

**The London Institute
of Banking & Finance**

LIBF Level 3 Certificate in Business Banking (CertBB)

Qualification Specification



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Purpose of the qualification

Why study The London Institute of Banking & Finance' (LIBF) Level 3 Certificate in Business Banking

The LIBF 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

The LIBF Level 3 Certificate in Business Banking has been specifically designed to assist banks to enhance their objective in 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.

Key content areas

- The business banking environment.
- The 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.
- The role of the Relationship Manager, now and in the future.
- The increasing service demands of business banking customers.
- The basic principles of effective lending assessment and control.

Qualification learning outcomes

On completing this qualification, you will be able to:

LO1	Distinguish between the different parties in the business banking environment and understand the products and services provided by them including current developments.
LO2	Understand the key legislative, regulatory, environmental, technological and social influences on the UK business banking sector.
LO3	Understand the role of technology in how banks provide services to meet the increasing demands of their business customers in a digital environment.
LO4	Analyse the role of the business banking Relationship Manager and the future impact of technology on that role.
LO5	Understand the principles of effective lending assessment of business borrowers and the methods used to achieve it.
LO6	Understand the principles of effective lending control of business borrowers and the methods used to achieve it.
LO7	Apply, at an introductory level, effective lending assessment and control techniques relating to different types of business entity.

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.

Entry requirements

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

Recognition of prior learning (RPL)

The 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 in business banking, you can progress to the Level 4 Diploma in Business and Commercial Banking & Conduct (DipBB&C), the Level 4 Certificate in Relationship Management (CertRM) or the Level 5 qualification, Commercial and Corporate Lending (CCL).

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 LIBF 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.

Structure

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

- ii **Unit 1:** The Business Banking Service and Lending Environment (BBSL)
- iii **Unit 2:** The Principles of Lending, Assessment and Control (PLAC)

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.

The LIBF Level 3 Certificate in Business Banking is primarily considered a distance learning qualification with on-demand examination sessions.

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

Note: The guided learning hours illustrated refer to the examination time.

Learning resources

The following learning resources are provided:

- secure online access to learning materials, including:
 - activities to help consolidate learning;
 - in-topic questions to check understanding;
 - case studies to help apply learning;
 - end-of-topic quizzes;
- online access to KnowledgeBank (virtual library);
- unit syllabuses; and
- specimen papers
- student-led forum.

What to do before the assessment

You must be registered to sit an examination managed by you. Examinations are sat electronically at any one of the 150 Pearson VUE test centres across the UK or online, remotely with invigilation provided.

It is recommended that exams are booked two months in advance of the date you wish to sit. However, subject to availability, an examination can be booked as little as two working days in advance. Examinations can be booked over the [phone](#) or via the [Pearson VUE website](#).

To prepare for the assessment, you should make use of all learning resources.

Assessment

All components and units are mandatory and assessed. The examination comprises of 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 minimum pass mark in both units.

Feedback for MCQ assessments is provided in your analysis sheets (available securely online).

Qualification grading

The overall qualification is graded pass only. To achieve a pass, you must achieve a mark of 70% in each unit.

Each unit is graded pass, but higher level passes are identified as pass at merit/distinction level.

Unit grading	
Grade	Pass mark
Pass	70%
Pass (at merit level)	80%
Pass (at distinction level)	90%

Resit attempts

The qualification has a 12 month registration period. If you have been unsuccessful in an examination, you will only resit the unit(s) you were unsuccessful in. There are no restrictions on the number of times you can resit a unit, although each resit will require a new registration.

Appendices

Appendix 1 – Regulation detail – LIBF Level 3 Certificate in Business Banking

This document describes the regulation detail that is applicable to the qualification.

Qualification title	LIBF Level 3 Certificate in Business Banking
Ofqual qualification number	603/7732/X
Qualification level	3
European Qualifications Framework (EQF) level	4
Qualification Type	Vocationally Related Qualification
Regulation start date	02 August 2021
Operational start date	02 August 2021
Regulated by	Ofqual
Assessment available in English	Yes
Assessment available in Welsh	No
Assessment available in Irish	No
Sector subject area	15.1 Accounting and Finance
Total credits	15
Minimum credits at / above level	15
Minimum guided learning hours	2
Total Qualification Time	147
Overall grading type	Pass
Assessment methods	Multiple-choice examination
Qualification description	The Certificate in Business Banking consists of two mandatory units. A total credit value of 15 must be obtained for achievement of the qualification.

