



FINANCIAL SERVICES ADVISORY

RETAINED COMPLIANCE SERVICES

IDEAS | PEOPLE | TRUST

BDO

WHEN IT COMES TO YOUR FIRM'S COMPLIANCE, WHAT KEEPS YOU UP AT NIGHT?

- ▶ Constantly changing and complex regulations?
- ▶ Compliance tasks falling behind?
- ▶ Unsighted regulatory risks?

Whatever the concerns are, we can help.

SECTORS WE WORK WITH



Asset Management



Wealth Management



Payment Services



Consumer Credit



Insurance



Capital Markets



Mortgages



Funeral Plan Providers



FinTech

We support dozens of firms with maintaining an effective compliance infrastructure. Following the introduction of the SM&CR, it has become increasingly clear that the FCA will hold senior managers accountable when the firms they lead do not act in a compliant manner. Whether you need ongoing support with particular components of your compliance framework, or specialist reviews targeted at particular topics or parts of the business, we can help.

OUR SERVICES



OUTSOURCED OR CO-SOURCED
COMPLIANCE SUPPORT



COMPLIANCE HEALTHCHECKS



AD HOC SUPPORT



THEMATIC REVIEWS



TRAINING (BOARD AND EMPLOYEES)



POLICY MANAGEMENT



HORIZON SCANNING AND BRIEFINGS



REGULATORY FILINGS AND REPORTING

OUTSOURCED OR CO-SOURCED COMPLIANCE SUPPORT

All regulated firms are required to implement and maintain a fit-for-purpose compliance framework that is effective and appropriate to the firms operating model.

We provide clients with second line strategy support, helping to design and execute. We partner with clients in a way that suits their needs, either fully outsourced or in collaboration.

Our services can be delivered in person or remotely. We agree a scope for our support and project manage the delivery in line with our clients' requirements and reporting cycles. We can also assist with any remediation actions you require us to.

WHAT ARE THE BENEFITS OF AN OUTSOURCED OR CO-SOURCED COMPLIANCE SUPPORT SOLUTION?



SPECIALIST KNOWLEDGE

Access industry recognised specialists across a wide spectrum of regulatory topics.



TIME SAVINGS

Delegate aspects of your framework leaving your team with more time to do other strategic tasks.



BENCHMARKING

Operate a framework that is in line with peers and best practice.



INDEPENDENCE

Obtain value from having independent reviews.



COST EFFICIENCIES

Maximise value with a lower cost base.



FLEXIBILITY

Tailor the support needed as business needs evolve over time.



OTHER SERVICES

COMPLIANCE HEALTHCHECKS

A Compliance Healthcheck is a business wide diagnostic review of the levels of compliance of your firm with applicable regulatory standards and is designed to provide you with a holistic view of your strengths and any areas of compliance weakness. This allows the management team to focus attention on the key risk areas.

AD HOC SUPPORT

Our clients value the flexibility of being able to raise queries with their consultants on demand. Ad hoc support may be used however required by the firm and may include support with technical queries, documentation review, operational queries or ad hoc filings.

We are able to incorporate provisions for ad hoc support into the retainer contracts and flex this as required based on actual usage.

THEMATIC REVIEWS

Thematic reviews focus on specific areas of concern to the business. These reviews are typically driven by regulatory change, specific board requests or interactions with the FCA. They may also arise due to knowledge or capacity gaps in the internal compliance function.

Our team of subject matter specialists and ex-regulators will agree the scope of the review with you and execute our work in line with your requirements. We will leverage our experience dealing with the regulators and with best-in-class peer firms to ensure you have the benefit of industry best practice. The output of our review will be a report to management on our findings and recommendations for improvement.

HORIZON SCANNING AND BRIEFINGS

We keep track of regulatory changes applicable to your firm so you don't have to. Based on your business model and jurisdictions, we keep you updated with new provisions and how they might impact your firm. We are also able to organise briefing sessions with the board and members of staff who will be most impacted by the regulatory changes.

TRAINING

We are able to offer remote or face to face training to Boards and employees on various regulatory topics. Modules include:

- ▶ UK Regulatory Framework
- ▶ Anti-Money Laundering
- ▶ Market Abuse Prevention
- ▶ Data Protection and Data Security
- ▶ SMCR and Reasonable Steps
- ▶ CASS
- ▶ Anti-Bribery and Corruption
- ▶ Conduct Risk
- ▶ Complaints handling
- ▶ Vulnerable customers

POLICY MANAGEMENT

Compliance policies and procedures are an important part of the compliance framework. Often, these key documents may be left behind by changing regulations or unreflective of the current business activities of the Firm.

