National Occupational Standards

Compliance

NOTES ABOUT NATIONAL OCCUPATIONAL STANDARDS

What are National Occupational Standards, and why should you use them?

National Occupational Standards (NOS) are statements of the standards of performance which individuals must achieve for effective performance in the workplace, together with specifications of the underpinning knowledge and understanding.

NOS provide UK-wide, demand-led and evidence-based benchmarks of competent performance which underpin vocational learning and development, apprenticeships and qualifications across all sectors, occupations and parts of the UK.

NOS have a variety of important uses for both individuals and organisations, including providing guidance for career changes and upskilling, assisting in the development of person specifications, job descriptions and career pathways, providing guidelines for certification and accreditation, and underpinning training design and delivery.

NOS are developed by the industry, for the industry. They are produced in consultation with practitioners carrying out the roles described on a daily basis, and they avoid the need to 'reinvent the wheel'. **NOS are a 'must-have' resource for everyone and they are here to help you**.

A set of NOS is presented as a 'suite' – relating to a particular business area or occupation. This suite of NOS is for **Compliance**.

What is included within these National Occupational Standards?

There are 19 units within this suite of NOS, and each unit comprises the following:

- *Title* – this explains the key competence for the unit.

- *Overview* – this describes what the unit is about and what it covers.

- *Performance* – lists the critical functions that are required in order to meet the standard of competence outlined in the title and overview.

- *Knowledge and Understanding* – underpin the performance statements – i.e. what you need to know to be considered competent.

Terminology and language in these NOS

These NOS aim to contain terminology in current use, or at least recognisable to those working in Compliance roles. However, in order to 'future proof' the NOS, the Knowledge and Understanding section of each unit includes broad reference only to legislation and regulations, rather than specific references which may be superseded or otherwise become outdated within the life of the NOS.

The use of such language also helps the NOS to be used within an international context. As such, where reference within units is made to the **'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.

Similarly, where reference within units is made to **'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.

Where reference within units is made to **'organisation'** this term encompasses both single and multi entity firms, including subsidiaries, and global organisations with a UK presence.

The 'pick and mix' approach in using these NOS

It is important to recognise that very few people will carry out all of the functions described in any full suite of NOS. In addition, many of the functions / those carrying them out will vary dependent on the size of the organisation.

NOS are designed so that a 'pick and mix' approach can be used to develop the job description, training programme, etc. Each user should select the appropriate combination of Performance and Knowledge and Understanding statements from across the units. To assist in this process, the NOS units have been grouped under the following categories.

- Research your organisation and its requirements to help inform a compliance policy

- Develop and communicate a compliance policy for your organisation

- Develop and monitor compliance controls in your organisation

- Support the staff in your organisation to maintain compliance

- Maintain an effective relationship with relevant external bodies and respond to requests on consultations

- Identify and deal with non-compliant activity in your organisation

- Prepare for an inspection visit to your organisation from regulatory bodies

'Signposting' other relevant NOS

Internal Audit is a separate control function, independent of Compliance, and it is covered in a separate suite of NOS developed by the Financial Skills Partnership (formerly Financial Services Skills Council). This can be accessed via www.financialskillspartnership.org.uk.

The following NOS, also developed by the Financial Skills Partnership and available at the above website address, are a useful resource.

- National Occupational Standards for Anti-money Laundering and Countering Terrorist Financing

- National Occupational Standards for Countering Financial Crime

- National Occupational Standards for Risk Management for the Financial Sector

In addition, Skills for Justice are the Sector Skills Council responsible for the justice and community safety sector, and they have developed NOS including the competences required for presenting information to courts or other hearings. The website address for Skills for Justice is www.skillsforjustice.com.

Core knowledge underpinning roles in Compliance

The following Core knowledge statements have been identified by industry practitioners as underpinning effective performance in Compliance roles, and they should be used in conjunction with these NOS.

The financial services industry

1. The purpose and structure of the financial services industry, including the main types of institution and organisation

2. The areas of financial services which are regulated

3. The main financial services product types and their functions

4. The main financial asset classes and their characteristics, covering past performance, risk and return

5. The meaning of compliance in relation to the financial services industry

The regulatory environment

1. The definition and objectives of regulation in your area of work and in the financial services sector in general

2. Applicable regulations, including guidance on implementation

3. How regulation protects consumers and should create and maintain public confidence in financial services

4. Which individuals need to be registered or approved by regulators, and how they are authorised to undertake regulated activity

5. Ways in which regulation has changed and is likely to change in the future

6. Consideration of international regulation and how this impacts on your organisation

7. How compliance is enforced by the regulatory bodies and what sanctions and disciplinary action they can take

Compliance roles

1. The types of activity that a compliance officer should be undertaking, and how to prioritise these

2. The importance of the compliance function being able to act as an independent adviser to the organisation without undue influence

3. The importance of documenting the terms of reference of the compliance function and the extent of the compliance officer's role, responsibility and authority

4. How to encourage managers and staff to comply with regulations

5. The importance of providing regular and accurate reports to management and/or the board on applicable regulatory requirements and your organisation's compliance with them

6. What other control and risk functions you must work with to manage regulatory risk

Compliance within your organisation

1. The relationship between the compliance function and the governing body

2. The importance of an effective compliance culture within your organisation, promoting awareness that compliance is the responsibility of all staff

3. What products and services are supplied by your organisation, and an awareness of the compliance issues surrounding those products and services

4. The types of clients that your organisation deals with

5. The strategic plans in place for your organisation including key policies and procedures which affect compliance with regulations

6. What kind of business your organisation is registered to undertake with the regulatory authorities

Behaviours underpinning roles in Compliance

In addition, the following Behaviours have been identified by industry practitioners as underpinning effective performance in Compliance roles, and they can be used in conjunction with these NOS.

