

threesixty

May 2024

RBC Brewin Dolphin

Assessment report



RBC Brewin Dolphin

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Purpose of this assessment report

This report is designed to assist intermediaries in carrying out their due diligence assessment prior to using the services of a discretionary investment manager (DIM), and on the regular review of such arrangements.

It is important to note the aim of the work undertaken by threesixty services LLP (threesixty), is to assess at a high level, the adequacy of the controls and procedures the firm has established to mitigate the regulatory and business risks arising from the provision of its discretionary management service to intermediaries. The focus of the assessment is to review controls and procedures, and therefore it is only part of the overall assessment that an intermediary should carry out when looking to use the services of a DIM.

Due Diligence: What is it, and why is it so important?

Research and due diligence are seen as one of the pillars of ensuring delivery of good outcomes and advice to clients i.e.

Competence: ensuring advisers are competent on the subject of the product or service concerned

Research and due diligence: the FCA use these terms to refer to the processes used to assess:

1. The nature of the product or service, for example both investment structure and performance
2. The risks and benefits
3. The provider – To establish whether it is appropriate to entrust the provider with client assets

It is important for intermediary firms to differentiate between the different aspects of research and due diligence.

Research is the initial filter from a range of products or services that potentially meet the requirements that intermediary firms are looking for in relation to a given scenario, in this case a discretionary investment manager. The research stage would identify a number of discretionary investment managers that may meet the intermediary firm's requirements.

Due diligence is the next stage of the assessment process whereby a deeper analysis is conducted by the intermediary firm on the services of the discretionary investment manager identified at the research stage.

This assessment report should form part of an intermediary firm's due diligence process conducted on a discretionary investment manager.

Both research and due diligence form part of a wider range of regulatory requirements including the FCA regulatory principles that 'a firm must conduct its business with due skill, care and diligence' and 'a firm must pay due regard to the interests of its customers and treat them fairly', product governance and suitability, which together, combine to help intermediary firms deliver good client outcomes.

Assessing suitability: where advisers are competent and understand the individual products or service, they should be able to assess for each client if the solution is suitable.

In relation to looking at any services to be provided by a DIM, intermediaries need to understand the above factors in order to assess whether the proposed solution is suitable for their clients.

In early February 2016 the FCA issued its findings following a thematic review into firms' research and due diligence processes ([FCA – TR16/1: Assessing suitability: Research and due diligence of products and services](#)). It has provided some useful pointers for firms on what helps to ensure appropriate research and due diligence processes are in place. The review covered how firms select products, funds, platforms as well as the services of DIMs.

Whilst the FCA's findings are high level comments, the particular references that have relevance to the assessment of discretionary management services are as follows:

1. The key driver of good research and due diligence is a corporate culture of challenge. The FCA commented 'The better firms had either in-built challenge in the process and/or individuals who were knowledgeable, enthusiastic and challenged the firm's approach. Where there was no culture of challenge within the firm, the research and due diligence process showed weaknesses'.
2. The size of a firm is not a barrier to carrying out good research and due diligence.

3. Processes and tools used in research and due diligence will vary depending on the circumstances, and the FCA does not set out specific requirements. The emphasis is on the firm to take reasonable steps to ensure the solutions are suitable for their clients.
4. Research and due diligence need robust systems and controls in order to be effective.
5. Firms need to be structured in their research and due diligence process in order to ensure that information is up to date and challenged adequately.
6. Research and due diligence should be an objective process and 'not a case of retrofitting due diligence to justify the outcome the firm had already previously decided upon.'

The Due Diligence process

As noted previously the FCA has not set out a defined process for firms to follow when assessing the services of a discretionary investment manager. The approaches taken will vary in different circumstances, and to a large extent are influenced by the type of service the intermediary is seeking from the DIM. It is also possible that the solutions you identify for your clients may involve the services of more than one DIM. However, whether you are seeking to merely refer your clients to a DIM and chose to let them take responsibility for the suitability of advice, or you intend to advise your clients on a model portfolio operated by the DIM, in which you take responsibility for the suitability of advice, the process should encompass the following stages:

1. Define why you need a DIM
2. Set out the key criteria by which you will assess the DIM
3. Identify and list the DIMs that you will research
4. Reduce / filter the list based on your key criteria
5. Gather information – Multiple sources and of various types, for example:
 - Companies House / FCA register checks
 - Accounts
 - Website and other internet information
 - 3rd party reports, for example threesixty, ARC
 - Research databases, for example Defaqto
 - DIM's own material – Due diligence packs or brochures
 - A due diligence questionnaire sent to the DIM
6. Meet the shortlist of firms
7. Decide on which one or more DIMs to use – document why and the approval process followed by your firm's senior management
8. Monitor and record performance of the DIM(s)
9. Periodic review of DIM(s) and report findings to senior management

It is important to document each stage of the process so that you are able to demonstrate the process if called upon to do so.

The threesixty assessment: Our methodology

This assessment consisted of a combination of a series of remote meetings with the DIM which generally takes 2 days, and a review of various documented procedures and papers supplied by the DIM prior, during and after the meetings.

During the assessment our business risk consultant conducts a series of meetings with key management within the DIM from different sectors of the business to allow them to explain in more detail how their firm operates and the controls and procedures that are in place. In general, the visits involve meetings with senior representatives from Investment Management, Operations, Compliance, Risk Management, Human Resources, Training and Competence and I.T.

On occasions the DIM will inform us that certain documents that we request are not available due to the confidential nature of the information they contain. In cases in which this has occurred we simply note that the document could not be provided due to the confidential nature of the information.

The threesixty assessment: The report format

The report that follows is divided into the various subject headings as follows:

- Corporate governance / systems and control
- Client and referring intermediary arrangements and financial promotions
- Recruitment
- Training & competence
- Discretionary management procedures
- Outsourcing
- Financial crime
- Complaints
- Business continuity

The aim is that the review of the combination of different areas of the business ensures that all the key aspects of the business are reviewed. In each section our overall focus is to attempt to explain what procedures the DIM firm has put in place to control its business, and to manage the risks so as to ensure good client outcomes can be achieved.

The threesixty assessment: How to use it

As noted above the threesixty report is only part of the information that you will need to gather within the overall due diligence process. In part it aims to provide some independent verification for you that certain key procedures and controls are in place within the DIM. However, it will also hopefully help you to construct further questions that you may wish to ask the DIM during the due diligence process.

Assessment report

threesixty has only reviewed those documents made available on our review. We have not investigated their efficacy and practical use. All reasonable precautions have been taken to ensure that the information contained is correct, threesixty services LLP does not accept any responsibility for errors, inaccuracies, omissions, or any inconsistencies. This information should not be relied upon by third parties and should not be considered as an endorsement as to individual suitability of the firm for a financial advisers' clients.

The assessment report does not include any comment on the firm's procedures in respect of holding client money, or assets, in accordance with FCA rules as this is outside the scope of our assessment.

RBC Brewin Dolphin: Key details

Firm name	Brewin Dolphin Limited (trading as RBC Brewin Dolphin)
Total Income	£420.7m (Brewin Dolphin Limited for period ending 31 st October 2023)
Established since	Brewin Dolphin can trace its origins back to 1762. Brewin Dolphin Limited was incorporated in 1987. The business became part of Royal Bank of Canada (RBC) Group in September 2022.
Funds under management	£51.7bn (Brewin Dolphin Limited as of 31 st October 2023)
Contact details	Intermediary Sales Support Team Tel: 0203 201 3520 Email: SalesSupport@brewin.co.uk
Useful links	www.brewin.co.uk/intermediaries

Assessment findings

A. Corporate governance and systems & controls

This section explains how the business is structured and managed. It seeks to explain the key procedures that control the risks within the overall business.

