

Creating Effective Policies and Procedures

Course outline and objectives

In a summary of key issues cited in FCA disciplinary procedures, it was stated that poor quality/inadequate policies and procedures were mentioned in 100% of disciplinary actions prosecuted by the FCA. Policies and procedures are fundamentals of risk management and control and are often poorly drafted and unfit for their intended purpose, or are ignored by the business because they are drafted by Compliance.

This comprehensive course explores the purpose of policies and procedures, their link to the firm's risk mitigation measures, common errors made in the drafting of policies and procedures (and how to avoid them), how to ensure they achieve what they are intended for and how to "red team" policies and procedures to minimise the chance of those procedures being 'gamed' by staff.

Using case studies and worked examples, the focus will be on enabling delegates to produce clear, intelligible policies and procedures that are fit for purpose, not subject to being 'gamed' and which underpin high quality risk management at firms.

Training approach

The course programme will comprise a blend of trainer presentations, group discussion, practical examples and case studies. There will be ample opportunity for questions, experience sharing and networking. All course materials (and at face-to-face events, refreshments) will be provided.

Who will benefit

This programme is specifically designed for financial services professionals who have to draft policies and procedures. It is also relevant to **Compliance** and **Risk** so they can advise those drafting on how to do so effectively to meet FCA standards and **Internal Audit** professionals so they are able to audit policies and procedures in a more value-added and effective way.

Dates and Fees

Live Online

16 & 17 April 2024
09:30 to 12:45 each day
£695 + VAT

London

9 July 2024
09:30 to 16:30
£745 + VAT

*Savings available for
multiple registrations*

To book

Visit:
www.ctp.uk.com

Email:
emmabond@ctp.uk.com

Call:
0330 303 9779

By the end of the course, participants will:

- Understand the **different purposes of policies and procedures**
- Understand how **policies and procedures need to be aligned with the firm's risk appetite**, not just a regurgitation of the FCA rules
- Understand how to **link the firm's policies and procedures to risk appetite and the governance structure**
- Recognise the concept of **"gaming" policies and procedures by staff** leading to unintended consequences
- Recognise the **importance of engagement of the business in procedure drafting** so they remain relevant and likely to be adopted by the business
- Understand **what guidance from the FCA and other sources** are available and how to leverage it
- Understand how applying a **"Hacking" mindset and concepts such as "red teams"** can improve the resilience of procedures against being "gamed"
- Understand what "good" looks like in terms of **quality policies and procedures that are fit for their intended purpose**

Course Leader

Gary Pitts is a consultant and trainer with 30 years of extensive expertise across the financial services sector, and his consultancy firm, Tetractys, operates in the UK and Ireland. His approach to consulting stems from the belief that without good and effective governance, meaningful compliance with regulation is impossible. Gary is a well-regarded regulatory trainer in the UK delivering courses for CTP, The Investment and Savings Alliance and for his own client base. His clients include Solvency II insurers, hedge funds, private equity managers, wholesale brokerage, consumer credit and a variety of fintech/blockchain firms.

Gary began his career with one of the original UK regulators, Lautro, then the Personal Investment Authority and has since been head of Compliance for international hedge funds and boutique investment banks. He has been a Director of regulated firms in the UK and South Africa and has been a regulated person in the UK (CF3/10/11 and SMF 16/17) since 2001, a PCF 15 in Ireland, a director of regulated entities in South Africa and a director Luxembourg and Cayman-domiciled hedge funds, as well as a SEC and NFA registered compliance officer.

Gary holds Masters degrees from Oxford and London Universities, a Masters of Business Administration from the Open University Business School, is a Fellow of the Institute of Leadership and Management, a Fellow of the Chartered Management Institute and an Associate of Chartered Institute of Securities and Investments.

Course Programme

Session	Content
Introduction	<ul style="list-style-type: none"> • Introduction • Expectations • Outcomes
What is the difference between Policies and Procedures and what is their purpose?	<ul style="list-style-type: none"> • Defining "Policy" and "Procedures" • Why do these get confused? • What are their purposes within a firm? • What does this mean for us when we draft them?
What role do policies and procedures play in the risk assessment and mitigation process?	<ul style="list-style-type: none"> • Aligning policy and procedures with risk appetite • How we demonstrate that the procedures we put in place are effective risk mitigants in the context of the risk appetite
Aligning policy and procedure outcomes	<ul style="list-style-type: none"> • Making sure we understand what the policy and procedure need to deliver both for regulatory and corporate purposes • Linking back to the Risk Appetite/Risk Assessment
Business engagement and the role of compliance in drafting procedures	<ul style="list-style-type: none"> • Why Compliance-drafted procedures are the least effective • What is the proper role of Compliance?
What should good policies and procedures contain?	<ul style="list-style-type: none"> • What are the essentials of effective policy and procedure documents? • How do we signpost/cross reference effectively to other procedures?
Available guidance	<ul style="list-style-type: none"> • FCA guidance • Other sources and how we can utilise them
"Hacking" mindset and "red teaming"	<ul style="list-style-type: none"> • What is a "hacking mindset" and how can it be used effectively by Compliance and Risk professionals? • How can "red teams" be used to enhance controls? • The security/convenience trade-off
What does "good" look like?	<ul style="list-style-type: none"> • Ownership • Place in the governance structure