Communicating

- You select communication styles that are appropriate to your audience and your message

- You present information clearly, concisely, accurately, and in a manner that promotes understanding

- You make appropriate information and knowledge available to those who need it and are entitled to have it

- You explain complex matters in clear language

- You identify the information needs of colleagues

Influencing

- You develop networks of peers from other organisations to share ideas

- You understand the needs and motivations of others

- You are able to make a critical evaluation of arguments, assumptions, concepts and data, and to challenge constructively the status quo

- You identify and explain the benefits to others of the actions you propose to take

- You seek to build consensus around the objectives you are pursuing

- You deploy a range of appropriate influencing skills and strategies

Problem solving and decision making

- You have a clear understanding of the extent and limits of your authority to take decisions

- You have an awareness of the consequences, implications and risks of courses of action you propose

- You have a clear understanding of the regulatory and commercial environments within which decisions have to be taken

- You do not shirk from proposing or implementing a course of action you believe to be correct, because it may be difficult or unpopular

- You show integrity, fairness and consistency in your decision making

- You propose courses of action that are timely, appropriate and achievable

A 'pick and mix' approach should again be used for the inclusion of Behaviours in job descriptions, training programmes etc, and further guidance is available on the Financial Skills Partnership's website, at www.financialskillspartnership.org.uk.

National Occupational Standards for Compliance

Financial Skills Partnership

COMP1 Gather and disseminate information about compliance requirements in your organisation

Overview

This unit is about identifying and accessing sources of information about compliance requirements relevant to your organisation, and disseminating this information to other departments. You must maintain continuing professional development on new trends in the legal and regulatory environment and communicate these in a timely manner. You must be able to improve the dissemination of information in response to feedback and evaluation from your colleagues.

Performance	**Knowledge and Understanding**
COMP1/01 Identify and access appropriate and relevant sources of information about compliance requirements relevant to your organisation	1. How and from where to obtain information
COMP1/02 Maintain continuing professional development on new trends in regulations, and provide updates to appropriate staff across your organisation	2. The importance of maintaining relevant continuing professional development
COMP1/03 Determine the methods of disseminating information across your organisation, establishing systems to monitor and evaluate their effectiveness	3. Why it is important to disseminate information 4. To whom information should be disseminated 5. What internal mechanisms exist for disseminating information
COMP1/04 Disseminate relevant information to other departments in your organisation	6. Why it is important to encourage and obtain feedback and to respond positively to this feedback
COMP1/05 Encourage feedback from recipients on the clarity, completeness and usefulness of information, establishing systems to monitor the effectiveness of its dissemination	7. What records must be kept to demonstrate dissemination of information 8. The regulatory requirements applicable to your organisation
COMP1/06 Improve the dissemination of information in response to feedback and evaluation received	

Financial Skills Partnership

COMP2 Identify the implications of financial regulations for the business conducted by your organisation

Overview

This unit is about identifying the regulatory bodies which have control over your organisation and the financial regulations which they can enforce, and assessing how these can impact on the policies and procedures of your organisation. You must determine how compliance will be ensured at your organisation, identifying the required resources, and also identify the consequences of non-compliance. You must report your assessment of the implications of regulations on your organisation to the appropriate people in it.

Performance	Knowledge and Understanding
COMP2/01 Identify the regulatory bodies and the regulations with which your organisation must comply, and the consequences of non-compliance COMP2/02 Assess how the rules specified by relevant regulatory bodies relate to the practices / procedures in which business is conducted by your organisation COMP2/03 Identify how the implications of regulations might impact on the practices / procedures in which business is conducted by your organisation COMP2/04 Determine the supervisory requirements needed to confirm compliant activity within your organisation COMP2/05 Identify the resources needed to fulfil the regulatory requirements within your organisation COMP2/06 Report your assessment of the implications of regulations to the appropriate people within your organisation	1. The nature of the business conducted by your organisation 2. The practices / procedures by which business is conducted within your organisation 3. The consequences of non-compliance with regulations 4. The resourcing implications of compliance requirements 5. How regulations affect different parts of the business 6. The regulatory requirements applicable to your organisation

COMP3 Assess and mitigate the compliance risks relevant to your organisation

Overview

This unit is about assessing the probability and impact of compliance breaches occurring in your organisation, and completing a risk assessment of external and internal threats or events. You must identify any gaps in your information about the compliance risks faced by your organisation. You must mitigate the risks identified in the risk assessment, ensuring that they are proportionate, and you must review your risk assessment at regular, agreed intervals and when specific events may affect the assessment.

