
Overview

This standard is about reviewing and evaluating the implementation of your organisation's countering financial crime policy.

You must be able to take a strategic view on the overall implementation of your organisation's countering financial crime policy. This involves ensuring that policies and procedures and systems and controls are monitored and reviewed to identify weaknesses and to understand why failures occur. You must be able to recommend actions to remedy ineffective controls and report your findings in the appropriate manner. You will ensure that adequate reporting channels exist in communicating recommendations for improvements to controls and that clear procedures are in place and communicated across the organisation.

This standard is relevant to roles in countering financial crime.

Performance criteria

You must be able to:

1. check that the policy was clearly communicated across the organisation
2. analyse the compliance of the organisation against the financial crime policy
3. review the conduct of your organisation in countering financial crime, referencing good practice in terms of ethical, moral and lawful behaviour
4. confirm that the policies and procedures reflect the values of the organisation and its approach for countering financial crime
5. review the impact that countering financial crime policies and procedures have on each area of your organisation
6. review the resources required for the continued implementation of countering financial crime policy to ensure that it is sustainable
7. recommend areas for change or improvement in countering financial crime policy where they are identified as necessary
8. report to those responsible for implementing the actions needed for improvement
9. confirm that actions for improvement have been carried out
10. communicate any changes to the policy across the organisation
11. monitor the effectiveness of any changes made and adjust as necessary

Knowledge and understanding

*You need to know and
understand:*

1. your organisation's strategy and approach towards countering financial crime
2. how your organisation defines financial crime in order to evaluate appropriate policies and procedures and systems and controls
3. how to develop evaluation measures and criteria
4. the information that is required to inform your evaluation of the countering financial crime policy and where this can be obtained
5. how to determine if you have sufficient information and evidence to evaluate countering financial crime policy
6. how to analyse the information and evidence to assess the effectiveness of the countering financial crime policy
7. how to identify any actions needed to improve the effectiveness of the procedures, systems and controls underpinning the countering financial crime policy
8. how to escalate the findings of your evaluation
9. the procedures and methods for checking that changes and improvements have been implemented and the actions to take if they haven't
10. the systems and processes for continual review and improvement
11. the legislation, regulations and codes of practice, relevant to you and your organisation and any specific obligations

Glossary

Financial Crime

This includes any offence involving money laundering, terrorist financing, fraud or dishonest or market abuse. (Definition based on the FCA definition of financial crime). This includes financial crime both internal and external to a financial services organisation.

Legal and regulatory requirements

This refers to a range of obligations incumbent upon financial organisations and is commonly referred to as 'compliance' requirements. The legal and regulatory requirements of an organisation or individual/s within it (such as 'approved persons') may differ slightly according to the type of financial organisation and the services it offers. The regulator of all providers of financial services in the UK oversees a number of regulated activities under powers derived from the Financial Services and Markets Act 2000.

A number of other pieces of UK legislation are relevant to the countering of financial crime, such as the Proceeds of Crime Act (POCA), the Serious Organised Crime and Police Act (SOCPA), the Fraud Act 2006, for example. UK financial institutions are also subject to European Commission legislation enacted by the British Government such as the Market Abuse Directive and the Basel 2 Accord (for capital adequacy).

Financial organisations, like any other employer, are also subject to a range of legal requirements covering areas such as discrimination, equality and diversity, Health and safety and Data protection.

Systems and controls

The practices and procedures put in place to protect an organisation from financial crime. In some cases it is accepted that certain (or indeed all) types of financial crime cannot be wholly prevented, but controls can limit its extent and impact.

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