

# LIBF

Part of Walbrook  
Institute London

## LIBF Level 3 Certificate in Business Banking (CertBB)

Qualification specification



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## Purpose of the qualification

### Why study the Level 3 Certificate in Business Banking?

The Level 3 Certificate in Business Banking has been designed to provide a comprehensive introduction and the essential knowledge relating to the business banking environment in the UK and the technological and digital developments that are transforming the delivery of service excellence to this important customer segment.

The Certificate provides an overview of the business environment and regulatory landscape. It also considers in detail the vital role of the Relationship Manager in terms of service delivery and how new technology is augmenting this role, together with the core responsibilities of lending assessment and control.

Successful completion enables you to demonstrate high standards of professionalism and enhance your credentials for a successful career in business banking.

### Objectives and key content areas

The Level 3 Certificate in Business Banking has been specifically designed to assist banks in enhancing their objective of providing a high-quality service experience to this important customer segment. This qualification has been developed for customer-facing staff who are relatively new to business banking and will equip them with the essential knowledge they need to provide customer service excellence, including an appreciation of the basic principles of effective lending assessment and control.

Throughout the programme, you will understand the:

- business banking environment;
- operation and features of key business banking financial products and services and how these are changing;
- macro-economic influences affecting the UK business banking sector;
- role of the Relationship Manager, now and in the future;
- increasing service demands of business banking customers; and,
- basic principles of effective lending assessment and control.

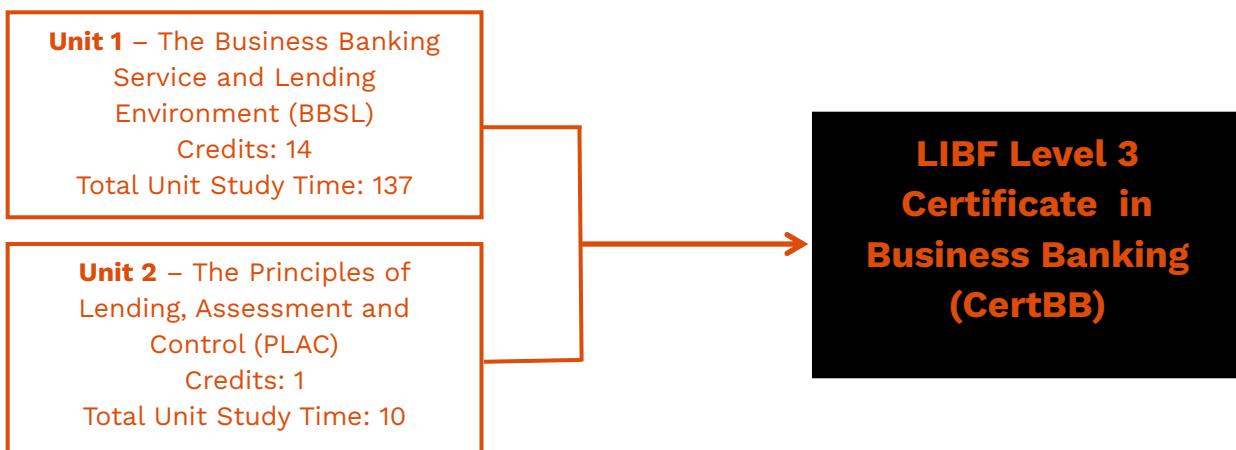
## Key skills developed

The qualification will encourage you to:

- develop an understanding of how and why customers use a range of business banking products;
- demonstrate numeracy skills, including the ability to manipulate financial and other numerical data;
- use appropriate data and information from a range of sources to make financial decisions and recommendations; and,
- increase your ability to work and learn independently.

## Structure

The Level 3 Certificate in Business Banking is made up of two mandatory units which need to be successfully completed to achieve the certificate:



## Qualification delivery

### Total Qualification Time (TQT)

Total Qualification Time (TQT) is a prediction of the total time a student with no prior knowledge might need to complete the qualification.

TQT consists of two elements, Guided Learning (GL) and all other hours:

- Guided Learning (GL) comprises study time under direct teacher supervision, encompassing instructional sessions and supervised examinations.

- All other hours include hours spent unsupervised in research, learning, e-learning, e-assessment, completing coursework, exam preparation, and formal assessments.

The Level 3 Certificate in Business Banking is primarily considered as a self-directed study qualification with planned examination sessions.

Guided Learning Hours	2 hours
Other hours	145 hours
Total Qualification Time	147 hours

## Assessment

All components and units are mandatory and assessed. The examination comprises both units 1 and 2, where each is assessed through multiple-choice questions. A total of 80 marks are available from both units comprising 50 marks in Unit 1 and 30 marks in Unit 2. The pass mark for both units is 70%; you must achieve a minimum pass mark in both units.

## Preparing for the assessment

Your exam for each unit will be delivered via our platform Brightspace, which is where you access your course materials. You can take your exam any time with remote invigilation. There's no need to book in advance.