Performance	Knowledge and Understanding
COMP3/01 Assess the probability and impact of compliance breaches occurring in your organisation	1. Methods of developing a compliance risk assessment
COMP3/02 Determine the jurisdictional scope of the legal and regulatory environment in which your firm operates	2. Where to find information about the compliance risks faced by your organisation
COMP3/03 Complete a compliance risk assessment of your organisation that takes into account external and internal events or threats	3. Why it is important that compliance risk mitigation is proportionate to the risks posed
COMP3/04 Assess the compliance risks that are external to your organisation but which directly or indirectly affect your organisation's business or control risks	4. When you should review the compliance risk assessment
COMP3/05 Identify any gaps in the information you have about the compliance risks faced by your organisation and locate this information	5. The regulatory requirements applicable to your organisation
COMP3/06 Develop a compliance risk mitigation programme to address issues identified by the compliance risk assessment	
COMP3/07 Ensure the compliance risk mitigation programme is proportionate to the risks posed, in terms of their impact and probability	
COMP3/08 Review the compliance risk assessment at regular, agreed intervals and when specific events may affect the assessment	

COMP4 Identify improvements to the implementation of financial regulations within your organisation

Overview

This unit is about establishing measures for evaluating the implementation of financial regulations within your organisation. You must collect and assess information and use the findings to identify opportunities for your organisation to improve. As part of your evaluation you must compare how your organisation implements regulations with other similar businesses, liaising and sharing ideas with peers, as appropriate, and communicate suggested improvements. You must also support senior management in the establishment of a culture of continuous improvement across your organisation.

Performance	Knowledge and Understanding
COMP4/01 Establish valid and appropriate measures for evaluating the implementation of regulations within your organisation COMP4/02 Collect and assess information about the effectiveness of implementation of regulations within your organisation, and use the findings to identify opportunities to improve COMP4/03 Provide support and guidance to senior management within your organisation for the establishment of a culture where colleagues come forward with potential and actual implementation problems and suggested opportunities for improvement COMP4/04 Liaise and share ideas with peers from other organisations, as appropriate and in accordance with confidentiality and data protection requirements, to compare how your organisation implements measures, and recommend improvements based on the findings COMP4/05 Share the knowledge and understanding of how improvements have been implemented across your organisation COMP4/06 Ensure that improvements made reflect the requirements of your organisation and the applicable regulations	1. The importance of establishing and applying valid and appropriate measures for evaluating the implementation of regulations 2. How to establish systems for collecting and assessing information on the implementation of regulations, and how to use the findings to identify opportunities where improvements can be made 3. The importance of peer support and ways of comparing how your organisation implements measures against others 4. The role of senior management in developing a culture that continually improves 5. The importance of finding out the causes and effects of problems and changes 6. Ways of measuring the impact of changes 7. The range of information sources and techniques for collecting information 8. Relevant changes and developments in your sector 9. The regulatory requirements applicable to your organisation

COMP5 Design a compliance policy for your organisation

Overview

This unit is about designing a compliance policy for your organisation. The policy will outline the responsibilities and accountabilities of staff, typically in a compliance reference guide, and will inform the organisation's overall attitude towards compliance. The policy must identify the regulatory bodies with which your organisation must co-operate and it should detail how your organisation will comply with all appropriate regulations. Your policy must be achievable, based on accurate research, and it must include monitoring and evaluation. You must also determine how your organisation will deal with cases of non-compliance.

Performance	Knowledge and Understanding
COMP5/01 Identify the regulatory bodies and the regulations with which your organisation must comply	1. How to formulate a robust compliance policy and procedures, and why it is important to do so
COMP5/02 Define clearly the responsibilities and accountabilities of staff in your organisation for compliance	2. Where to find information that can help inform the compliance policy
COMP5/03 Develop a compliance policy which is based on accurate research and which is compliant with all relevant regulations, whilst taking into account any organisational constraints including existing and anticipated resources	3. The regulatory responsibilities of senior management and the board for compliance
COMP5/04 Ensure that the policy is underpinned by a clear vision and values	4. Measures and methods for monitoring and evaluating performance against plans
COMP5/05 Design methods and measures for monitoring and evaluating performance against the compliance policy, allowing for adjustments to people and resources when necessary to meet requirements	5. Where to find information that can aid monitoring and evaluation
	6. The importance of monitoring compliance with the policy and reporting regularly on the organisation's performance with regard to compliance
COMP5/06 Ensure that your organisation's strategic / operational plans are consistent with the compliance policy	7. The importance of developing strategic / operational plans which support the compliance policy
COMP5/07 Determine how your organisation will deal with any examples of non-compliance	8. How to recognise failures to comply with the compliance policy and take appropriate remedial action
COMP5/08 Agree realistic and achievable targets and timescales for implementation	9. The regulatory requirements applicable to your organisation

COMP6 Communicate and implement your compliance policy within your organisation

Overview

This unit is about how to effectively communicate and implement your compliance policy. Depending on the size of your organisation, this may be done in conjunction with the Human Resources or other relevant department. Your compliance policy must be underpinned by an implementation plan which is realistic and achievable and you must help the people involved, specifically senior management and the board, to understand and support it. You must consider ways in which the policy can be communicated which will set out the vision and values for what compliance will achieve in your organisation, and you must identify good practice examples for your organisation.

