

PAMLP: Are you ready?

PAMLP (a proactive AML/sanctions assessment of mid-tier firms) is one of a number of supervisory assessments being utilised by the FCA, but one that many firms are falling foul of.

Firms typically receive 4-6 weeks' notice of a visit, so if you receive a notification it's probably too late to be on the front foot. And that's why firms who get the best outcomes tend to have been proactive themselves.

The most material findings by the FCA often arise when firms have not self-identified their own issues. Can you be truly independent when assessing your own firm? If not, you may benefit from Avyse Partners' mock PAMLP assessment, which is designed to mimic an FCA assessment.

But it is not just a question of identifying whether you have any issues, it is also how well you communicate these gaps. So, we also assess how good you are at "telling the story": What do you do, where is your risk and how good are you at managing it?

We're here to help?

Avyse Partners is a regulatory consultancy committed to improving compliance outcomes for all firms by focusing on "purpose". Not only are we on the FCA's Skilled Person Panel for multiple compliance specialisms (including financial crime), our team includes senior professionals with recent and extensive experience of working with the Financial Crime supervisory teams at the FCA. We know what's expected, we pride ourselves on offering quality, practical advice and want to be your preferred partner, for the long term.

Support at every step of your journey



Preparation

Conducting document reviews and mock walkthroughs / interviews, focusing on assessment points, content and tone.



Prioritisation

Helping you identify what will have the most impact, which remediation activity will achieve the most material uplift within the time available.



Communication

Explaining how to best communicate with the regulator, particularly in relation to known areas of weakness and / or where staff may not be used to dealing with the regulator.



Consistency

Ensuring consistency of messaging across the three lines of defence and from senior management. Alarm bells start to ring otherwise.



Anticipation

Even if you have not remediated self-identified weaknesses, at least you can come to the interviews armed with a clear plan of action.

Service offering: **In more detail**

What does it involve?

Our mock PAMLP assessment is designed to mimic the FCA assessment as closely as possible, however we top and tail it with (1) a unique **Risk Profile Assessment** and (2) an alternative approach to reporting, presenting a **readiness assessment**, in addition to a typical report by exception.

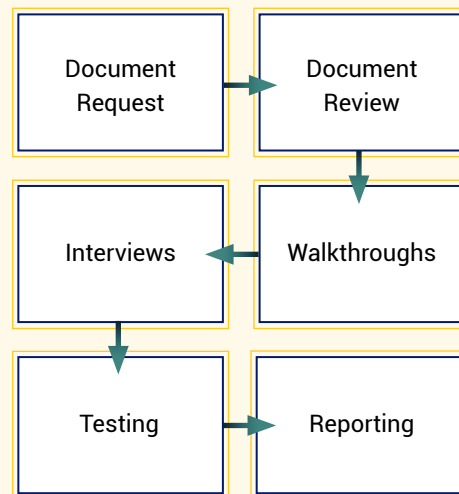
Risk Profile Assessment

Based on the risk factors that the FCA applies, we provide our assessment of the risk profile of your Firm, highlighting the relevant characteristics that may prompt a review by the FCA, as well as the aspects of the business that the regulator is likely to focus on.

Fieldwork (mirroring PAMLP)

Although our mock PAMLP assessment mimics the FCA assessment as closely as possible, our testing samples will be smaller to allow us to complete the review quicker – for example we will review 4 CDD files, the FCA will typically review 10-15.

The scope of your review can be increased / decreased depending on your requirements, for example a lighter-touch review, or deeper dive into more interviews or more file testing.



Readiness Assessment

In addition to our standard, exceptions-based report detailing findings and recommendations, we will include in our report a 'readiness assessment' which will build on our Risk Profile Assessment, to indicate how ready your Firm and staff are to receive a regulatory assessment.

Visit checklist: **Key questions**


Be Honest:


- Would staff consistently articulate the key documents and processes which should make up a robust financial crime framework, and how these fit together? Will these make sense to someone seeing them for the first time?
- How can you demonstrate senior management really understand and engage with financial crime risk? Is there documented evidence of this?
- What evidence do you have showing that you understand why certain thresholds have been put in place, e.g. transaction monitoring rules or criteria in your risk appetite statement?
- How can you show you have taken note and learnt from other firms' mistakes and FCA publications?


Find out more

Maximise your firm's chances of success by contacting us to discuss how we can help you.

Visit our website to access insights and our free regulatory gap analysis tools.

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Sam is a highly experienced financial crime specialist who's worked across a range of industry sectors. Sam has worked on and led the full range of FCA financial crime supervisory work.

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