



HUNTSWOOD

A ResultsCX Company

Aligning compliance approach of a major UK financial services firm with its US parent company



Challenge

A leading UK-based financial services firm, part of a US parent group, sought an independent review of its UK Compliance Management Operation. While confident that the operation was functioning effectively and aligned with the parent company's expectations, the firm required external assurance on two key points:

1. Whether its compliance practices reflected best practice standards observed at comparable UK firms; and
2. Whether the operation met the regulatory expectations of the Financial Conduct Authority (FCA).

The scope of the review focused on assessing the structure and operational effectiveness of the processes governing compliance, excluding AML and Legal teams. The client requested a detailed evaluation across eight critical areas:

- Compliance governance

- Compliance team structure
- Policies, standards, and procedures
- Planning and objective setting
- Risk assessments and reporting
- Independent testing
- Compliance training
- Issue management

Solution

Phase 1: Document Review

We initiated the engagement by requesting and reviewing key documentation governing the UK Compliance Management Operation. This desk-based analysis enabled us to map the operational framework and identify initial questions and observations for discussion during stakeholder workshops.

Phase 2: Stakeholder Workshops

We facilitated interactive sessions with key stakeholders to validate our understanding of the documentation and explore how processes function in practice. These workshops provided qualitative insights, clarified operational nuances, and helped identify additional stakeholders for targeted interviews.

Phase 3: Re-Review, Outcomes Testing, and Benchmarking

Building on insights from the workshops, we conducted a second round of desk-based review and performed outcomes testing, including analysis of past audits. We benchmarked the client's practices against industry best practice and FCA expectations, ensuring our findings were evidence-based and actionable.

Phase 4: Feedback and Challenge Session

Our final report was shared with stakeholders ahead of a feedback workshop, where we presented key findings and recommendations. Additionally, we delivered a concise summary to the firm's Board, ensuring alignment at the highest level.

Outcome

The firm achieved the highest level of assurance regarding its compliance approach. Where gaps were identified, they were addressed in a proportionate and effective manner, guided by clear, trusted feedback from leading regulatory experts.