Review findings

1. RBC Brewin Dolphin Limited is a 100% owned subsidiary of Brewin Dolphin Holdings Limited. In September 2022 the previously FTSE250 listed Brewin Dolphin Holdings PLC (controller of Brewin Dolphin Ltd) was acquired by the Royal Bank of Canada (RBC). As a result of this the holding company is now Brewin Dolphin Holdings Limited and a new trading name: RBC Brewin Dolphin was established.
2. Brewin Dolphin Ltd is authorised and regulated by the Financial Conduct Authority, its trading name is RBC Brewin Dolphin. A separate subsidiary of the Group, Brewin Dolphin Wealth Management Limited (also trading as RBC Brewin Dolphin) is authorised and regulated by the Central Bank of Ireland to conduct investment business in Ireland.
3. The board of RBC Brewin Dolphin is comprised of the CEO, and Non-Executive Directors representing RBC as well as other Non-Executive Directors and Independent Non-Executive Directors. An Independent Non-Executive Director performs the role of Chairperson.
4. An integration project team is working on the integration of RBC and Brewin Dolphin, which is being managed by a Steering Committee with support from external parties including legal support and reports into the Wealth Management Europe Executive Committee.
5. RBC Brewin Dolphin operates from a network of offices throughout the UK, Jersey and Ireland thus providing ease of access to face-to-face support from their team of Business Development Managers. The services provided are in relation to wealth and investment management and are provided either indirectly via intermediaries in which the underlying client is usually a private individual, or directly to private individuals, charities, or corporates (including pension schemes).
6. RBC Brewin Dolphin has a framework of committees ultimately reporting to its holding board to ensure the monitoring of business and communication of issues throughout the organisation. This framework includes the following:
 - a) Wealth Management Europe Executive Committee (WM-E)
WM-E is chaired by the Chief Executive Officer and includes senior management from the following areas: Client Facing, Solutions, Business Enablement and Functional. This committee meets at least monthly, and its role is to manage the day-to-day running of the firm, including the development and implementation of strategy, monitoring of operating and financial performance, and the prioritisation and allocation of resources.
 - b) Risk Committee
This committee meets at least quarterly, and its role is to oversee the Risk Management Framework of the Group. It also assists the Board in discharging its responsibilities for the integrity of the Group's internal control and risk management systems.

The risk committee is also responsible for oversight of the firm's internal and external audit functions.

c) Remuneration Committee

This committee meets at least four times a year, and its role is to set the remuneration policy for the Group. It also sets the individual remuneration of the Executive Directors, and other staff designated as material risk takers under the FCA's MIFIDPRU Remuneration Code.

d) Nomination Committee

This committee meets at least twice a year, and its role is to review the composition of the Board and its committees. It also ensures that appropriate procedures are in place for the nomination, selection, training, and evaluation of directors, and that there is an effective framework for succession planning.

In addition, several sub-committees report to WM-E such as the CASS Oversight Committee, Wealth Governance Committee, Wealth Management Committee, Sustainability Investments Committee, and the Product & Services Committee.

Under the Wealth Governance Committee sit further committees with responsibility for different aspects of investment systems and controls, these include:

- Asset Allocation Committee
- Wealth Governance Committee
- Vulnerable Clients Committee
- Stewardship Committee
- MPS Investment Committee

7. There is a Risk Management framework in place led by the UK Risk Executive Committee, which report to WM-E with additional reporting lines to the Board Risk Committee. Under the UK Risk Executive Committee sit further committees and groups with responsibility for managing specific risks. These include:

- Financial Risk Committee
- Operational Risk Committee
- Financial Crime Governance Committee

8. The UK Risk Executive Committee reviews a Key Risk Dashboard monthly to monitor its risk profile against its risk appetite. The Terms of Reference of the committees and sub-committees

have been defined, and a governance and oversight structure were provided to threesixty to illustrate the reporting lines of the committees.

9. RBC Brewin Dolphin have adopted the concept of three lines of defence in relation to the management of regulation and risk.

First line of defence

The first line of defence is formed of the practitioners in all parts of the business and their line management. It is their role to identify and mitigate risk on a day-to-day basis. Managers are supported by Business Risk Managers who work with all areas of the business to create 'Risk and Control Assessments' (RCSAs). These are used to help managers identify risk within their area of business and what controls can be used to mitigate them. In addition, the Governance Oversight Team works with line managers to conduct a risk based rolling programme of reviews of Investment Managers to ensure that they are meeting Group standards and regulatory requirements.

Second line of defence

The second line is comprised of the Risk and Compliance function. This department takes a risk-based approach in monitoring the activities of the first line of defence.

Third line of defence

The third line of defence includes the internal and external audit functions, and Group Holdings Board including non-executive directors who aim to provide the independent challenge to the first- and second-line policies and procedures.

10. The Internal Audit function is now managed by RBC. The Risk Committee approves an audit plan at the beginning of the financial year, and then receives quarterly reports on all internal audits carried out. The plan is reviewed every six months to ensure it fully covers the Group's key risks.
11. There is an MI (Management Information) Dashboard in place which is reviewed by region, branch and then drilled down at an individual level. The Head of each office provides comments on the MI that has been reviewed, which is in turn reviewed and challenged where appropriate by the Regional Director.
12. Each department within RBC Brewin Dolphin produces a report to the Board on a monthly basis, which highlights any gaps and appropriate MI for the Board to consider and review. Due to the confidential nature of the reports, these were not provided for review.
13. The approach to risk management is set out in the Brewin Dolphin Ltd report and accounts for the period ended 31st October 2023. The section entitled 'Managing principal risks and uncertainties' describes the approach to risk management within the business and highlights the firm's objectives in relation to risk management and outlines the firms risk management framework.

14. The firm's MIFIDPRU8 Annual disclosure document for the period ended 31st October 2023 can be found on the company's website. The disclosures provide detail on the wider Brewin Dolphin Holdings Limited Group's approach to risk management, governance arrangements, remuneration, diversity and inclusion and investment policy.
15. RBC Brewin Dolphin has undertaken its Internal Capital Adequacy and Risk Assessment. (ICARA) Process which culminated in an ICARA document. threesixty was advised the firm's latest ICARA document was reviewed and approved by the Brewin Dolphin Board on 21 March 2024.
16. As noted above a Risk and Control Self-Assessment (RCSA) framework is in place which reviews the risks to the business and a net risk assessment is then undertaken for each risk. This provides a net impact risk score and the likelihood of this risk materialising. The risk assessment provides the basis for ongoing monitoring by the compliance team and internal audit. The RCSA framework is reviewed annually as part of the firm's overall Operational Risk Management Framework. It was noted the framework was under review as part of RBC / Brewin Dolphin integration.
17. It was noted RBC Brewin Dolphin employs a Compliance Monitoring Programme that is approved by the UK Risk Executive Committee, and ratified by, WM-E, the Group's Risk Committee and Board. threesixty were informed that a review of this programme is undertaken on an annual basis. An overview of the programme was provided to threesixty as part of the assessment. It was noted the monitoring programme has been integrated with that of RBC. Compliance monitoring activities includes standard monitoring tasks as well as thematic reviews. threesixty were not given access to the Compliance Monitoring reports due to the confidentiality of the information contained within them.
18. The Compliance team provides management information on Compliance Monitoring activity, regulatory change, and interaction with the regulator to the UK Risk Executive Committee on a monthly basis.
19. The Compliance teams within RBC Brewin Dolphin covers both compliance advisory and compliance monitoring activities. Since the RBC integration the Brewin Dolphin compliance team is now part of the wider legal and compliance team at RBC albeit each compliance team currently remains responsible for each respective regulated entity.
20. As part of the RBC integration, it was noted the Compliance Officer for Brewin Dolphin has been replaced by a representative from RBC.
21. The company has a Conduct Risk Framework which is overseen by the Conduct Risk Team and is reviewed by the UK Risk Executive Committee and the Board Risk Committee. It was noted the framework was under review as part of the firm's integration with RBC. The objective of the current framework is to ensure there is:
 - A method of monitoring, assessing, managing, and reporting against the Conduct Risk appetite set by the Board

- A swift and effective response to exceptions to minimise the likelihood of unfair client outcomes, and
- A client focused environment which enables staff to deliver good client outcomes consistently

22. RBC Brewin Dolphin have defined their corporate values as:

- Genuine: Heartfelt advice, delivered by people who care
- Expert: Skillfully facilitating important decisions
- Ambitious: Making more of life's opportunities

These values were first set out in 2016. RBC Brewin Dolphin believe these have contributed to low staff turnover and growth in the business.

