
Overview

This standard is about identifying and investigating activity within your organisation that is potentially non-compliant with the internal and external requirements of relevant authorities.

You must encourage staff to bring suspicions of potentially non-compliant activity to the attention of compliance staff. You must assess the seriousness of an identified breach and determine the compliance risk posed. You must identify and implement remedial action and make internal or external reports as appropriate. You must initiate or recommend further training or development, or disciplinary action where necessary and identify and implement ways of avoiding recurrence of non-compliance.

Performance criteria

You must be able to:

1. identify activity within your organisation that is potentially non-compliant and gauge the extent and context of the problem
2. encourage staff within your organisation to bring suspicions of activity that is potentially non-compliant with the requirements to the attention of appropriate staff
3. assess the seriousness of the non-compliance to determine if it is a breach and respond proportionately
4. determine the compliance risk posed by an identified breach
5. report the breach to the appropriate internal and external authorities as soon as practicable
6. initiate or recommend any necessary further training or development activities, or disciplinary action against employees
7. keep accurate records of any non-compliant activity and any remedial action taken or intended
8. identify any trends of non-compliance
9. implement remedial action to deal with breaches in measures or non-compliant activity within realistic timescales
10. implement ways of avoiding recurrence of breaches and communicate these across the organisation
11. regularly review the effectiveness of any remedial action implemented

Knowledge and understanding

You need to know and understand:

1. what constitutes compliant behaviour 2. how to identify potentially non-compliant behaviour 3. how to identify the seriousness of non-compliant behaviour and the action or response to take 4. who should be informed of non-compliant behaviour 5. how and when to conduct an internal investigation into non-compliant behaviour 6. when does non-compliant behaviour become an internal or regulatory breach 7. the importance of preventing the recurrence of non-compliant behaviour 8. why it is important to communicate changes across the organisation 9. how to identify any necessary further training or development activities for employees 10. when to take disciplinary action against employees 11. what the record keeping requirements are 12. your organisation's requirements relating to the application of codes, laws regulatory requirements and guidance, including data protection, as they impact on your activities

Glossary

Anti-money laundering and counter terrorist financing measures

This encompasses all required policies, procedures and systems as well as the requirement for regulated organisations to apply enhanced customer due diligence and enhanced ongoing monitoring on a risk-sensitive basis in certain defined situations and any other situations which present a higher risk of Money Laundering or Terrorist Financing.

Relevant authorities

This should be extended to all jurisdictions which have control over the organisations, including regulatory, statutory, legal, investing, licensing, issuing and supervisory authorities.

FSPAML19

Identify, investigate and resolve non-compliant activity within your organisation



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