



# REGULATORY TUNE UP



Lysis Financial Governance Risk Compliance

## CHALLENGES

Getting and staying ahead of the regulatory landscape is the constant battle risk and compliance managers face on a daily basis.

Lysis Financial helps remove the unknown to equip you with the frameworks and structure to face regulatory challenge without concern.

We deliver clearly defined, tangible results with a known duration and cost.

## HOW DO YOU MEASURE UP?

As the Proactive Intervention Framework (PIF) establishes itself as the regulatory weapon of choice, combined with the businesses risk continuous assessment model and focus on the Senior Managers and Certification Regime (SMCR), we have turned our attentions to ensuring that our clients are prepared for their regulatory visit.

Whether you are in the throes of a remediation program, section 166 or simply working to keep a clean slate, it has never been more important to review how you present yourself and your firm during a supervisory visit. It's not just what you do, but also how this is structured and presented to demonstrate alignment with regulatory expectations.

Lysis financial has an expert governance, risk and compliance team. Our specialists have first-hand knowledge of supervision and supervisory risk assessment.

Our regulatory focused, diagnostic health check measures your readiness against the supervisory risk assessment model with particular focus on not just if you measure up, but also how you present your firm's compliance to your supervisors.

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*"The true cost of intervention wasn't the skilled persons report, but the impact it had on BAU." –  
COO, Interdealer Broker*

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## What to do in the event of a visit from the regulator

The Prudential Regulation Authority and the Financial Conduct Authority (PRA & FCA) have been increasing their focus on financial services firms, and pressure is being felt by CEOs and senior management teams across all sectors. Some banks are already feeling the rigor of their supervisory approach, not only privately, but some rather more publicly.

**Section 166 and Enforcement actions are both up on last year; there are new powers to harness Parent companies who fetter the autonomy of their UK regulated subsidiaries; and the FCA has new Threshold Conditions and statutory powers. Judgement based supervision has taken shape and Compliance professionals are under more pressure.**



Harmonize your firm with the regulators



## But what does this all add up to when a regulatory visit is on the horizon?

The regulators are still proving themselves following the dissolution of the FSA and the not distant financial crisis and have now adopted a proactive and more aggressive standpoint. Senior managers are in the firing line, along with their firms. Getting your ship in order and speaking the regulators' language will save costly, and not to mention reputation damaging, intervention.

We are working with our clients to review their strategy, risk and regulatory frameworks to ensure that they are not only operationally sound, but that they can demonstrate this through clear structures that align with supervisory assessment structure and expectations. We will carry out a full regulatory mapping exercise, from rules to operations, linking policies, procedures and

controls with governance and ownership, back to The Handbook and other regulatory legislation.

Lysis has an excellent track record of working with its clients to ensure that intrusive intervention and regulatory driven remediation activities become a thing of the past.

Through expert knowledge and first-hand experience of supervisory practices and processes, we deliver anything from a diagnostic health check to full firm re-alignment to the regulatory risk model, used to assess a firm's soundness and regulatory competence.

We will work with you to ensure you are able to:

- Determine how ready your firm is for a PRA/FCA visit
- Hear the questions the PRA/FCA are asking Executives during their visits
- Understand the areas & latest 'hot topics' where the regulators are seeking particular assurance
- Gain real-life examples of how to respond to regulatory questioning and in a way that clearly demonstrates your responsibilities.

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*“Getting ourselves in shape before the regulator came knocking probably saved us months of enforced remedial work.” – Compliance Manager Investment Bank*

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## GET THE PICTURE

The PRA and FCA conduct and analyze a supervisory visit through a specific set of guidelines with investigative questions and expectations for each of the risk assessment pillars in their risk model. The more you are able to demonstrate your alignment to this framework, the easier the process will be and the less likely there will be any additional questions or follow up.



## Benefits to You

**A full and detailed analysis of your current situation**

**Gap analysis and clear change roadmap**

**Enhancement or creation of frameworks, policies and processes**

**Management Information to both run the business and demonstrate competence and compliance to stakeholders**

## HOW WE WORK

Our Regulation Change roadmap delivers clearly defined, tangible results with a known duration and cost.

Beginning with an initial discovery phase, we work with you, understand and identify the gaps before setting out the steps to build the necessary capability and embedded process for permanent, long-term success.

Each phase is structured to meet key milestones and deliver specified outcomes. Our set programme removes the risk from you by removing the open ended doubt that surrounds so many traditional consultancy engagements, which can leave you with little more than a large bill and questions to answer.

We enable you to engage specialists to help overcome your challenges without the worry.

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## ABOUT US

For the past 15 years, Lysis Financial has helped businesses reduce their operational losses, reduce the cost of borrowing (through enhanced credit ratings), and free up regulatory capital. Lysis embeds a risk-based strategic approach into its projects and operational decision-making, enabling our clients to be assured of sustainable success.

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