

# Assurance & advisory services

Insurance

PRECISE. PROVEN. PERFORMANCE.

## Conduct risk management framework

Conduct risk is the risk to the delivery of good customer outcomes and to market integrity. Conduct risk arises from a firm's culture, behaviours and practices, as well as from its business model and strategy.

To be effective in supporting business requirements, both from a commercial and a regulatory perspective, a conduct risk management framework (CRMF) needs to be robust, fit for purpose and proportionate to the risks that your firm faces.

### Main attributes of an effective conduct risk management framework

Customer-centric

Risk-based approach

Aligned to your firm's business model and strategy

Incorporated into your firm's culture and practices

### Key components of a typical conduct risk management framework

Conduct risk strategy

Governance & oversight

Systems & controls

Monitoring & review

### How can we help?

Moore Stephens offers a range of regulatory support, review and advisory services to help clients meet their FCA obligations. Using our regulatory and assurance expertise together with our insurance industry sector knowledge, we have developed a flexible approach through which we can tailor our services to the specific needs of your firm.

Moore Stephens focus on providing practical solutions for conduct risk management, which will support the development and growth of your business. This can be across all aspects of your conduct risk exposure or limited to specific conduct risks. Our support and level of involvement can be as much or as little as you need. Our services are always tailored to your business model, strategy and culture.

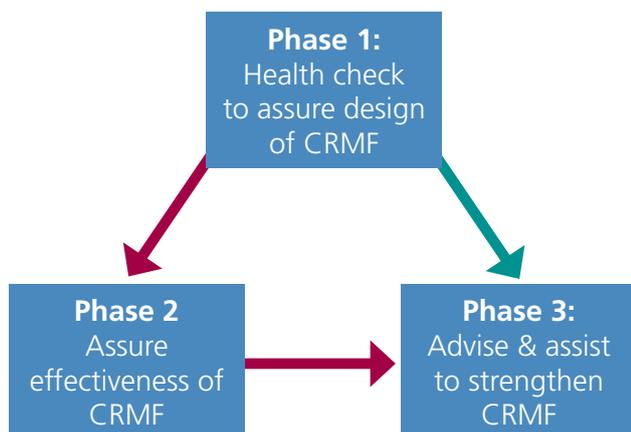
### What do we offer?

Our assurance and advisory programme can be used to develop and enhance your CRMF in a number of ways. These include:

- providing assurance on the design and effectiveness of your existing CRMF where most relevant to the needs of your business;
- focusing only on certain aspects of your conduct risk management, such as, financial crime, product governance, delegated authorities or outsourcing;
- where a mature CRMF is not yet in place, we can help you to build and/or embed a bespoke framework for your specific business requirements. We can also assist you in determining the conduct risks arising from your business model and activities, taking account of the size and complexity of your firm.

### Overview of our CRMF assurance and advisory programme

There are three phases to our programme which is used for assessing the design and effectiveness of your CRMF and providing assurance where most relevant to the needs of the business. The programme is built on options for one, two or all three phases, depending on current needs and relevance. The three phases are set out below:



Phase 1 can be undertaken in isolation to provide a cost-effective health check of the design of the CRMF that is currently in place. When Phase 1 has been completed, you then have the option of whether to proceed with further work to assure on the effectiveness of the CRMF in practice.

Phase 3 is also optional. Depending on the outcome of Phase 1, you may wish to omit Phase 2 before proceeding to Phase 3 in seeking our assistance to improve and strengthen your CRMF.

Our 'health check' assurance is more than just giving you a 'tick'. It is underscored by proactive recommendations provided under a watching brief arrangement that can help you to:

- improve the efficiency and effectiveness of your processes and systems;
- improve management information (MI);
- ensure effective governance and controls are in place across the CRMF.

We will work with you as part of an integrated team to help support improvement and mitigate risks, and to provide assurance so that lessons learned are identified, harnessed and utilised to drive future improvements.

### Benefits of our approach

- An independent assessment of the health of the CRMF with detailed report and recommendations for further review or improvement.
- A structured, phased approach which allows more flexibility as to which areas you may wish to focus on.
- A risk-based approach.
- Assurance that the CRMF is effective and fit for purpose.

Please contact a member of the team to discuss your needs.



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