Before starting your exam, you will be expected to pick up your laptop/webcam to do a full 360-degree scan of your testing space. You must therefore ensure that your equipment is in full working order and can be easily manoeuvred.

To prepare for the assessment you should make use of all learning resources as part of your revision for the exam.

## Qualification grading

The overall qualification is graded Pass/Fail only. To achieve a pass, you must achieve a mark of 70% in each unit. Higher-level passes are identified as pass at Merit/Distinction level.

Grade	Pass Mark (%)
Pass	70%
Pass (at merit level)	80%
Pass (at distinction level)	90%

Feedback is provided via analysis sheets available on [MyLIBF](#), to see your strengths and areas to develop.

## Resit attempts

The qualification has a twelve-month registration period. There are no restrictions on the number of times you can resit a unit in which you were unsuccessful, however, you must resit the unit in accordance with the published policies of LIBF.

## Additional information

### Entry requirements

There are no entry requirements for the Level 3 Certificate in Business Banking. However, you need to be satisfied of your ability to study in English.

### Recognition of prior learning (RPL)

LIBF recognises prior learning in different forms. Potentially, this means that you may not be required to register for every unit. Details of how to apply for recognition of prior learning are available on our [website](#).

## Progression and preparation for further study

If you wish to develop your skills further, you can progress to our risk training programmes. Full details are available on our website.

## Apprenticeships

The LIBF Level 3 Certificate in Business Banking forms part of the following Apprenticeship Standards:

- Compliance/Risk Officer.
- Senior Financial Services Customer Adviser.

Further details can be found on the [Gov.UK website](#).

## Preparation for employment

The Level 3 Certificate in Business Banking develops further knowledge and understanding of the business banking industry and enhances skills that are valued within that sector and others, but it does not qualify you for direct entry to a particular occupational role.

## Appendices

### Appendix 1 – Unit 1 details: The Business Banking Service and Lending Environment (BBSL)

Appendix 1 provides a description of Unit 1 (BBSL) and syllabus which includes the learning outcomes and assessment criteria for the unit.

#### Unit 1 assessment methodology

The assessment of BBSL will have one component:

An electronic assessment with 50 multiple-choice questions. This component is worth 50 marks.

#### Unit 1 assessment criteria

<b>Learning outcome (LO)</b> The learner when awarded credit for this unit will:	<b>Assessment criteria (AC)</b> Assessment of the LOs will require a learner to demonstrate that they can:
1. Distinguish between the different parties in the business banking environment and understand the products and services provided, including current developments.	<p>Understand the UK business banking sector and the different types of business enterprises and their needs:</p> <ul style="list-style-type: none"><li>• Retail, business, commercial, corporate and investment banking.</li><li>• Types of business entity.</li><li>• Segmentation of business entities (SME businesses, corporates, large corporates and quasi-governmental bodies such as doctors, dentists and educational institutions).</li></ul> <p>Examine the range of typical business banking products:</p> <ul style="list-style-type: none"><li>• Loans and overdrafts.</li><li>• Factoring and invoice discounting.</li><li>• Credit and charge cards.</li><li>• Asset finance.</li><li>• International trade finance.</li><li>• Contingent liabilities.</li><li>• Payments and money transfer services.</li></ul>
2. Understand the key legislative, regulatory, environmental, technological and social	<p>Understand the key external factors and influences shaping the UK business banking sector:</p> <ul style="list-style-type: none"><li>• Legislation and regulation impacting on banks, including:</li></ul>



influences on the UK business banking sector.	<ul style="list-style-type: none"> <li>○ Know your customer;</li> <li>○ GDPR;</li> <li>○ DPA; and</li> <li>○ Conduct.</li> <li>• Voluntary Standards of Lending Practice.</li> <li>• The nature of taxation, tax avoidance and tax evasion.</li> <li>• Environmental influences.</li> <li>• Social influences.</li> <li>• Technological influences.</li> </ul>
3. Understand the role of technology in how banks provide services to meet the increasing demands of their business customers in a digital environment.	<ul style="list-style-type: none"> <li>• Identify customer expectations in a digital age and how the adoption of technology is changing the behaviours, attitudes and experiences of businesses, particularly through the influence of: <ul style="list-style-type: none"> <li>○ ‘always on’ connectivity and its impact on service expectations;</li> <li>○ trust and loyalty in a digital environment;</li> <li>○ data, privacy and personalisation;</li> <li>○ changing attitudes towards automation and the need for human interactions;</li> <li>○ disintermediation – the development of open banking and open finance; and</li> <li>○ bank accounts, digital payments and changing practices around bank accounts and payments.</li> </ul> </li> <li>• Understand what changing expectations mean for banks and the way they serve businesses, in particular: <ul style="list-style-type: none"> <li>○ The concept of digital disruption.</li> <li>○ The impact of digital disruption on the financial services market and likely future evolutions of disruption.</li> </ul> </li> <li>• The main and emerging digital technologies: <ul style="list-style-type: none"> <li>○ blockchain and distributed ledger;</li> <li>○ cloud;</li> <li>○ open banking;</li> <li>○ API;</li> <li>○ fintech;</li> <li>○ artificial Intelligence; and</li> <li>○ machine learning.</li> </ul> </li> </ul>
4. Analyse the role of the business banking Relationship Manager and the future impact of technology on that role.	<p>Understand the various methods of business development activity:</p> <ul style="list-style-type: none"> <li>• Customer development.</li> <li>• Customer retention.</li> <li>• Portfolio analysis.</li> <li>• Key account planning.</li> </ul> <p>Understand the skills of a good relationship manager:</p>