Performance	Knowledge and Understanding
COMP6/01 Promote the benefits and importance of the policy to senior management and the board in a way that encourages constructive debate, facilitates decision making and secures organisational commitment	1. The need for senior management and board buy-in and commitment to the policy, to achieve cultural change within your organisation
COMP6/02 Outline the business implications of introducing the compliance policy, inviting line managers to ask questions and provide feedback	2. The regulations that apply to your organisation and the effect and application of dispensations and waivers
COMP6/03 Ensure that the regulatory responsibilities with regard to the policy are understood, providing support where this is not the case	3. The importance of consulting with colleagues and management during the development of strategic / operational plans and how to do so effectively
COMP6/04 Develop an implementation plan for the compliance policy that includes the business benefits by reference to factual evidence	4. How to encourage feedback and questions about the policy
COMP6/05 Identify approaches to the education, training and awareness-maintenance of the compliance policy to all staff	5. Why it is important to support line managers in their responsibilities within the compliance policy
COMP6/06 Explain the benefits of compliance policy clearly and by reference to factual evidence	6. The measures and methods which can be used for monitoring and evaluating performance
COMP6/07 Identify good practice and areas for improvement and communicate these to colleagues and management	7. Where to find information that can aid monitoring and evaluation
COMP6/08 Ensure that staff have a clear understanding of the regulations that apply to them and their work, and the importance of complying with them	8. The regulatory requirements applicable to your organisation
COMP6/09 Explain, where appropriate to your organisation and the products and services it offers, how dispensation and waivers work and are applied	

COMP7 Assist in developing the compliance culture of your organisation

Overview

This unit is about assisting in determining and agreeing the values and assumptions that encourage behaviour which is consistent with your organisation's overall vision and strategy for compliance and countering financial crime – including Anti-money Laundering and Countering Terrorist Financing. This will be done in conjunction with the senior management at your organisation, as appropriate. You must communicate agreed values to your colleagues, across your organisation, and ensure that policies, programmes and systems support agreed compliance values. You must also continuously monitor and adjust values and assumptions, and the ways they are applied.

Performance	Knowledge and Understanding
COMP7/01 Determine and agree values and assumptions that encourage behaviour which is consistent with your organisation's overall vision and strategy for compliance and countering financial crime COMP7/02 Communicate agreed values to people across your organisation and motivate them to put these into practice COMP7/03 Ensure that senior management recognise the importance of making compliance part of the culture of your organisation COMP7/04 Put in place policies, programmes and systems to support agreed values COMP7/05 Counter messages that conflict with agreed values COMP7/06 Continuously monitor and adjust values and assumptions, and the ways they are applied	1. The concept of the compliance culture as applied to organisations 2. The importance of values in underpinning individual and organisational regulatory performance 3. Internal and external factors that influence the compliance culture 4. Different types of compliance culture and the relationship between compliance culture, strategy and performance 5. The principles and methods of managing culture change within organisations 6. Dominant types of compliance culture in your sector and their strengths and limitations 7. Your organisation's vision and strategy 8. Your organisation's current organisational and compliance culture 9. Values, assumptions and behaviours that are consistent and inconsistent with your vision and strategy 10. The needs and interests of key stakeholders 11. Effective methods of communicating values, and supporting the way they are applied in your organisation 12. Effective ways of dealing with messages and behaviour that conflict with agreed values and assumptions 13. The regulatory requirements applicable to your organisation

COMP8 Design and oversee procedural controls at your organisation to monitor compliance risks

Overview

This unit is about designing and overseeing procedural controls at your organisation to monitor compliance risks and detect breaches in regulations. These must be flexible and responsive to changes in the regulatory or market environment and weak / ineffective controls, or those that can be easily circumvented, must be identified. You must identify the resources and people needed to implement the procedural controls and determine the frequency with which compliance risks should be monitored. This includes the ability to assess the efficiency and effectiveness of the controls on a regular basis. You must report all areas which have been identified by the procedural controls as needing improvement to those responsible.

Performance	**Knowledge and Understanding**
COMP8/01 Design, agree and implement robust procedural controls to proactively check for compliance risks at your organisation, which can detect or react to breaches in regulations and which are flexible and responsive to changes in the regulatory or market environment	1. The importance of designing and implementing procedural controls to check for compliance risks, which protect the interests of the organisation and its different stakeholders
COMP8/02 Identify and develop working relationships with other control functions such as risk management and audit to ensure a good fit with compliance controls	2. The specific issues which the procedural controls should address, including how the management of compliance risk fits with risk and audit functions
COMP8/03 Identify the resources needed to implement the procedural controls, including assigning them to people with formal responsibility for compliance activity	3. The importance of planning for contingencies
	4. Internal issues which should inform the procedural controls, such as methods of obtaining and storing customer identity data and how to analyse the information and evidence
COMP8/04 Determine the frequency with which compliance risks should be monitored	5. How to monitor your organisation's exposure to risks and the reporting methods to use
COMP8/05 Identify possible reasons when the procedural controls may fail to meet evaluation criteria	6. Who your colleagues and other key stakeholders are, and the resources needed to implement procedural controls
COMP8/06 Assess the efficiency of the procedural controls on a regular basis to identify potential shortcomings and improvements, using sufficient evidence which takes account of all relevant factors	7. The importance of monitoring the effectiveness of the procedural controls and the reporting methods to use
COMP8/07 Report all areas which have been identified by the procedural controls as needing improvement to those responsible for implementing them, and confirm that effective remedial action is agreed and completed	8. The importance of updating the procedural controls following changes to rules, new regulations, internal changes and new products
	9. The regulatory requirements applicable to your organisation

