
Overview

This standard is about assessing the probability and impact of non-compliance in your organisation. You must complete a compliance risk assessment to identify any areas of non-compliance. You must assess the risks identified in the risk assessment and regularly review.

Performance criteria

You must be able to:

1. assess the risks to determine the probability and impact of non-compliance in your organisation
2. assess the compliance risks and complete a compliance risk assessment of your organisation
3. identify any gaps in the information you have about the compliance risks faced by your organisation and locate this information
4. communicate the outcomes of the compliance risk assessment to relevant parties
5. record the actions taken by the organisation to mitigate the risks
6. monitor the outcomes of the actions
7. review the compliance risk assessment at regular, agreed intervals and when specific events may affect the assessment

Knowledge and understanding

You need to know and understand:

1. purpose of a compliance risk assessment
2. why you should review the compliance risk assessment
3. who is responsible for business risks
4. who is accountable for business risks
5. how to assess compliance risk
6. the risk appetite of your organisation
7. where to find information about the compliance risks faced by your organisation and how to identify gaps
8. how to communicate the outcomes and to whom
9. why it is important to record and monitor the agreed actions

Glossary

Regulatory bodies

This term should be extended (where appropriate) to any authority, body or person having, or who has had, responsibility for the supervision or regulation of any regulated activities or other financial services, whether in the United Kingdom or overseas.

Regulations

This term encompasses (where appropriate) the range of obligations including rules, principles, codes and guidance plus all primary and secondary legislation, as well as supervision to which your organisation is accountable.

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