

Best Practice Gap Analysis

Incorporating the core elements of ISO 22222

We all think our systems are robust and efficient and we operate in a streamlined manner, but the reality is that unless we are assessed or validated by an external provider with fresh eyes we don't truly know!

We have put together this Gap Analysis for and on behalf of Adviser Home so that you can test your systems and way of working against the international best practice benchmark, ISO 22222.

If you can answer 'Yes' to most of the questions in this document, you may well be better than you think you are and it is safe to say that you could be well on your way to being at certification standard!

If you aren't able to answer 'Yes' to most of the questions, you've now had a heads up on what "best practice" looks like!

I hope you enjoy working your way through our Gap Analysis and if you would like more information on ISO 22222, please don't hesitate to get in touch.



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Standards International

For further information on how to achieve professional best practice **visit** our website or connect with us on Twitter or LinkedIn:

website: www.standardsinternational.co.uk **twitter:** twitter.com/SIISO22222 **linkedin:** uk.linkedin.com/in/ISO22222expert

Gap Analysis – ISO Differentiators

Compliance and Risk Management

	Yes	No	Working Towards	Don't know
1. Do you have adequate IT and back office systems in place to serve the needs of the business and the team?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Do you have adequate insurances in place in the following areas:				
a) Professional Indemnity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) Public Liability	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c) Directors and Officers insurance	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d) Key person insurance	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e) Employer's Liability	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Do you have a dedicated compliance function within the business?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Have you recently carried out a risk assessment of all areas of the business?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Do you have a Business Continuity Plan in place?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5.1. If 'Yes', has it been tested within the last 12 months?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Client Confidentiality

6. What measures are in place to protect and safeguard the confidentiality of client information?				
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7. Do you have in place an up-to-date data protection licence and consumer credit licence?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. Do you have an information security policy in place?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. Do you have a policy for filing, maintaining and archiving/destroying hard and soft copy client information?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. Have all persons (internally) who may have access to confidential information, signed confidentiality or non-disclosure agreements?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. Have all persons (externally) who may have access to confidential information, signed confidentiality or non-disclosure agreements?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12. Is your current back-up solution adequate for today's threats?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

<i>Yes</i>	<i>No</i>	<i>Working Towards</i>	<i>Don't know</i>
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13. What is your process for disposing of old computer equipment?

13.1. If destroyed, could you demonstrate the equipment had been disposed of securely?

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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14. What measures are in place to safeguard confidential client information when it is taken away from the office?

15. Do you use off site storage?

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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15.1. If 'Yes', do you have a process in place for the secure retrieval of these documents?

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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Continual Improvement

16. What type of CPD activities are you currently undertaking?

17. Do you have a formally documented CPD plan for the forthcoming year?

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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17.1. If 'Yes', how is the effectiveness of this activity reviewed?

18. Do you assess any risks to your business when dealing new providers or products?

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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What opportunities for improvement would you like to see as a result of this exercise?

Gap Analysis - The Six Steps of Financial Planning

	Yes	No	Working Towards	Don't know
1. Have you officially defined your scope of service?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
1.1. If so, have these been communicated effectively to your team?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Do you have a company operations manual in place?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2.1. If 'Yes', are all your company documents quality controlled?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2.2. Is everyone in your team aware of the processes in the manual and do they understand them?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Do you disclose your qualifications and experience to your clients?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Do you gather and document the following client information:				
a) consumer profile, including composition of household	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) age, health and factors affecting life expectancy	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c) employment status	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d) relationships	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e) financial position	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
f) public and private benefits, insurances and entitlements	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
g) immediate needs	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
h) short-term and long-term goals.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Do you have a separate documented process in place in the event the client requires limited advice only?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Do you operate a policy whereby all conversations, whether by phone or face-to-face contact are recorded (typed or written legibly)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Do you ask clients to sign to confirm that the information you have gathered on them is true and accurate?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. Do you gather and document the following client information:				
a) individual and household asset, liability and cash flow details	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) relevant risk management arrangements	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c) contracts	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d) statements	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e) forms	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
f) legal documents	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
g) details of needs, goals and objectives, including timeframes	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
h) economic assumptions	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
i) information relating to their financial risk tolerance.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

	Yes	No	Working Towards	Don't know
9. Do you have a documented process in place if you are required to obtain additional information from a source other than the client?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. Do you have a consistent method and defined criteria for assessing, recording and monitoring the client's attitude to risk, and do you adhere to a policy for those designated as high risk?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. Could you evidence that you produce and provide to the client, in a clear and reasonable manner, an evaluation of the client's status which identifies areas of strengths and vulnerability, comparing them against the client's goals, plans, restrictions and assessment of financial risk tolerance?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12. What are your key considerations when creating a financial plan?				

13. After the presentation of the financial plan, what methods are used to establish or amend the following:

a) the client's information and circumstances

b) the client's goals and interpretation of the goals

c) the client's tolerance for financial risk

d) The methods used to assist in achieving the client's goals.

	Yes	No	Working Towards	Don't know
14. If amendments to the financial plan have been requested by the client, do you record these?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
15. Do you have documented processes in place for the implementation of financial recommendations? (either under instruction from the client or if the client wishes to undertake the instruction themselves)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16. Do you have any administrative support throughout the implementation process?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.1. If 'Yes', how do you ensure the individuals involved are competent to carry out the required duties?				
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17. Do you have a process for ensuring that clients are kept fully up to date during the implementation process?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
18. Do you evidence the following key stages of the financial planning recommendations:				
a) acceptance	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) modification	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c) completion	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d) deferral	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e) rejection	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
19. What methods are used to keep track of financial planning recommendations and relationships?				
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20. Are you fully up to date with your client reviews?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

21. What process is in place to protect you in the event that a client does not want a review of their financial planning arrangements?

What opportunities for improvement would you like to see as a result of this exercise?

Gap Analysis - Ethical Principles

	Yes	No	Working Towards	Don't know
1. Do you follow documented policies and procedures to ensure you comply with the requirements of the FSA's Code of Conduct Rules (COBS), the principles for business (PRIB) and Treating Customers Fairly (TCF)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Do you have a client categorisation process in place which is recorded and reviewed?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2.1. Are Service Level Agreements in place to ensure the service delivery standards are communicated, agreed and monitored?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Do you have a process for disclosing and managing conflicts of interest?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Do you convey information and recommendations in an understandable, effective and constructive manner?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Do you act objectively and recommend solutions that fit the client's situation?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Do you only provide financial planning advice on matters that you are competent to give, and therefore do not accept or perform work you are not competent to undertake.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Do you have a Client Feedback Process where feedback (positive and negative) is collated, analysed and acted upon?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. Do you establish and document the client's attitude to social, ethical, environmental and religious considerations?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. If a client had particular ethical values and would like their portfolio of investments positively/negatively screened, would you be able to provide suitable financial planning advice?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. Do you disclose the basis of your remuneration to your clients?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

What opportunities for improvement would you like to see as a result of this exercise?