23. An overview of RBC Brewin Dolphin's approach to Conflicts of Interest is available on the company's website. threesixty was advised the firm's conflicts of interest policy had recently been updated following the RBC integration and the conflicts themselves had been reviewed by the compliance team and senior management.

24. The company policies and business procedures for RBC Brewin Dolphin are available on the staff intranet. All compliance policies are now reviewed by the RBC EL Compliance Executive Committee.

25. Details of the RBC Brewin Dolphin professional indemnity arrangements were provided to threesixty during the assessment for the year ending 31st March 2025.

26. RBC Brewin Dolphin has a Product and Services Policy was last reviewed in June 2023 and is due for review again in June 2024, the purpose of the policy is to ensure there are robust product governance arrangements in place in respect of RBC Brewin Dolphin's product and service propositions.

27. RBC Brewin Dolphin has a Diversity & Inclusion Committee to promote diversity and inclusion within the Group. RBC Brewin Dolphin are actively involved in a number of diversity and inclusion initiatives including Race at Work and the Business Disability Forum.

28. A Sustainability Committee is in place, its purpose is to define sustainability goals for the Group and ensure their delivery and provide a sustainability framework in terms of oversight of business activities related to its investment offering and stewardship activities. The Committee typically meets six times a year and has representatives from across the Group.

29. An update on the firm's Consumer Duty obligations was provided to threesixty during the assessment. The firm's Product & Services Committee is leading on the firm's requirements. The committee is responsible for the production and review of value assessments and target market assessments.

30. threesixty was advised the firm has introduced a Client Outcomes Assessment Framework which has the objective of achieving a firmwide consistent approach to determining and measuring good outcomes for the firm's retail clients across all products and services. In addition, a Value for Money Framework has been created which looks to achieve a consistent approach to support the evidence-based assessments, managing, monitoring, and reporting of

Value for Money across the firm's products and services.

31. threesixty was advised the firm is working on the production of the firms first annual Consumer Duty assessment report which will be reviewed and approved by senior management.

Since the acquisition by the Royal Bank of Canada a number of changes have occurred as part of the integration with changes on-going until the expected completion of the integration. The changes that have occurred to date do not appear to have impacted how the firm's governance framework operates.

Following discussions with representatives from the firm it is clear the firm has made a number of enhancements including the introduction of 'frameworks' to assist the firm evidence it is providing good client outcomes under the FCAs Consumer Duty regulation.

B. Client and referring / introducing intermediary arrangements and financial promotions.

This section looks at how the DIM deals with clients and what are the legal and procedural arrangements with introducing intermediaries. It looks at the contracts and on boarding procedure and what checks they will do on the intermediary business. It seeks to identify whether or not the process, and the responsibilities of all parties are clear.

This section also looks at how the DIM markets itself, and what controls it has to ensure that promotions are clear, fair, and not misleading.

Review findings

1. Investment Solutions for referring intermediaries

RBC Brewin Dolphin has several investment solutions which can be accessed by intermediaries. RBC Brewin Dolphin Intermediaries does not accept introduced business. Their core services are:

a. Bespoke discretionary service

This is a service for intermediaries whose clients require a bespoke discretionary investment management service and who wish to delegate the responsibility for the day-to-day management of the clients' investments to a professional investment manager.

The intermediary will be responsible for fact finding, assessment of the client's investment objectives and agreeing one of seven risk profiles with reference to RBC Brewin Dolphin's 'Risk Guide' document. A dedicated investment manager will be appointed to manage the investments on a bespoke discretionary basis in accordance with an associated risk profile. This service will involve regular contact with the intermediary and joint meetings with the client. The 'Risk Guide' sets out the relevant benchmarks against which investment management performance will be measured.

b. Managed Portfolio Service (MPS)

This is a model portfolio service in cases where a bespoke service may not be suitable.

There is no contract between RBC Brewin Dolphin and the retail client, but between RBC Brewin Dolphin and the intermediary. The intermediary is responsible for matching the clients' needs to one or more of a range of MPS portfolios created by RBC Brewin Dolphin and operated on various third-party platforms.

The intermediary is also responsible for the ongoing monitoring of the performance of the portfolios to the clients' needs. Their MPS performance is measured against benchmarks which are detailed in the monthly factsheets. The MPS ranges covers 7 risk rated models across both active and passive plus ranges, this is aligned to the Voyager fund range (detailed below). The MPS service is only available via platforms, a list of those used is available from RBC Brewin Dolphin.

In addition to the core MPS service, RBC Brewin Dolphin has a Sustainable MPS service. The Sustainable MPS service is available in a range of five model portfolios.

c. Risk rated funds

Launched in October 2020, the Voyager fund range is a range of six risk rated funds with different risk models aligned to their equivalent MPS portfolio and managed by the MPS investment team. Each fund is risk mapped against Defaqto, Dynamic Planner, EValue,

Finametrica, Morningstar, Oxford Risk and Synaptic. The Voyager funds can be accessed via a third-party platforms only via intermediaries. Details on the funds can be found on the intermediary's section of the firm's website.

d. MI Select Managers (MISM) funds

Used by the Managed Portfolio Service since 2018, the funds have been available as a 'standalone' investment option since 31 January 2024. The MISM funds are available through a number of third-party platforms only via intermediaries.

2. Intermediary Relationship: Bespoke Discretionary Service

- a. An intermediary will access the bespoke discretionary service of RBC Brewin Dolphin on the basis that RBC Brewin Dolphin will be relying on the intermediary's KYC / suitability assessment of the underlying investor (reliance on others - COBS 2.4.4R).

The intermediary should inform their client of the areas they are responsible for, and those areas for which RBC Brewin Dolphin are responsible. RBC Brewin Dolphin's responsibility is generally limited to ensuring the bespoke discretionary investment management service it provides meets the client's investment mandate which has been agreed with the intermediary. Financial and tax planning is the responsibility of the intermediary. The intermediary is also responsible for ensuring the recommendation of a discretionary investment management service is suitable for the investor and that RBC Brewin Dolphin is the right partner. As highlighted above, RBC Brewin Dolphin will seek to rely on the client information provided by the intermediary. This provides the intermediary with the comfort that they retain control of the client relationship whilst using a third party to provide the requisite discretionary investment management service. RBC Brewin Dolphin will request due diligence and Anti-Money Laundering information on the underlying client to ensure it is able to comply with its regulatory requirements.

- b. The intermediary is responsible for the suitability of the advice (initial and ongoing) which includes the suitability of the discretionary investment management service for the client. The intermediary is also responsible for obtaining the requisite know your client information (including Anti-Money Laundering), setting the investment mandate including any investment restrictions and ensuring the mandate is suitable for the client, objectives and undertaking the risk profile assessment.
- c. Although RBC Brewin Dolphin rely on the information provided by the intermediary, the agreement between the parties includes the requirement that RBC Brewin Dolphin will also issue the Retail Client Terms and Conditions to the investor (Retail Client Terms & Conditions – For the clients of financial advisers) to explain the discretionary investment management service it is providing. The Terms and Conditions set out RBC Brewin Dolphin obligations under this arrangement. The retail client will have a separate agreement for the services provided by the intermediary.
- d. An Intermediary Terms of Business is signed between RBC Brewin Dolphin and the intermediary for the Bespoke Discretionary Service which sets out clearly the separate responsibilities of both parties.
- e. For the Bespoke Discretionary Service an account opening form is signed by both the intermediary and client. This form is used by the intermediary to inform RBC Brewin Dolphin of the client's knowledge and experience, attitude to risk and investment objectives along with details of any restrictions the client may wish to put on the management of the investments. The risk categories noted are those described in the 'RBC Brewin Dolphin Risk

Guide for Intermediaries', which range from Intermediary 1 to Intermediary 7.