Financial Skills Partnership

COMP9 Assist senior management in ensuring that staff at your organisation comply with regulations

Overview

This unit is about assisting senior management in ensuring that staff in your organisation have a clear understanding of the importance of compliance with the regulations that apply to them. You must support staff in their efforts to adhere to regulations, ensuring that new staff or those moving to new roles are assessed as competent. You must assist in developing a climate of openness about meeting or not meeting the requirements for compliance and take prompt action to identify and correct any failures in meeting the requirements. You must keep accurate and complete records of training and competence, and of any failures to comply with regulations.

Performance	Knowledge and Understanding
COMP9/01 Agree with senior management relevant criteria for assessing and maintaining staff competence at all levels throughout the organisation COMP9/02 Confirm that competence is assessed against clear criteria at appropriate levels within the framework COMP9/03 Identify and ensure the provision of appropriate training where staff need support in adhering to regulations COMP9/04 Ensure that new staff, or those moving to new roles, are assessed as competent before being permitted to act unsupervised COMP9/05 Ensure that relevant records of training and competence are maintained for all employees for the required length of time COMP9/06 Assist in developing a climate of openness about meeting or not meeting the requirements for compliance COMP9/07 Identify and take prompt action to correct any failures to meet the requirements COMP9/08 Identify reasons for requirements not being met and any trends or patterns emerging COMP9/09 Keep accurate and complete records of any failures to comply with regulations and report this information to the appropriate authority when necessary	1. The sensitivities of monitoring the work of staff and the importance of being impartial and independent 2. The measures and methods which can be used for monitoring and evaluating performance 3. The timescales and procedures for monitoring different types of staff 4. Why it is important to encourage a climate of openness about compliance 5. Why it is important to identify trends or patterns in failures to meet requirements and how to deal with them 6. Why it is important to assess staff as competent before they can act unsupervised 7. What records need to be kept 8. Who to report information on compliance to 9. The regulatory requirements applicable to your organisation

COMP10 Develop a compliance reference guide for your organisation
Overview
This unit is about developing a compliance reference guide, which will be an integral part of your organisation's compliance policy. This may take the form of a handbook, but it could be available as an online resource. You must establish the role and scope of the compliance reference guide and identify the regulations that need to be included, explaining the roles and responsibilities for complying with procedures and the methodology for checking this. You must inspect and approve the contents of the completed compliance reference guide and ensure that it is regularly reviewed – including updating lists of useful, relevant websites and other information sources. You must also ensure that the staff within your organisation know how to access the compliance reference guide, and that they review its content on a regular basis.

Performance	Knowledge and Understanding
COMP10/01 Establish the role and scope of the compliance reference guide and determine who will contribute to its content, ensuring that they understand their role in this regard	1. The scope of the compliance reference guide for your organisation
COMP10/02 Identify the relevant operating systems and procedures in place in your organisation and cross-reference them to the applicable compliance regulations	2. The regulations which need to be included
COMP10/03 Ensure that the importance of integrating compliance requirements into operating systems and procedures is understood by all applicable staff in your organisation	3. The importance of including a regularly updated list of useful, relevant websites and other sources of information and assistance in the reference guide
COMP10/04 Identify the regulations that need to be included in the reference guide, explaining the roles and responsibilities for complying with procedures and the methodology for checking this	4. Why it is important to specify the monitoring methods for compliance
COMP10/05 Review and approve the contents of the completed reference guide	5. How to identify and communicate the roles and responsibilities of staff for compliance
COMP10/06 Ensure that the reference guide is regularly reviewed and that any relevant changes in the legal and regulatory environment are incorporated immediately into operating systems and procedures	6. The importance of reviewing and updating the compliance reference guide and when to do so
COMP10/07 Create awareness of the reference guide within your organisation, ensuring that all staff know how to access it and that they review its content on a regular basis.	7. The need to ensure that the reference guide is available and accessible to staff within your organisation
COMP10/08 Ensure that senior management understand the importance of all relevant staff following the reference guide, in the regulated environment	8. The regulatory requirements applicable to your organisation

COMP11 Advise and guide staff in your organisation on compliance matters

Overview

This unit is about encouraging staff to seek advice and guidance on compliance matters. You must establish an 'open-door' procedure for staff to seek advice and respond positively and helpfully to requests. You must determine the priority of requests in relation to other scheduled activities or other requests for advice and guidance, and you must also encourage staff to provide feedback on the advice and guidance they have received.

