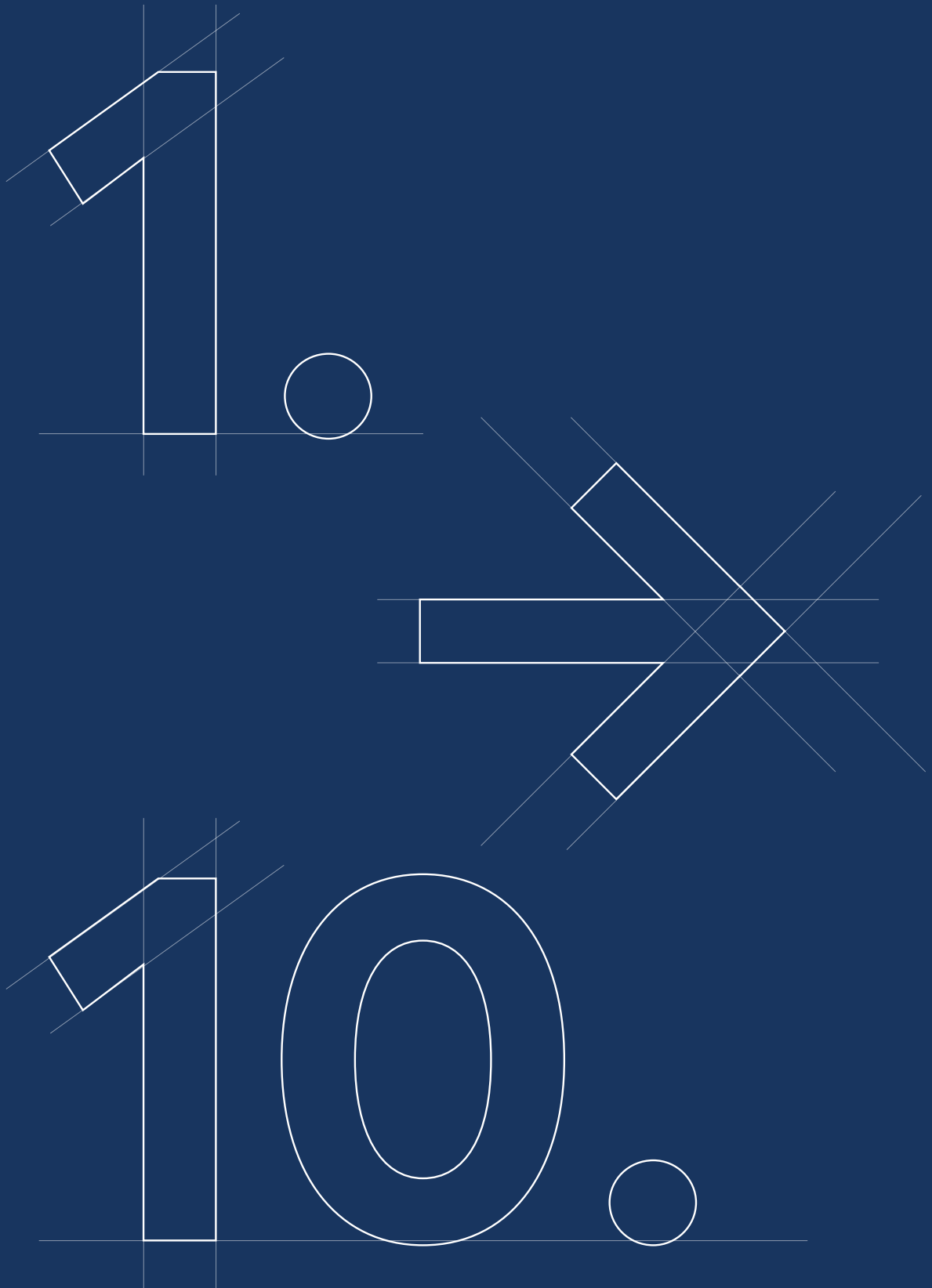
Our 2025–27 strategy was ready to build on what worked. We set out to turn oversight into practical insight, giving firms and boards benchmarking tools to measure performance and demonstrate progress. Alongside that, we planned to expand tailored support on vulnerability, governance and communications, ensuring firms had the help they needed while still being held to account.

We were also preparing to go further. A new Code on access to finance for ethnic minority-led businesses had secured strong backing from government, lenders and business groups. Work was underway on the next generation of risks, from digital exclusion and AI-driven decisions to green finance and fraud. And we were ready to use our voice more actively, publishing insights, convening debate across the sector, and raising our profile to champion the commitment of firms to best practice.