	<ul style="list-style-type: none"> <li>• Personal qualities.</li> <li>• Thinking skills.</li> <li>• Technical skills.</li> <li>• Portfolio Management skills.</li> <li>• Team working.</li> </ul> <p>Analyse the key elements of effective customer service:</p> <ul style="list-style-type: none"> <li>• Service quality.</li> <li>• Service level agreements.</li> <li>• Service measurement.</li> <li>• Service quality gaps.</li> </ul> <p>Analyse complaints handling processes:</p> <ul style="list-style-type: none"> <li>• Legislative requirements.</li> <li>• Responding to complaints.</li> <li>• Service recovery.</li> </ul> <p>Analyse the future of the relationship manager role in an increasingly digital world:</p> <ul style="list-style-type: none"> <li>• How digital platforms and data will evolve the relationship management role.</li> <li>• How customers are served digitally and personalisation of that service, to include:             <ul style="list-style-type: none"> <li>◦ how data is used in manual and automated processes;</li> <li>◦ how the RM role can be augmented by technology; and</li> <li>◦ why and how customers can self-serve via digital technology.</li> </ul> </li> </ul>
<p>5. Understand the principles of effective lending assessment of business borrowers and the methods used to achieve it.</p>	<p>Understand the principles, processes and procedures of lending assessment:</p> <ul style="list-style-type: none"> <li>• Assessment of customer needs.</li> <li>• Underwriting.</li> <li>• Credit risk and credit scoring.</li> <li>• Behavioural scoring.</li> <li>• Account usage.</li> <li>• The sources of information used to clarify decision-making.</li> <li>• Risk associated with various business structures.</li> <li>• Affordability and suitability of solutions.</li> <li>• Management and business planning assessment.</li> <li>• Financial analysis.</li> <li>• Non-financial analysis (industry, business and macroeconomic risks).</li> <li>• Forecasts and projections.</li> </ul> <p>Security:</p> <ul style="list-style-type: none"> <li>• Types of security relevant to business borrowers.</li> </ul>

	<ul style="list-style-type: none"> <li>• Types of good security for lenders.</li> <li>• The legal process in taking security and the impact on the customer.</li> </ul>
6. Understand the principles of effective lending control of business borrowers and the methods used to achieve it.	<p>Understand the principles and processes of lending control:</p> <ul style="list-style-type: none"> <li>• Credit risk and credit scoring.</li> <li>• Risk management.</li> <li>• Risk mitigation techniques; warning signs, account conduct.</li> <li>• Credit policy.</li> <li>• Risk grading.</li> </ul> <p>Understand the processes and procedures when customers experience financial difficulty:</p> <ul style="list-style-type: none"> <li>• Warning signs.</li> <li>• Payment and covenant breaches – actions to be taken.</li> <li>• Managing problem loans – setting strategies and the use of specialist bank teams.</li> <li>• Insolvency and voluntary arrangements – bankruptcy, liquidation, administration, IVA, and CVA.</li> </ul>

## Appendix 2 – Unit details: The Principles of Lending Assessment and Control (PLAC)

Appendix 2 provides a description of Unit 2 (PLAC ) and syllabus which includes the learning outcomes, assessment criteria and indicative content for the unit.

### Unit 2 assessment methodology

The assessment of PLAC will have one component:

An electronic assessment with six cases studies, each with 5 linked multiple-choice questions. This component is worth 30 marks.

### Unit 2 assessment criteria

<b>Learning outcome (LO)</b> The learner when awarded credit for this unit will:	<b>Assessment criteria (AC)</b> Assessment of the LOs will require a learner to demonstrate that they can:
7. Apply, at an introductory level, effective lending assessment and control techniques relating to different types of business entity.	<ul style="list-style-type: none"><li>• Identify different types of business entity and recommend the banking products most relevant to each of them.</li><li>• Apply financial and non-financial analysis techniques to lending assessment, including:<ul style="list-style-type: none"><li>○ ratio analysis; and</li><li>○ PESTEL analysis.</li></ul></li><li>• Assess the risks associated with various business structures and the level of security required by banks when lending to them.</li><li>• Apply the processes and procedures required when customers experience financial difficulty.</li></ul>