Performance	Knowledge and Understanding
COMP11/01 Ensure that all staff know and understand the procedures for requesting advice and guidance on compliance matters COMP11/02 Encourage an 'open-door' policy for staff to seek clarification on compliance matters COMP11/03 Encourage staff to seek advice and guidance on compliance matters affecting their work COMP11/04 Respond positively and helpfully to requests for advice and guidance within an appropriate timescale COMP11/05 Determine the priority of requests in relation to other scheduled activities or other requests for advice and guidance COMP11/06 Encourage staff to provide feedback on the usefulness of the advice and guidance they have received	1. The procedures for requesting advice and guidance, and how to disseminate this information through different channels 2. Why it is important to encourage a climate of openness about compliance 3. The types of information about which staff may require advice and guidance 4. Where to locate information to advise and guide staff 5. How to prioritise your work and requests for advice, guidance and information 6. Why it is important to encourage and obtain feedback and to respond positively to this feedback 7. The regulatory requirements applicable to your organisation

Financial Skills Partnership

COMP12 Write and present compliance reports about your organisation
Overview
This unit is about writing and presenting compliance reports which may be directly for regulatory bodies, but can also include reports which are required for the Board of your organisation. You must be able to determine the purpose of the report and who will read it, and identify and collate the information required for inclusion. You must present the information clearly and objectively, in a manner that can be easily understood, and submit the report to those requiring it in a timely manner. You must ensure that the report and all material supporting it is kept secure and retained in accordance with regulatory requirements.

Performance	Knowledge and Understanding
COMP12/01 Determine the purpose of the report and the intended audience	1. Why, when and by whom compliance reports are required
COMP12/02 Identify and collate the information required for the report	2. What information is needed for the report
COMP12/03 Present objective information regarding the issues clearly and accurately, and in a manner that can be easily understood	3. What the timescales and deadlines are for compliance reports
COMP12/04 Prepare the report and submit it to those requiring it in a timely manner	4. The need to present the report in a style consistent with the organisation and its requirements
COMP12/05 Ensure that all supporting material for use in justifying your report is made available to those who request it and have a right to it	5. Why it is important to use language which can be understood by non-compliance personnel
COMP12/06 Present your report in a style consistent with organisational requirements	6. Why supporting information used to produce reports must be stored securely
COMP12/07 Ensure that the report and all supporting material is kept secure and retained in accordance with regulatory requirements	7. The regulatory requirements applicable to your organisation

COMP13 Consider and advise on the regulatory implications of new business strategies at your organisation

Overview

This unit is about knowing what your organisation's current and emerging business strategies are, and evaluating and ensuring their compliance in light of regulations. Emerging business strategies may include new product launches, new services introduced by your organisation, or extension into new markets. You must be able to identify the regulatory risks of business strategies and advise the relevant people of those risks and any action that should be taken. It may be necessary to advise regulatory bodies of significant changes to business strategies.

Performance	Knowledge and Understanding
COMP13/01 Identify the regulations with which your organisation must comply COMP13/02 Encourage managers of business units to keep you updated on your organisation's product development cycle, and to consider potential compliance risks in current and emerging business strategies COMP13/03 Evaluate business strategies in the light of the relevant regulations COMP13/04 Assess the regulatory risks of business strategies to the organisation COMP13/05 Advise relevant people of any identified risks and their implications for the business COMP13/06 Advise relevant people of any necessary changes to plans and procedures to meet the regulatory requirements COMP13/07 Discuss and review your organisation's compliance obligations and possible reasons for failing to adhere to them with managers and staff in all relevant departments COMP13/08 Where necessary, advise regulatory bodies of significant changes to business strategies	1. Why new and emerging business strategies – including new product launches and new markets – may have implications for compliance with regulations 2. Why consideration of compliance risks in business strategies should be an inherent part of decision making 3. Who should be advised of the regulatory implications of business strategies and any changes to plans and procedures 4. Why it is important for the compliance function to be kept fully updated with current and emerging business strategies 5. Why it is important to support senior management in their responsibilities for compliance 6. When it is necessary to advise regulatory bodies of changes to business strategies 7. The regulatory requirements applicable to your organisation

COMP14 Plan and deliver compliance training for your organisation

Overview

This unit is about delivering compliance training for your organisation. You must be able to identify the knowledge and competences your organisation needs to meet compliance requirements and to identify any priority areas for training. You must consider different ways of delivering training, including the resources needed, and identify systems to review and monitor the training. If external trainers are going to be used, you must give them clear and accurate information about the compliance requirements of your organisation and agree with them the learning objectives to be covered. A risk-based approach must be used to identify the training requirements of different levels of staff within your organisation, and you must ensure that regulatory requirements on training are met and complied with.