3. Intermediary Relationship – Managed Portfolio Service (MPS)

- a) An intermediary will access the MPS of RBC Brewin Dolphin on the basis that the intermediary will be acting as agent of their client. In this arrangement, the intermediary becomes the client of RBC Brewin Dolphin ('agent as client'). The intermediary may only act in this capacity if they have been appointed by the client to act as agent on their behalf. Within this arrangement RBC Brewin Dolphin is responsible for ensuring its investment management service meets the mandate set for each MPS. All financial and tax planning is the responsibility of the intermediary. RBC Brewin Dolphin will rely on the instructions of the intermediary, acting as agent, and will communicate to the intermediary as their client. (The relevant FCA rule in this regard is COBS 2.4.3R). This provides the intermediary with the security that they retain full control of the entire client relationship whilst using a third-party discretionary investment management service.
- b) In this arrangement, the intermediary is responsible for ensuring the recommendation of the discretionary investment management service (initial and ongoing) is suitable, know your client information (including anti-money laundering), selection of the model portfolio and objectives and risk profile assessment.
- c) A 'Managed Portfolio Service: Terms of Business for regulated advisers' is signed between RBC Brewin Dolphin and the intermediary for the MPS which sets out the responsibilities of both parties.
- d) For the MPS service there are there are 19 models available to clients of intermediaries, seven Active models, seven Passive Plus models consisting of the strategies below, and five Sustainable models (SMPS), which exclude the 'Cautious' strategies.
 - Cautious
 - Cautious Higher Equity
 - Income
 - Income Higher Equity
 - Balanced
 - Growth
 - Global
- e) The following table sets out the respective responsibilities of intermediary and RBC Brewin Dolphin in the process:

	Intermediary	RBC Brewin Dolphin
Suitability of service	Yes	No
KYC	Yes	No
Risk Profile	Yes	No
Client's Investment Objectives	Yes	No
Capacity for loss	Yes	No

Ensuring investments meet the investment mandate	No – although the intermediary should seek confirmation from the discretionary manager on at least an annual basis that the investments selected meet the investment mandate set	Yes
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- f) Once RBC Brewin Dolphin have performed due diligence on the intermediary and the intermediary has agreed to follow RBC Brewin Dolphin's processes in regard to the services offered to their clients, they are able to use the service provided by RBC Brewin Dolphin. The due diligence process includes gaining an understanding of the intermediaries' business, its ownership structure and a review of the firm's details on the FCA register and Companies House. Details of the requirements are documented in the Intermediaries Risk Assessment and Due Diligence Standards document; a copy was provided to threesixty as part of the assessment.
- g) Ongoing due diligence on intermediary's is undertaken which includes a monthly check to ensure the intermediary still holds the required FCA permissions.
- h) RBC Brewin Dolphin's policy is that it will facilitate an Adviser Charge on behalf of a client where:
- The intermediary has the appropriate FCA permissions (or equivalent regulatory authorisation) to provide investment advice to clients.
 - The client account is not an Offshore Bond i.e., RBC Brewin Dolphin cannot facilitate adviser charging from offshore bond accounts, in these circumstances the Adviser Charge will need to be facilitated by the Product Provider.
 - For SIPP and Pension accounts, RBC Brewin Dolphin will need written authority from the Product Provider requesting that RBC Brewin Dolphin facilitate the Adviser Charge payment on their behalf – if there is no authorisation, the Adviser Charge will need to be facilitated directly by the Product Provider.
 - There is an Adviser Charging Agreement in place, signed by the client, authorising the facilitation of the adviser charge. The agreement will need to clearly state the amount to be charged (i.e., as a % of the portfolio or a fixed sum) and whether the charge is a one-off/initial charge or ongoing. A copy of the Adviser Charging Agreement was provided to threesixty during the assessment.
- i) RBC Brewin Dolphin have produced a document to assist intermediaries with their due diligence of RBC Brewin Dolphin which is updated on an annual basis. This Intermediary Due Diligence document includes information on the company structure, personnel, investment philosophy, risk management, service proposition and administration. A copy of the Intermediary Due Diligence document dated March 2023 was provided to threesixty as part of the assessment.

- j) RBC Brewin Dolphin have produced brochures explaining their investment solutions which are available for intermediaries and their clients i.e., the Bespoke Discretionary Service, the Managed Portfolio Service, and the Voyager Risk Rated Funds. These brochures along with the 'RBC Brewin Dolphin Risk Guide for Financial Advisers' can be accessed on the Intermediaries section of the company's website.
- k) Details of the Sustainable MPS service can be found in the Intermediaries section of the firm's website including factsheets, brochures and ESG assessment reports provided by Defaqto, MSCI and Morningstar Sustainalytics
- l) The Intermediaries section of the company's website provides information on the services available to intermediaries as well as regular podcasts on investment matters.
- m) RBC Brewin Dolphin provides the following disclosure documents to intermediaries for their bespoke discretionary service:
 - Ex-Ante illustrations
 - Ex-Post reports
 - Annual costs and charges statements

For the MPS service the relevant platform is responsible for disclosure documents.

- n) RBC Brewin Dolphin have produced Target Market & Fair Value Information for intermediaries on their bespoke discretionary service and MPS services to assist intermediaries with their consumer duty responsibilities. Information for both services is available via the firm's website. This information can be accessed via the firm's consumer duty external website for intermediaries, www.brewin.co.uk/intermediaries/consumer-duty.
- o) Risk mapping documents are available for the MPS and Voyager funds upon request.

Financial promotions

In respect of the production of financial promotions, RBC Brewin Dolphin has procedures in place to approve all forms of communications / financial promotions, and ensure that they are fair, clear and not misleading. The procedures include the following:

1. A general summary of procedures on financial promotions which is contained within a document entitled 'Promoting RBC Brewin Dolphin'. This includes guidance on what is a financial promotion and the process to be followed in the production, approval, record keeping and use of the financial promotions.
2. An automated process in place for the approval and logging of all financial promotions which is led by the Marketing team with oversight from the Compliance team.
3. As part of the process, any individual within the company can submit a financial promotion via Sharepoint, the firm's intranet, for approval by a Regional Marketing Manager.
4. A risk rating of High, Medium, or Low determines how the financial promotion is approved, and whether there needs to be a further check undertaken by the Compliance team.
5. The Compliance team reviews all financial promotions which are classified as High Risk and will check all promotions to ensure they have been correctly risk rated by the Regional Marketing Manager.

6. A full audit history is maintained with all financial promotions logged on a register which can be used to identify any trends that are reported to the RBC Brewin Dolphin Board on a monthly basis.
7. Financial Promotions are included in a Marketing Policy dated July 2023 which is reviewed annually.

From a review of the agreements issued to the intermediary, investor clients and the associated literature, it would appear that the respective roles of both parties have been clearly set out. RBC Brewin Dolphin appear to have set out clear procedures on how to process and control business from intermediaries working as the agent of the underlying client. In addition, the services are described on the company's website and in the documents that can be accessed from the website.

RBC Brewin Dolphin have produced a wide range of literature to support intermediaries including Target Market & Fair Value Information documents under Consumer Duty.

C. Recruitment

This section aims to illustrate what procedures the DIM has in place to ensure that staff it employs are fit and proper. It looks at how the recruitment process works, and how staff are inducted into the business to ensure that they are aware of company procedures.