Our blueprint for the future of voluntary regulation

We have proven that voluntary regulation can work. It can raise standards, protect customers and anticipate risks before statutory regulation catches up. We believe that, done well, voluntary regulation has a powerful role to play in the financial services sector.

What follows is a ten-principle blueprint for how voluntary regulation with independent oversight must look if it is to deliver better customer outcomes.



1.

Start with the customer

The starting point must always be the customer, whether that customer is an individual or a business. Frameworks have to be built around real behaviours, risks and vulnerabilities, not abstract principles. That means collecting evidence on how customers experience financial services, understanding where harm occurs and anticipating risks before they crystallise. If oversight begins with the customer, it has a clear mission and a practical test: are outcomes fair, transparent and sustainable? If it does not, voluntary regulation risks becoming a box-ticking exercise that looks orderly but delivers little.

2.

Independence must be structural

Trust in voluntary standards depends on independence. If a framework is owned or controlled by the industry it is supposed to oversee, confidence will always be limited. Independence must be hard-wired into governance and operations. Only then can firms, regulators and customers believe that oversight is impartial. Structural independence was the reason the LSB's Standards commanded credibility; it must be at the heart of any future model.

3.

Broad participation is essential

Voluntary oversight cannot rely on a handful of large institutions. For protections to carry weight, they must be adopted across the market: major banks, smaller challengers, digital-first providers and lenders focused on SMEs. It is the combination that creates credibility and ensures that protections reflect how customers actually use financial services. Any new framework must prioritise breadth of membership from the outset. That requires not just persuasive arguments but practical incentives and, ideally, recognition from statutory regulators to make participation valuable.

4.

Evidence must be built in

Oversight is only meaningful if it produces evidence of whether commitments are being met. Voluntary frameworks must generate data on compliance and customer outcomes, and they must publish it. Without evidence, there is no way to know if customers are better off. With evidence, the framework can demonstrate impact, drive improvement across firms and provide insight for policymakers. Data is not an add-on; it is the foundation of credibility.

5.

Oversight and support must go together

Firms respond best to oversight that is rigorous but also constructive: identifying risks, highlighting poor practice and helping firms improve. That requires combining scrutiny with guidance, so that participation is seen as a route to better outcomes and not only as a compliance burden. The balance is delicate, but it is what makes voluntary oversight both attractive to firms and useful to customers.

6.

Secure resourcing

Voluntary oversight cannot run on goodwill. It needs stable funding, skilled staff and investment in systems. A model that relies on a narrow base of firms, or that leaves oversight vulnerable to sudden withdrawals, cannot last. Any future framework must have a funding model that is resilient, diversified and designed to protect independence. Without secure resourcing, even the strongest principles will fail in practice.

7.

Adaptability is vital

Financial services are changing quickly. New technologies, new products and new risks are emerging faster than statutory regulation can respond. A voluntary framework must be designed to move at pace, addressing issues such as digital exclusion, AI-driven decision-making and green finance before they become entrenched. Adaptability is not just about scope; it is about culture: being willing to adjust standards, update guidance and bring new risks into view as they emerge.

8.

Clarity of scope and purpose

A voluntary framework must be clear about what it is for, and what it is not. Ambiguity breeds mistrust. Customers need to know what protections they have. Firms need to know what commitments they are making. Policymakers need to know where the framework sits alongside statutory regulation. Voluntary regulators are not statutory regulators: they cannot impose fines or sanctions in the same way, and expectations should reflect that difference. Defining scope and purpose at the outset, and sticking to it, is essential if voluntary regulation is to command confidence.

9.

Integration with statutory regulators

Voluntary oversight cannot operate in isolation. It has to be integrated with the wider regulatory system, complementing statutory requirements and filling gaps rather than duplicating effort. That requires open dialogue with statutory regulators and clarity about how the voluntary framework supports wider policy objectives. Without that integration, voluntary standards risk being seen as peripheral. With it, they can act as a testing ground for innovation and a bridge to formal regulation.

10.

Transparency and accountability

Voluntary regulation only works if it is seen to work. That means being transparent about oversight findings, publishing evidence of good and bad practice, and holding firms visibly accountable for the commitments they make. Transparency builds trust not only with customers but also with policymakers and firms themselves, who need to know that their participation is meaningful. A framework that hides its findings or communicates only selectively will quickly lose credibility.



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