Performance	Knowledge and Understanding
COMP14/01 Identify the purpose and necessary outcomes of compliance training, focused on the abilities and competences which the organisation needs to meet its compliance requirements COMP14/02 Collect information on the existing levels of compliance knowledge and experience of those working for the organisation, determining the training requirements of different levels of staff in your organisation using a risk-based approach COMP14/03 Produce specific aims and objectives for compliance training sessions, identifying the resources needed and any regulatory obligations on training COMP14/04 Where external trainers are being used, give them clear and accurate information about the compliance requirements of your organisation and agree with them the learning objectives to be covered COMP14/05 Identify any priority areas for compliance training across the organisation COMP14/06 Consider different ways of structuring and delivering compliance training, including technology-based delivery and support COMP14/07 Seek feedback on the effectiveness of the training provided, and adjust future training programmes accordingly COMP14/08 Maintain continuing professional development on compliance requirements, so as to help inform the training delivered	1. How to identify a range of possible compliance training outcomes that support the organisation's strategy 2. The need to collect information on the levels of compliance knowledge within your organisation 3. How to determine and prioritise staff training requirements using a risk-based approach, and the need to monitor ongoing training requirements when staff members move into new roles 4. The different ways of delivering training and their relevance to the needs of the organisation and individuals 5. The various technology and e-learning methods available, and their relevance to compliance training 6. What resources are needed to deliver training programmes and from where to obtain them 7. The information external trainers will need, and how and when to provide it 8. Why it is important to encourage and obtain feedback and to respond positively to this feedback 9. How to measure the effectiveness of training 10. The importance of maintaining continuing professional development on compliance requirements 11. The regulatory requirements applicable to your organisation

Financial Skills Partnership

COMP15 Plan, develop and maintain an effective relationship strategy with relevant external bodies
Overview
This unit is about identifying key contacts with relevant external bodies which are appropriate to your organisation's current and future needs. These may include regulatory bodies as well as law enforcement authorities. You must recognise the roles, responsibilities, interests and concerns of such bodies and provide them with information to which they are entitled, whilst developing guidelines for the exchange of information, where appropriate. You must consider any potential conflict between such bodies and your organisation and monitor and improve the effectiveness of relationships with these bodies, whilst also identifying potential new relationships. You must also monitor wider developments to identify issues relevant to your relationships with these bodies.

Performance	Knowledge and Understanding
COMP15/01 Identify and develop key contacts with relevant external bodies, recognising their roles, responsibilities, interests and concerns COMP15/02 Develop guidelines for exchanging information, where appropriate COMP15/03 Provide relevant external bodies with the information to which they are entitled, advising them promptly of any difficulties in fulfilling agreements or statutory requirements COMP15/04 Consider any potential conflict between the interests of relevant external bodies and your organisation's objectives, values and policies, reviewing the organisational strategy as appropriate COMP15/05 Monitor and review the effectiveness of relationships with relevant external bodies to identify improvements and potential new relationships COMP15/06 Monitor wider developments to identify potential future issues of relevance to your relationship with relevant external bodies	1. The relevant external bodies which are appropriate to your organisation's current and future needs 2. The responsibilities of a regulated firm or individual 3. The principles of confidentiality and how to develop guidelines for exchanging information between individuals and organisations 4. The resources needed to meet communication requirements 5. The responsibilities of a regulated firm or individual in reconciling regulatory requirements for disclosure of information with client confidentiality 6. How to deal with potential conflicts of interests 7. The regulatory requirements applicable to your organisation

COMP16 Respond to requests to your organisation to contribute to consultations

Overview

This unit is about establishing procedures for your organisation to respond to consultation requests from relevant external bodies. These consultations may be seeking feedback or opinions from your organisation to make improvements or changes to regulatory requirements and practices. You must assess the implications of the proposed changes or improvements and compare these with current practices. You must allocate responsibility for responding to appropriate staff, briefing them accordingly and checking the final draft response. You must also monitor the progress of the proposed changes.

Performance	Knowledge and Understanding
COMP16/01 Establish procedures for responding, if appropriate, to consultation requests from regulatory bodies	1. Who the regulatory bodies are
COMP16/02 Respond to consultation requests within appropriate timescales, making representation to the organisation concerned if you cannot meet the deadline	2. Where to check for information about requests for contributions to consultations
COMP16/03 Assess the implications of the proposed changes or improvements for your organisation, identifying any potential barriers	3. How to determine the importance of providing a response, including any statutory responsibilities for a consultation
COMP16/04 Assess the difference between the current and potential new requirements and practices	4. What the implications of changes for your organisation are
COMP16/05 Determine which decision makers within your organisation should be involved in preparing a response to the consultation	5. What barriers to improvements may exist
COMP16/06 Brief staff preparing the response on the importance of the issue to your organisation, the priority assigned to preparing a response and the timescales within which they should work	6. The regulatory requirements applicable to your organisation
COMP16/07 Check that the draft response addresses all the consultation questions and presents a view consistent with your organisation's objectives, values and policies	
COMP16/08 When necessary, secure the authority of senior management to submit the response	
COMP16/09 Seek information on the main consultation recommendations, and monitor the progress of the proposed improvements	

COMP17 Identify, investigate and resolve non-compliant activity within your organisation

Overview

This unit is about identifying activity within your organisation that is potentially non-compliant with regulatory requirements. You must also 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 breaches.