It will also look at remuneration policies to see if these have been clearly defined.

Review findings

1. threesixty was advised the Brewin Dolphin and RBC recruitment processes are currently managed separately but are likely to merge towards the end of 2024.
2. The Brewin Dolphin recruitment process is documented in a procedures document. The procedures were not shared with threesixty during the assessment.
3. The recruitment of any new staff must be authorised by senior management, WM-E and the Chief Financial Officer, which once approved the process is managed by the Talent Acquisition Team.
4. RBC Brewin Dolphin use the employee database, SuccessFactors, to record and monitor recruitment, staff management and training.
5. The hiring manager will conduct a role briefing with the Talent Acquisition Team which will include the possible use of employment agencies, timelines for the process and the proposed interview process.
6. RBC Brewin Dolphin use a range of employment sources in the recruitment process depending on the nature of the role, these include internal job boards and website, external job sites and Linked-In and also recruitment agencies depending on the role.
7. For a majority of roles, the Talent Acquisition Team will review CVs received using SuccessFactors then create a shortlist which is provided to the hiring manager.
8. The Talent Acquisition Team will arrange interviews and notify unsuccessful candidates. Based on the experience of the candidate and role being applied for case studies, competency-based questions, values and conduct, presentations and technical tests are included as part of recruitment process.
9. Details of interview material, questions and technical testing is available to hiring managers.
10. Prior to issuing an offer a completed Recruitment Authorisation Form must be completed in respect of a successful candidate. This is forwarded to the Talent Acquisition Team who issue a verbal offer and employment contract which is subject to the successful completion of employment screening.
11. During the recruitment process the Talent Acquisition Team keep the hiring manager updated in terms of the progress of acceptance of offers, start dates and any employment screening issues.
12. RBC Brewin Dolphin use an external company (Giant) to undertake the screening process which is then checked by the Talent Acquisition Team.
13. The verification checks undertaken includes an identity check, Directorship check at Companies House, credit and DBS checks. For Certified Persons regulatory reference references are

obtained as well as details of their current Statement of Professional Standing (SPS) and CPD records.

14. Once the recruitment process has been completed the People Services Team manage the new employee on-boarding process.
15. The People Services Team liaise with the new employee, the hiring manager, and the Learning & Development Team to ensure the induction requirements are completed.
16. Any candidate for a role as an Investment Manager will have an additional induction process conducted by the Learning and Development Team which includes an assessment of competency.
17. All Investment Managers must, as a minimum, be Level 7 qualified and hold an SPS with the Chartered Institute of Securities and Investment or Chartered Insurance Institute.
18. There is a 'Welcome to RBC Brewin Dolphin' half day which is held virtually which enables new joiners to meet senior management.
19. New joiners have a 6-month probationary period which can be extended if required.
20. threesixty was advised the RBC Brewin Dolphin's remuneration policy was unable to be shared during the assessment. Details of the firm's remuneration policies and procedures can be found in the firm's MIFIDPRU8 Annual Disclosure document which can be accessed via the firm's website.
21. As an employer of over 250 employees in the UK RBC Brewin Dolphin is required to produce and an annual Gender Pay Report. Details of the firm's latest report based on data to April 2023 can be accessed via the Gender Pay Gap Website.

In view of the confidentiality of employment records, threesixty's review did not involve an assessment of specific recruitment files, so we are unable to comment about the operation of the recruitment process. However, based on the discussions with a representative from the firm's HR team the firm appears to have a sound recruitment process in place which also takes into consideration Diversity & Inclusion.

D. Training & competence (T&C)

This section looks at how the DIM sets out its training and competence regime, and reviews what processes are in place to train, assess and monitor staff and investment managers in particular in their role of dealing with clients introduced from intermediaries.

Review findings

1. RBC Brewin Dolphin has a Training & Competence (T&C) Policy dated July 2023 which was provided for review as part of the assessment, in addition there are supporting procedures in respect of T&C. threesixty was advised the Policy was reviewed and updated to address the requirements of the FCAs Consumer Duty.
2. The T&C Policy is reviewed and approved by the Risk Management Committee and the WM-E.
3. threesixty was advised the firm's T&C arrangements are regularly audited with the last audit occurring in July 2023. The audit scope included audit key controls and sampling to ensure evidence of actions and related controls were in place. A review of procedures, key data and record keeping also took place along with a review of any policy exceptions.
4. There is a T&C Working Group within RBC Brewin Dolphin containing representatives from the business which reviews proposed policy changes.
5. RBC Brewin Dolphin has a Training and Competence (T&C) Partners Team. This team is tasked with providing assistance and resource to Training and Competence supervisors in the operation of the T&C policy and procedures. The T&C Partners Team report into the Head of Advice.
6. The T&C Policy incorporates the requirements of SM&CR and Consumer Duty. The policy covers a number of areas including Recruitment, Induction, Probation, Performance/Competency Assessments, Training and Promotion, Conduct Rules, and Authorisation.
7. In addition, there are separate SM&CR Accountability Policies for Senior Managers, Investment Managers, and Information Givers. There is an SM&CR Oversight Panel which meets six monthly basis or more often as required and is chaired by the Training and Competence Manager. The role of the Panel is to provide on-going oversight of the firm's SM&CR requirements and provide information to senior management.
8. RBC Brewin Dolphin have a Fit & Proper Panel also chaired by the Training and Competence Manager to assist the firm's management of its SM&CR responsibilities. The Panel is responsible for reviewing the performance of Certified Persons and includes representatives from HR, Risk, T&C Partners, and the business.
9. The Training and Competence procedures categorise Investment Managers as 'Certified Persons – Client Facing'. threesixty was advised the training and Competence procedures were reviewed in conjunction with the T&C Policy in July 2023.
10. A formal induction and probation process for all newly appointed Investment Managers also takes place. Responsibility for the induction and probation process resides with the line manager. Each new joiner is allocated a Training & Competence Partner who will arrange an initial meeting to discuss the FCA Codes of Conduct and their responsibilities under the firm's T&C Policy and procedures.
11. The Learning and Development Team will arrange training courses for new starters as required.

The Learning and Development Team are an employee development team working to help develop staff through the provision of courses including line management development.

12. Each new Investment Manager is assessed to determine the activities they will perform, whether they meet the qualification requirements and whether any additional development support is required.
13. Investment Managers as Certified Persons hold a 'Statement of Authorisation' which covers details of their supervision and the scope of their activities, the Statement is prepared and confirmed by the Investment Manager's supervisor.
14. Upon joining each Investment Manager is required to complete a number of e-learning training courses and attend a training session on the RBC Brewin Dolphin Accountability Regime.
15. The level of supervision for each Investment Manager will depend upon their level of experience, their level of competence and the potential risks they may pose.
16. All new Investment Managers will be observed in both a role play and a live client meeting.
17. Investment Managers are not permitted to provide financial planning advice on retail investment products.
18. Once assessed as competent to perform the role, all Investment Managers have a mid-year competence assessment every six months, and an end of year competence assessment when the certification process is completed.
19. In between formal assessments, T&C Supervisors can hold one to one meetings with Investment Managers as required.
20. Formal assessments of competency form part of the overall process of ongoing supervision and are the responsibility of the T&C Supervisors, who are assisted in the process by the T&C Partners who help facilitate training and development generally. The T&C Partners also conduct sampling of competency reviews, the results are provided to the Wealth Governance Committee every six months.
21. Assessments of competency is recorded on the HR SuccessFactors database and include a review of CPD records, management information, review of work undertaken and management skills (if applicable). An individual can be assessed as being in one of three categories, i.e., not yet satisfactory: satisfactory with development, or satisfactory.
22. All Investment Managers must be members of the Chartered Institute of Securities and Investments (CISI) or the Chartered Insurance Institute and must hold a Statement of Professional Standing (SPS).
23. The CISI's online professional refresher modules are utilised as part of the ongoing training of Investment Managers, and all Investment Managers must complete their Continuing Professional Development (CPD) via CISI which is reviewed on an ongoing basis. A minimum 35 hours of CPD with 21 hours of structured CPD must be completed annually by Investment Managers.
24. Employees are required to undertake a series of computer-based training modules which include AML, Vulnerable Clients, Data Protection and Consumer Duty.
25. Oversight of CPD progress and monitoring of SPS renewals is the responsibility of the T&C

Partners Team.

