Key data and governance considerations for firms

UK Bank Account Portal

Money Laundering Regulations 2019

The UK's transposition of the EU's Fifth Anti-Money Laundering Directive (5AMLD) through the Money Laundering, Terrorist Financing (Amendment) Regulations 2019 (MLR 2019) came into force on 10 January 2020, with changes expected to help increase transparency and access

On 10 September 2020, the UK's Bank Account Portal is expected to be introduced, through which credit institutions and providers of safe custody services will be required to respond to requests from the National Crime Agency (NCA), and law enforcement for customer account and safedeposit information. Given that both the frequency and complexity of information requests could increase, preparation for the Bank Account Portal needs to be considered well ahead of the implementation date.

to information on a national level.

Challenges:

- ▲ Further information required from the regulator, law enforcement and FIU to enable firms to effectively address and mitigate these challenges. With 10 September approaching, communications are expected to provide further clarity on the process and how the UK's Bank Account Portal will be implemented.
- Firms will need to consider these challenges in the context of their risk appetite and put measures in place to prepare for these challenges in advance of 10 September. Data quality, governance and access will need to be considered in particular.

- MLR 2019 calls for rapid responses to information requests issued through the Bank Account Portal.
- Requests could include names, dates of birth, addresses, account numbers, account opening and closing dates, and more.
- Firms will need to consider whether this information is readily available and should set up systems to identify and access the required information. This will help avoid delays in response time.
- Records will need to be kept for a minimum of five years and firms should ensure systems are in place to guarantee this.

will need to

specific and detailed

for information to be accurately identified

Clarity is required regarding situations where firms do

Firms should consider

- Firms should ensure that the teams who hold the customer information required and those responsible for responding to requests are interconnected.
- The responses will need to be approved by relevant stakeholders (potentially including legal counsels).

The NCA and law

The criteria for the

need to be defined to

quality and focused

There are GDPR

UK and non-UK customers

Clarity is required on the type

(FIU) and sent by firms.

Information requests may

prompt investigations.

enhanced monitoring.

Firms should consider

whether a Suspicious

Activity Report (SAR) was

previously submitted on

a customer subject to

an information

should

due diligence reviews, or

enforcement will need

to centralise the process.

submission of the request

ensure that they are of high

NCA and law

Cross-border

crime

controls

- Ownership and accountability
 - Specificity of information requests
- required for responding to information requests may **UK Bank** need to be digitised. Account Portal

Implementation

Will the 10 September

portal will require

documentation to be

provided or whether

information on its own

launch date be delayed?

Firms way wish to implement an automated process if the volume of requests is large, which may be costly.

Paper documentation

nformation requests

challenges

- It is not yet clear whether the Firms should consider
- updating and creating processes to respond to the requests depending on volumes.
- Large organisations may consider using financial crime operations teams to address and respond to the information requests.

Firms should consider

Know Your Data (KYD) is key in enabling firms to have confidence in their financial crime processes and controls, and the data they hold on their customers.

Quality

- MLR 2019 makes clear that information requested must be responded to and firms responses must be complete. Firms will need to have a clear understanding of their data integrity to be certain that their responses are accurate and robust.
- Whilst financial crime functions are not owners of customer data, these teams must work with data owners to ensure data quality and completeness. Failure to do so could result in weaker controls, non-compliance with regulation and increased operational costs.

Governance

- Data controls are not limited to data quality, but also metadata documentation (e.g. data dictionaries), data lineage, data validation checks and data management principles. In establishing completeness and accessibility of data as well as strong data governance, greater comfort can be taken in the firm's ability to respond to law enforcement requests.
- Additional information requests received through the Bank Account Portal will likely need more resources and, potentially, dedicated teams to ensure that responses are actioned in line with the requirements, and are reviewed and approved.

Contact EY financial crime and data and analytics professionals who can support you in developing systems and controls that comply with the new information request requirement and enhance the quality, accessibility and integrity of your data.



EY EMEIA Financial Crime Leader Ernst & Young LLP dward1@uk.ey.com



Patrick Craig

EY EMEIA Financial Crime Technology Leader **Ernst & Young LLP** pcraig@uk.ey.com



Natalie Gjertsen

EY EMEIA Financial Crime Managed Services Leader **Ernst & Young LLP** ngjertsen@uk.ey.com



Senior Manager

Financial Crime Consultina -Regulation Ernst & Young LLP sbowler@uk.ey.com



Senior Manager Financial Crime Consulting -**Data and Analytics Ernst & Young LLP** ehoward@uk.ey.com



Manager Financial Crime Consulting -**Data and Analytics Ernst & Young LLP** mkumar1@uk.ey.com



Nicola Holman

Senior Consultant Financial Crime Consulting -Regulation Ernst & Young LLP nholman@uk.ey.com



Amy Hanton

Consultant Financial Crime Consulting -Regulation Ernst & Young LLP ahanton@uk.ey.com



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