Performance	Knowledge and Understanding
COMP17/01 Identify activity within your organisation that is potentially non-compliant with regulatory requirements, and verify and gauge the extent and context of the problem	1. What constitutes compliant behaviour
	2. How to identify potentially non-compliant behaviour
COMP17/02 Encourage staff within your organisation to bring suspicions of activity that is potentially non-compliant with regulatory requirements to the attention of appropriate staff	3. How to identify the seriousness of non-compliant behaviour and respond proportionately
	4. Who should be informed of non-compliant behaviour
COMP17/03 Assess the seriousness of an identified breach and respond proportionately	5. When and how to conduct an internal investigation into non-compliant behaviour
COMP17/04 Determine the compliance risk posed by an identified breach	6. The importance of preventing the recurrence of non-compliant behaviour
COMP17/05 Report the breach to the appropriate internal and external authorities as soon as practicable	7. How to identify any necessary further training or development activities for employees
COMP17/06 Initiate or recommend any necessary further training or development activities, or disciplinary action against employees	8. When to take disciplinary action against employees
	9. What the record keeping requirements are
COMP17/07 Keep accurate records of any non-compliant activity and any remedial action taken or intended	10. The regulatory requirements applicable to your organisation
COMP17/08 Identify and implement remedial action to deal with breaches in regulations or non-compliant activity within realistic timescales	
COMP17/09 Identify and implement ways of avoiding recurrence of breaches	

Financial Skills Partnership

COMP18 Inform regulatory bodies of breaches in regulations at your organisation
Overview
This unit is about identifying activity that is potentially non-compliant with regulations. You must also encourage staff to bring suspicions of non-compliant activity to your attention. You must assess the seriousness of the potential breach, giving consideration to any delay in identifying it, and determine the risk posed. You must identify and implement remedial action, with realistic deadlines, as appropriate. You must keep accurate records of breaches reported to regulatory bodies and any action taken.

Performance	Knowledge and Understanding
COMP18/01 Identify breaches in regulations or non-compliant activity which require referral to regulatory bodies COMP18/02 Assess the significance of the breach, taking into account the potential financial losses to customers or your organisation COMP18/03 Determine the frequency and duration of the breach COMP18/04 Identify the implications of the breach for your organisation's systems and controls COMP18/05 Investigate any delay in identifying the breach COMP18/06 Keep accurate records of breaches reported to regulatory bodies, and any remedial action taken or intended COMP18/07 Inform regulatory bodies about any circumstances relevant to the breach, identification of the rule, requirement or offence and the steps taken to remedy the breach COMP18/08 Agree realistic deadlines for remedial action to be completed	1. How to identify breaches or potential breaches in regulations 2. How to identify the seriousness of a breach and respond proportionately 3. How to determine the frequency of a breach 4. The impact on your organisation which may be caused by a delay in identifying a breach 5. Disclosable information which needs to be reported 6. When to inform regulatory bodies or external agencies of a breach 7. The need to keep accurate records of breaches 8. The importance of timely investigation and resolution of a breach 9. The regulatory requirements applicable to your organisation

COMP19 Prepare for and facilitate an inspection visit at your organisation from regulatory bodies

Overview

This unit is about how to prepare for and deal with a planned visit by regulatory bodies to inspect your organisation for compliance with regulations. Where practicable, you must fully comply with the regulatory body's wishes whilst ensuring that there is minimal disruption to business operations. Your plans for the visit must include gathering information that will be required by the regulatory body and briefing the compliance team and senior management. On the day of the visit you must liaise with the regulatory body's team and seek feedback on the impressions they are developing. You must request a draft visit report, clarifying any misunderstandings or discrepancies, and ensure any recommendations made in the final report are implemented.

Performance	Knowledge and Understanding
COMP19/01 Plan arrangements and allocate resources for an inspection visit from the regulatory body, ensuring that disruption to business operations is minimised	1. What preparation is needed for an inspection visit by the regulatory body, including the resources available and the information which will need to be provided
COMP19/02 Determine the issues to be considered, areas for review, staff to be interviewed and documentation required, when the programme for the visit has been specified	2. What arrangements will satisfy the visiting team whilst minimising disruption to business operations
COMP19/03 Brief the compliance team thoroughly about the arrangements and check their understanding of their responsibilities during the visit	3. The regulatory body's approach to monitoring visits
COMP19/04 Brief senior management on the importance of thorough preparation for inspection visits	4. Which staff will be involved in assisting the regulatory body during the visit, and the importance of briefing and supporting them
COMP19/05 Inform, prepare and support staff who may be subject to an interview during an inspection visit, and encourage all staff to display a helpful and co-operative attitude towards the visiting team	5. Why it is important for all staff to be helpful and co-operative during an inspection visit by the regulatory body
COMP19/06 Liaise with the visiting team and seek feedback to gauge the impressions they are developing, as appropriate	6. The importance of liaising with the regulatory body's visiting team during an inspection visit
	7. Why it is important to obtain and interpret feedback which may be given by the regulatory body's visiting team, during the course of an inspection visit
COMP19/07 Review a draft visit report, if one is available, to comment on or explain any misunderstandings or discrepancies before the report is finalised	8. Why it is important to clarify any misunderstandings by the regulatory body's visiting team before a final report is issued
COMP19/08 Review and, where necessary, implement recommendations and improve arrangements following inspection visits	9. The importance of reviewing and implementing recommendations made by the inspection team
	10. The regulatory requirements applicable to your organisation