26. A Management Information (MI) dashboard is used to assess any issues from the review of the MI at Investment Manager level, which then forms part of the Investment Manager's development plan.
27. The appraisal process is managed by line managers who have been trained in the process. Appraisals are conducted twice a year with August / September the main review with an interim appraisal being held in March / April. The appraisal process looks to assess overall performance including reference to adherence to the corporate values as noted in Section A as 'Genuine', 'Expert' and 'Ambitious'. The T&C Partners also provide input into the appraisal process.
28. The appraisal process is a two-way operation with staff members entering their comments on the HR SuccessFactors system first, and then the line manager adding their comments. This is then followed by a one-to-one meeting between staff member and line manager to review the results.
29. RBC Brewin Dolphin's approach is not solely to recruit experienced individuals and they have developed a range of programmes to enhance training and development within the organisation for selected individuals once they have joined RBC Brewin Dolphin. These include the following:
 - Aspire Managers - A management programme using blended learning to enhance essential skills, teaching effective line management
 - Aspire Mentoring - A scheme welcoming mentees and mentors from all levels of the organisation. Aiming to find the most appropriate match for a mentoring relationship
 - A bespoke Executive Leadership Programme to develop individuals at the higher levels of the organisation
 - A year-long emerging talent programme, which aims to give the company's up and coming talent the skills to progress through the different levels of the Group

Based on the review of the T&C policy and following discussions with the T&C Manager, there appears to be a detailed framework in place for the induction and ongoing monitoring and supervision of the firm's Investment Managers which takes into account the on-going requirements of SM&CR and the FCAs Consumer Duty.

Due to the confidentiality of staff information, we were unable to review staff training files, and therefore cannot comment on the effectiveness of the operation of the training scheme however it was noted the firm's T&C arrangements are subject to regular internal audit providing assurance of the firm's systems and controls regarding T&C.

E. Discretionary management procedures

This section looks at the procedures and controls the DIM has put in place to carry out the DIM service. It aims to assess how they arrive at decisions when managing funds, and how they record and monitor the process. It looks at the structure of the process including the firm's investment philosophy, investment committees, research, how decisions are implemented and the controls in place to minimise the risk of errors and loss to clients.

Review findings

The procedures to control and monitor the discretionary investment management services include the following:

1. RBC Brewin Dolphin have a Wealth & Governance Committee (WGC) which is a sub-committee of the WM-E. Its role is to provide an investment governance framework that ensures orderly oversight of business activity, and operational risks in key service propositions offered including:
 - a. New and current products and services
 - b. Changes in product / service / provider risk profiles
 - c. Withdrawals and suspensions of products and services
 - d. Approval of key investment process control proposals, including portfolio models matched to risk profiles, client & portfolio risk assessment exception rules, strategic asset allocation and tactical asset allocation ranges
 - e. Act as a decision making and steering committee in an emergency or extraordinary market conditions which demands a Group response
2. threesixty was advised the WGC has a terms of reference dated August 2023. The committee meets at least eight times over a twelve-month period. The Chair is appointed by the WM-E, the terms of reference were previously provided to threesixty and include details of the composition of the committee.
3. The WGC has a supporting Wealth Governance Policy dated June 2023. The policy provides details of the firm's Wealth Governance Framework. A copy of the policy was provided to threesixty as part of the assessment.
4. The WGC has established several sub-committees which operate with delegated authority as is set out in their individual terms of reference, as approved by the WGC from time to time. These are as follows:
 - i. Stewardship Committee
In 2019, RBC Brewin Dolphin established its Stewardship Committee, the same year RBC Brewin became a signatory to the United Nations Principles of Responsible Investment (UNPRI) and took membership with the Investor Forum. The Stewardship Committee oversees all the firm's stewardship activities and reports into the WGC.

RBC Brewin Dolphin are signatories of the Financial Reporting Council's UK Stewardship Code and incorporate its principles within their Stewardship Policy. A copy of the firm's Stewardship Policy is available on the firm's website along which includes its Stewardship and Engagement Report for SRDII.

RBC Brewin Dolphin also has a Responsible Investment Statement dated February 2023

which outlines the firm's approach to responsible investment. A copy of the statement can be found on the firm's website.

ii. Sustainability Investment Committee (SIC)

The SIC oversees all activities relating to responsible and sustainability investment, and which reports into the WGC.

iii. Asset Allocation Committee (AAC)

This committee headed by the Head of Research meets on a monthly basis with other attendees from the research team, investment managers and economists. The committee look at macroeconomic trends and determines strategic and tactical asset allocations in investments in terms of assets and regions. In particular it is tasked with:

- Advising on and review of the asset classification policy
- Advising on and review of the formation of the strategic asset allocation
- Setting tactical asset allocation guidance
- Escalating any issues where the investment management framework does not appear appropriate to the committee

A briefing note is distributed to the attendees after the AAC meeting, and then minutes are distributed to the members of the WGC and Risk Management Committee.

threesixty was advised the firms' strategic asset allocation is reviewed on an annual basis by the AAC.

iv. Managed Portfolio Services (MPS) Investment Committee

This committee meets monthly after the AAC has agreed the tactical asset allocation position. The research team then implement any guidance from the AAC into the model portfolios. These are submitted to the MPS Investment committee for approval. Rebalancing of models are performed monthly regardless of any changes in composition of the models in order to protect against portfolio drift. The construction of the model portfolios is agreed by a committee and not any one individual. The committee has a specific remit to:

- Approve the model portfolio composition of the MPS.
- Escalate any exceptions or failure to reach an agreement to the Chair.
- Provide a view on other issues relating to the MPS.

The MPS Investment Committee is also responsible for oversight of the Sustainable MPS range.

v. Investment Risk Committee

This committee approves elements of the investment governance framework and provides assurance that RBC Brewin Dolphin is compliant with the Wealth Governance Policy.

vi. Client Compensation Authorisation Group

This committee provides a mechanism for the review of financial redress identified from all sources such as (but not limited to) client complaints, detriment reviews, operating events and regulatory enquiries.

vii. Vulnerable Clients Committee

This committee oversees the firm's approach to vulnerable clients. It is supported by a Vulnerable Clients Forum. A copy of the firm's Vulnerable Client policy dated June 2023 was provided to threesixty during the assessment.

viii. Product & Services Committee

The Product and Services Committee (PSC) oversees the development and any changes to

the firm's investment propositions and recommends proposals for approval to the Wealth Governance Committee or Funds Governance Committee for funds. The PSC reviews the firm's existing products & services, the regularity of the review is dependent on the level of risk associated with the respective product or service.