Appendix 2 – BBSL – Unit details

The Business Banking Service and Lending Environment (BBSL)

Unit description

This unit introduces you to business banking by focusing on the financial needs of different types of customers. You will gain an understanding of the UK banking environment and how customer demand for excellent service and borrowing solutions are met by relationship managers.

Unit title	The Business Banking Service and Lending Environment (BBSL)
Ofqual unit reference number	T/618/7976
Unit level	3
Typical study hours	137

Unit 1 assessment methodology

- i. 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

Learning Outcome	Assessment criteria
<p>1. Distinguish between the different parties in the business banking environment and understand the products and services provided, including current developments.</p>	<p>Understand the UK business banking sector and the different types of business enterprises and their needs:</p> <ul style="list-style-type: none"> • Retail, business, commercial, corporate and investment banking. • Types of business entity. • Segmentation of business entities (SME businesses, corporates, large corporates and quasi-governmental bodies such as doctors, dentists and educational institutions). <p>Examine the range of typical business banking products:</p> <ul style="list-style-type: none"> • Loans and overdrafts. • Factoring and invoice discounting. • Credit and charge cards. • Asset finance. • International trade finance. • Contingent liabilities. • Payments and money transfer services.
<p>2. Understand the key legislative, regulatory, environmental, technological and social influences on the UK business banking sector.</p>	<p>Understand the key external factors and influences shaping the UK business banking sector:</p> <ul style="list-style-type: none"> • Legislation and regulation impacting on banks, including: <ul style="list-style-type: none"> - Know your customer; - GDPR; - DPA; and - Conduct. • Voluntary Standards of Lending Practice. • The nature of taxation, tax avoidance and tax evasion. • Environmental influences. • Social influences. • Technological influences.

<p>3. Understand the role of technology in how banks provide services to meet the increasing demands of their business customers in a digital environment.</p>	<p>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:</p> <ul style="list-style-type: none"> • 'always on' connectivity and its impact on service expectations; • trust and loyalty in a digital environment; • data, privacy and personalisation; • changing attitudes towards automation and the need for human interactions; • disintermediation – the development of open banking and open finance; and • bank accounts , digital payments and changing practices around bank accounts and payments. <p>Understand what changing expectations mean for banks and the way they serve businesses, in particular:</p> <ul style="list-style-type: none"> • The concept of digital disruption. • The impact of digital disruption on the financial services market and likely future evolutions of disruption. • The main and emerging digital technologies: <ul style="list-style-type: none"> - block chain and distributed ledger; - cloud; - open banking; - API; - fintech; - artificial Intelligence; and - machine learning.
<p>4. Analyse the role of the business banking Relationship Manager and the future impact of technology on that role.</p>	<p>Understand the various methods of business development activity:</p> <ul style="list-style-type: none"> • Customer development. • Customer retention. • Portfolio analysis. • Key account planning. <p>Understand the skills of a good relationship manager:</p> <ul style="list-style-type: none"> • Personal qualities. • Thinking skills. • Technical skills. • Portfolio Management skills. • Team working.

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

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

Appendix 3 – PLAC – Unit details

The Principles of Lending Assessment and Control (PLAC)

Unit description

This unit builds upon the knowledge and understanding gained in Unit 1 (BBSL). You will apply the skills required for effective assessment and control of business banking lending by considering the sources of information available to inform decision-making. You will understand the features of different types of product and how they relate to client specific scenarios.

Unit title	The Principles of Lending Assessment and Control (PLAC)
Ofqual unit reference number	A/618/7977
Unit level	3
Typical study hours	10

Unit 2 assessment methodology

- i. 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

Learning outcome	Assessment criteria
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">• Identify different types of business entity and recommend the banking products most relevant to each of them.• Apply financial and non-financial analysis techniques to lending assessment, including:<ul style="list-style-type: none">- ratio analysis; and- PESTEL analysis.• Assess the risks associated with various business structures and the level of security required by banks when lending to them.• Apply the processes and procedures required when customers experience financial difficulty.