

# RELIABILITY OF REGULATORY REPORTING

## DEAR CEO LETTER

### SOLUTION

- Full compliance with the PRA's Dear CEO letter regarding regulatory reporting reliability

### BANKING AREA

- Regulatory Reporting Areas Incl:
  - Treasury & Capital Management
  - Credit Risk
  - Market Risk
  - Liquidity Risk

### SKILL SETS

- SQL
- Data Analysis, Data Quality and Data Governance

### THEMES

- Report Automation
- Reporting and Control Frameworks
- Business Specifications

### INSIGHTS

- Be aware of capacity constraints on skilled resources and set the necessary engagements with these resources early in the project
- Clearly define the effort to complete to ensure this is not underestimated
- Clearly define the complexity and scale of reporting requirements so as not to underestimate the task

### OVERVIEW

A large commercial bank sought to ensure full compliance with the requirements set out in the UK's Prudential Regulation Authority's "Dear CEO" letter – Reliability of Regulatory Returns. The letter emphasised that financial institutions need to take the appropriate steps to ensure the integrity of their data and the correct processing thereof, for the purposes of regulatory reporting.

Monocle was tasked with reviewing and documenting current regulatory reporting processes throughout several business areas as well as the data quality controls thereof. We were involved in the development of reporting frameworks and assisted with the design of associated control frameworks. We were also involved in the automation of various regulatory reports and providing business requirements for each build.

### RESULTS



Comprehensive and accurate documentation of regulatory reporting processes



Improved control and oversight of data quality for regulatory reporting processes



Full compliance with relevant local regulation

### KEY SKILLS REQUIRED

- Detailing the data processes including source data investigations and documenting thereof
- Unpacking of SQL ETLs to understand the lineage
- Automation of reports to inform IT development