5. Following on from the AAC meeting the firm's equity strategists have a sector strategy meeting.
6. Each week there is also a detailed stock selection meeting. The firm has a dedicated investment research team with research analysts covering equities and fixed income.
7. Since the RBC acquisition of Brewin Dolphin threesixty was advised RBC Brewin Dolphin now benefits from access to wider investment research capabilities, particularly in relation to North American research.
8. Where fund changes are recommended or considered, these are discussed at a weekly meeting of the fund analysts.
9. Investment Managers are updated on recommendations for buy lists by a daily conference call including all regional offices, and minutes of the call are then emailed to all regional offices. Recommendations are also posted on the interactive research portal along with supporting documentary evidence.
10. Within the bespoke discretionary service and the MPS service RBC Brewin are able to use their MI Select Managers Funds range which provides access to five 'manager of manager' funds, each of the funds is managed on a segregated basis using third party managers. Details are available from RBC Brewin Dolphin.
11. In relation to the bespoke discretionary service, although portfolios are tailored to each client all clients are categorised into one of the seven risk profiles. This risk categorisation acts as a boundary for Investment Managers to work within. RBC Brewin Dolphin would only change a client's risk category, or overall mandate, with the express agreement of the intermediary.
12. RBC Brewin Dolphin use Risk Monitoring System (BITA) which is used to monitor the construction and ongoing rebalancing of portfolios to ensure that investment managers are managing in a compliant way and within the mandate and the defined investment policies of the company. BITA is overseen by the Governance Oversight Team which reports to the Wealth Governance Committee.
13. Bespoke portfolios are monitored using the 'RBC Brewin Risk Measure' which tracks both volatility and value at risk. Any outliers are reviewed by the Governance Oversight Team and the Investment Manager.
14. There is an internal order execution policy which was last reviewed in May 2023, the firm's external order execution policy was last reviewed in March 2024.
15. In relation to the custody of assets in the majority of cases RBC Brewin Dolphin hold assets within one of their wholly owned nominee companies, or assets are held with overseas custodians. These arrangements were not reviewed, although it was noted that the Terms & Conditions confirms all assets are held on behalf of the beneficial owner.
16. RBC Brewin Dolphin use the eXimius system to produce performance figures for the portfolios they manage on behalf of clients of intermediaries. The company has since 2016 provided live portfolio data to Asset Risk Consultants (ARC) for submission to the Private Client Indices (PCI).

17. RBC Brewin Dolphin provide instant online access to portfolio valuations through their secure internet site, MyBrewin. The company also produces periodic reports on a quarterly basis. A copy of an example periodic report was provided to threesixty as part of the assessment.

The review did not include an audit of the operation of RBC Brewin Dolphin's systems and controls nor a review of the minutes of the WGC or AAC due to the confidentiality of the information. However, based upon discussions with an Investment Manager and the information that was provided to threesixty during the assessment the firm appears to have systems and controls to support its investment services.

F. Outsourcing

This section looks at the extent that a DIM outsources key tasks to third parties, and if it does what processes are in place to monitor this activity and minimise any adverse impact to clients.

This section is not relevant to all firms as not all firms outsource keys tasks to third parties.

Review findings

threesixty was advised RBC Brewin Dolphin currently has one vendor categorized as both 'outsourced' and 'critical' by the firm. As part of the RBC integration a project is underway to move the vendors services to another vendor used by the wider RBC Group.

G. Financial crime, anti-money laundering, data security, fraud and the Bribery Act

This section looks at the extent that a DIM outsources key tasks to third parties, and if it does what processes are in place to monitor this activity and minimise any adverse impact to clients.

This section is not relevant to all firms as not all firms outsource key tasks to third parties.

Review findings

RBC Brewin Dolphin have adopted a risk-based approach to dealing with financial crime. The procedures include the following:

1. AML, CTF and Financial Sanctions and Proliferation Financing Standards dated November 2023 are in place and are reviewed regularly, or where legislative or regulatory changes occur. A copy of the Standards were provided to threesixty as part of the assessment. The Standards are used to support the AML, Counter-Terrorist Financing, Financial Sanctions and Proliferation Financing Policy dated April 2023 which is to be reviewed as part of the RBC integration.
2. There is a Financial Crime Risk Management Framework dated March 2023 in place which provides an overarching framework of how the Group manages its financial crime risks. The primary objectives of the framework are to ensure there is:
 - a. A strong culture so that staff can prevent, detect, and report financial crime matters
 - b. A method of monitoring, assessing, managing, and reporting against the financial crime risk appetite set by the Board
 - c. A swift and effective response to financial crime matters to reduce the likelihood of financial crime risks crystallising

The framework documents the respective responsibilities of employees, committees, and the Financial Crime Team. threesixty were provided with a copy of the framework as part of the assessment. threesixty was advised the framework was under review as part of the RBC integration.

3. As part of the RBC integration areas of responsibility that currently reside within the financial crime risk management framework will be moving the RBC AML, Operational Risk, Compliance - Surveillance and Compliance - Staff Compliance teams.
4. On a monthly basis the Financial Crime Governance Forum meets to review management information including key risk indicators in relation to financial crime.
5. A PEP and High-Risk Client Forum meets monthly with a focus on Politically Exposed Persons (PEPs), and High-Risk Clients and other high-risk aspects including cross border relationships. The Forum is supported by a PEP and High-Risk Client Working Group. threesixty was advised the Forum would incorporate RBC and Brewin Dolphin requirements in the future.
6. RBC Brewin Dolphin undertake a risk assessment of all clients. All clients and related parties are also screened for PEP and sanctions daily using Lexis Nexis.

7. A revised Client Risk Assessment is in the process of being rolled out but has been delayed by functionality within the firm's new wealth management system.
8. For the MPS, where arrangements with intermediaries are structured on the 'agent as client' basis, RBC Brewin Dolphin expect the intermediary to have verified and checked the client's identity and underlying documentation as RBC Brewin Dolphin does not have a relationship with the underlying client.
9. For the bespoke portfolio service, where the arrangements with intermediaries are on a 'reliance on others' basis RBC Brewin Dolphin rely on the intermediary to have verified and checked the client's identity and obtained the required documentation, however in this arrangement RBC Brewin Dolphin is ultimately responsible for AML as it has a direct contract with the retail client. RBC Brewin Dolphin has an AML sampling controls process in place whereby it samples its intermediary clients, any identified AML gaps are remediated or if the records are not adequate RBC Brewin will not rely on the intermediary firm for their AML records.
10. As part of the firm's financial crime systems and controls it has documented its approach when working with intermediaries in its Intermediaries Risk Assessment and Due Diligence Standards document dated January 2023 which was provided to threesixty as part of the assessment. The Standards outline the firm's onboarding and ongoing due diligence requirements for its intermediary relationships and will remain post the RBC integration project.
11. RBC Brewin Dolphin have an Anti-Bribery and Corruption Policy dated March 2023 which was provided to threesixty.
12. Training on Financial Crime forms part of the induction process for all new staff. On an annual basis all staff complete training using Computer Based Training along with an associated test and internal checks are undertaken to ensure all regions, offices and individuals have undertaken the test by a set date. Additional training needs on financial crime are assessed regularly and bespoke training sessions are provided. At the end of 2023 source of wealth training was provided to client facing staff. Tax evasion training was also provided to client facing employees by the MLRO assisted by the firm's Head of Tax.
13. An annual money laundering report is produced and presented to the Risk Management Committee and the RBC Brewin Dolphin Board by the MLRO. Due to the confidential nature of the report, the last report was not provided to threesixty for review. threesixty were advised the last report was presented to the risk committee and the Board in December 2023 covering the period ending 30 October 2023.
14. The firm's AML risk assessments was under review at the date of the assessment and will be aligned to the RBC risk assessment. The firm's Fraud risk assessment was also due to be reviewed

15. Written procedures are in place for the recording of any gifts and hospitality received by RBC Brewin Dolphin employees with gifts over a certain value requiring pre-approval. A copy of the Gifts and Hospitality Policy dated September 2023 was provided to threesixty.

From a review of the documents provided, and following a discussion with the firm's MLRO the company appears to have detailed procedures in place to monitor the risk of financial crime and these are regularly reviewed.

It was noted a number of team / staff changes are occurring as a result of the RBC integration, it is not envisaged they will result in any negative impact on how the firm's financial crime framework operates.

H. Complaints

This looks at how the DIM handles complaints and ensures that they are independently handled and that the process is fair and clear.