We are able to support your firm in maintaining these key documents on an ongoing basis. These include your compliance manual and supporting compliance policies and procedures, managing attestations, and communication of updates to stakeholders.

REGULATORY FILINGS AND REPORTING

Our team are able to support your firm with ensuring your regulatory filings and reporting are accurate and complete. These filings and reports may include:

- ▶ Principle 11 Disclosures
- ▶ RegData returns (financial and non-financial)
- ▶ New Senior Manager applications
- ▶ Change in Control filings
- ▶ STOR and SAR filings
- ▶ Transaction Reports
- ▶ Other notifications via Connect

HOW DOES IT WORK?

We typically begin with a Compliance Healthcheck to assess your current level of compliance and any risks. Following that, we will advise on a suitable compliance monitoring programme that addresses the key risk areas. We can also execute the programme and report to management on our findings.

Whilst this approach is typical for most new relationships, it is not universal. For example, a client with an already developed and assessed compliance monitoring programme may not require an initial healthcheck. Clients can tailor the schedule of annual support that best suits their requirements. This may range from a basic pay-as-you-go relationship on an hourly basis, to an outsourced or co-sourced compliance schedule where BDO executes components of the compliance framework.

The BDO Retained Service is customised to your needs. Typically we provide an annual cost charged on a monthly basis. We review your package with you on a periodic basis to ensure our support continues to meet our client's needs. We are also able to separately cost support projects on a case-by-case basis.

EXAMPLE SUPPORT SCHEDULE

Co-sourced support (compliance monitoring programme)	7 hours/month
Ad hoc Support	3 hours/month
Horizon Scanning and Briefing	3 hours/quarter
Regulatory Filings	4 hours/quarter
Blended average	12.25 hours/month

We will then apply a blended hourly rate to ensure certainty for clients. The budgeted hours may be flexed on a quarterly basis as required.

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My firm has used the compliance services of BDO for 4 years to augment the work of our own internal compliance function. We made a conscious decision 4 years ago that it would be hugely beneficial to the firm and to the reputation of the business, for the Board to receive an independent quarterly assurance report on the firm's Compliance Monitoring Programme.

The Board takes great comfort in receiving such a report, which highlights any particular matter for its attention. However, the proficiency of BDO's services does not stop there. My firm also uses their compliance services for ad hoc advice and second opinions. Their response times and service levels are immaculate and provide a standard that, in my opinion, other professional firms could learn from.

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BOARD CHAIR, ASSET MANAGEMENT

WHY BDO?

BREADTH AND DEPTH OF EXPERIENCE

- ▶ As the world's fifth largest accounting and professional services Firm, we work with many of the world's most successful organisations and offer the full range of services you would expect of a Firm of our calibre.
- ▶ We have over 650 financial services specialists in our UK team working with a wide range of firms across a broad cross section of the financial services industry.
- ▶ Our consultants have deep technical knowledge of all key regulatory topics, meaning we can support your firm whatever the issue of concern might be.

REGULATOR RELATIONSHIPS

- ▶ We have deep interactions and relationships with the regulators and bring the insights gleaned from those interactions to best support our firm's compliance frameworks. Our extensive experience and ongoing engagements in relation to Skilled Persons review assignments, for both the FCA and PRA ensures we have our fingers on the pulse of the issues and topics of concern to the regulators.

PARTNERSHIP APPROACH

- ▶ Our size does not preclude us from taking a pragmatic and tailored approach for each client relationship. We work with some of the nation's most entrepreneurial organisations and appreciate the pressures of growth. We seek first to understand your needs and work collaboratively with you to design and implement solutions appropriate to your business.

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We are very impressed with the relationship and the team and can work very well with BDO. They have always been at the end of the phone and very responsive. In my view, BDO's interaction has been more valuable than other firms we've used. BDO are more responsive and have practical ideas and solutions. Each one of the team has been able to offer practical knowledge and ideas (not just the partner). This is refreshing as we don't get constant referral and each member of the team is productive. BDO offers practical application of theory and implementation, understands client issues and the restrictions client is working in. The value-added activities that provide education in various forms are really useful.

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CHIEF RISK OFFICER, WEALTH MANAGEMENT

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