Depending on the arrangement the intermediary has with the DIM this may be a case of assessing how the DIM deals with complaints from the intermediary's clients, or if there is no direct relationship with investor clients how would the DIM deal with any potential complaints from the intermediary as a professional client.

Review findings

RBC Brewin Dolphin has in place internal and external complaints procedures which are reviewed annually. RBC Brewin Dolphin has a Complaints Policy and threesixty were provided with a copy of the latest version dated June 2023.

The processes include the following aspects:

1. Complaints are handled by the Client Services Team (CST) who deal with complaints independently and have the autonomy to look at the root cause of the complaint and outcome free of any internal conflict. threesixty was advised as part of the RBC integration project the two teams responsible for client complaints will be merged in due course. The CST reports into the Business Risk Management unit.
2. RBC Brewin Dolphin has a summary of its complaint's procedures for client's available on the firm's website. Internal complaints procedures provide staff with details on the complaints process.
3. An internal complaints form must be completed for each complaint received, and this is then sent to the Client Services Team to record the complaint. Each complaint is allocated against one of the four Consumer Duty outcomes.
4. Complaints data is logged in the Open Pages system with complaints reporting provided by the Power BI system. Management information on complaints is extracted from the Power BI system and is used for internal and external reporting and for training purposes.
5. Each complaint is subject to a four-eyes check in terms of the overall overview and outcome. A further sample check of cases is then undertaken on a monthly basis by the Compliance Monitoring Team.
6. Weekly updates and progress reports are made on all complaints and a report provided to the Head of Business Management.
7. The CST issue a monthly report on complaints identifying trends, themes and any systemic failures to the Managing Director of Wealth Management and the Managing Director of Private Clients.
8. Complaints reporting is provided to the UK Executive Risk Committee, Operational Risk Committee, and the Wealth Governance Committee on a quarterly basis.
9. Management information on client complaints is provided to the Vulnerability Committee if the client complaint relates to vulnerability.

10. Complaints reporting provided from the Power BI system is used as part of regional meetings held with the Head of Region, the Head of CST and representatives from compliance. The information is used to identify any specific training needs.
11. There is an e-learning training module on client complaints which client facing staff are required to complete annually.
12. All new joiners to the RBC Brewin Dolphin receive client complaints training as part of their induction process.
13. Additional 'ad hoc' training is provided by the CST as required. It was noted training on vulnerability was provided to a number of regional offices during 2023.
14. The level of client complaints by business area, product, service and by office/individual are tracked by the CST. Every client complaint against a certified person is notified to the Head of Office.
15. There is a Financial Ombudsman Tracker Log which is incorporated into the Open Pages system and is maintained by the CST which looks at information and reports produced by the FOS to assess any impact on the firm and how the firm has dealt with complaints in the past.
16. The CST historically was subject to an annual internal assessment as part of the Head of Compliance assessment on its effectiveness by the Compliance Advisory Team. threesixty was advised the assessment process was currently under review.
17. As part of the Terms of Business provided to intermediaries, details on the complaint's procedure are provided that intermediaries should follow, and the rights afforded to them under FOS where they are acting as an agent for their client.

It was noted that it is the RBC Brewin Dolphin's policy not to disclose to third parties the number of complaints that have been received, and due to the confidential nature of the information threesixty were not given access to specific files on complaints. However, the documents that were reviewed and following discussions with the Head of the CST the firm appears to have comprehensive procedures in place for the handling of client complaints.

I. Business continuity / disaster recovery

This section looks at the arrangements the DIM has put in place to ensure that if a disaster did occur, they could respond quickly, and either maintain their service to clients, or restore the service in an acceptable time frame in order to minimise any risk of loss.

Review findings

Operational Resilience

1. An Operational Resilience Policy dated March 2023 is in place which was reviewed by the Operational Resilience Group and approved by the Risk Management Committee. It is a high-level document which states the purpose of the policy is to “ensure that the firm has the assets, plans and people in place to manage the risk of potential interruption from a range of internal and external threats”. The executive owner of the policy is the firm’s Chief Risk Officer.
2. The Operational Resilience Policy and the supporting operational resilience arrangements are overseen by the RBC Operational Risk Team.
3. An Operational Resilience Self-Assessment framework is in place which was drafted with assistance from external consultants and is the responsibility of the Head of Operational Resilience. A revised self-assessment was due to be reviewed by the Board.
4. There is an Operational Resilience Group (ORG) which meets on a monthly basis which reviews both operational resilience and business continuity arrangements. The ORG makes recommendations to the UK Risk Executive Committee which reports to the WM-E .
5. threesixty was advised the firm has been retesting its (six) Important Business Services and reviewing their impact tolerances in respect of their reliance on third parties.
6. Over the next year the (former) Brewin Dolphin Operational Resilience team will be working with their RBC colleagues to align their operational resilience processes.

Business Continuity

7. threesixty was advised Brewin Dolphin are aligning their business continuity arrangements with RBC. During 2024 Brewin Dolphin will be moving onto the RBC business continuity infrastructure.
8. There remain Business Continuity Standards in place for each Brewin Dolphin regional office. The plans are the responsibility of each Head of Office who is responsible for invoking and testing the plan.
9. The Business Continuity Standards for each office are reviewed annually by the office Business Continuity Champion and the Business Continuity Manager with a version control in place outlining the dates and changes that have taken place. As part of the annual review each office is subject to a desktop exercise. For key offices there are also departmental plans. For key offices visits are conducted quarterly. A summary of the effectiveness of the office’s standards are reported to the ORG. Going forwards as each Business Continuity Standards comes up for review it will be migrated to an RBC format.
10. The frequency of tests conducted by each office is dependent on the assessment of risk and impact of any potential failure of an office on the overall business. Offices are categorised as A, B or C. A being High Impact, for example London, Edinburgh, and

Newcastle, at which tests would be held quarterly, and other offices which are categorised as B (six monthly reviews) and C(annual reviews).

11. It was noted that Brewin Dolphin's business continuity arrangements aim to be aligned with the Business Continuity Management Systems (ISO 22301:2012), and the BCI Good Practice Guide.
12. The continuity arrangements include provision for staff to either work remotely or transfer to nearby offices in the event of a crisis event at their respective offices.
13. RBC Brewin Dolphin has procedures in place to monitor the business continuity arrangements of key software and service suppliers to the company. There is a Vendor Governance & Commercial Contracts Manager responsible for the relationships with key vendors. Annual due diligence is conducted on vendors which is reviewed by the Vendor Management Committee.

Cyber Security

14. A Cyber security desk top exercise took place in June 2023 for the Board on a ransomware scenario, the exercise was hosted by an external consultancy.
15. threesixty was advised there is on-going cyber security training for all staff, participation is mandatory and audited.
16. It was confirmed the firm has Cyber Security insurance in place.

Information / Data Security

17. A review of the firm's Data Security arrangements and procedures is undertaken on an annual basis and as part of this:
 - a. Monitoring of the policy is carried out by the Head of Privacy & Information Security, who reports to the Head of Risk and Regulation
 - b. Mandatory eLearning modules is provided o all staff to carry out on an annual basis
 - c. A Data Security Response team is in place whose main duties are to ensure that corporate, client and personal data is safe and secure
18. RBC Brewin Dolphin has an Information Security Policy dated July 2023 which is designed to support the company's strategic aim of protecting data and services from compromise and is reviewed on an annual basis. It was noted the Policy is due for review in July 2024.

Following with discussions with the Head of Operational Resilience & Dealing it would appear RBC Brewin Dolphin view Operational Resilience, Business Continuity, Cyber Security and Information / Data Security as high priorities for the business, and regularly monitor, review and update their arrangements in this regard on a regular basis.

This can be evidenced in the arrangements in respect of the FCAs Operational Resilience requirements having identified their Important Business Services and related Impact Tolerance and their work on their self-assessment.