

Financial Accountability Regime

Where are you at?

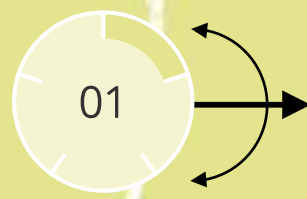
Now that the [Financial Accountability Regime \(FAR\) Bill 2023](#) has been passed by both chambers of Parliament, we expect that many institutions will be turning their minds towards implementation.

As with most regulatory changes, organisations want to be seen as being 'in-sync' with peers, both in progress and approach. Therefore, the purpose of this checkpoint tracker is to provide institutions with an indicator of where others are at across the key activities.

This progress indicator is based on Deloitte's industry insight across the financial services sector, and our view of the key activities and milestones that organisations should be undertaking to support compliance with FAR.

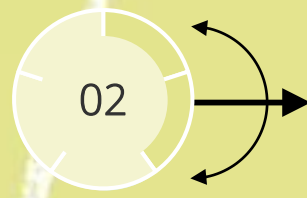


Key stage gates



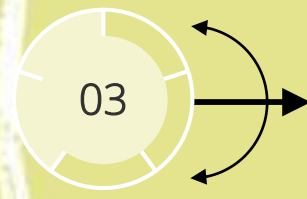
Creating foundations

Develop FAR project plan and program governance arrangements. Draw list of key stakeholders.



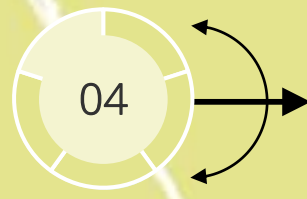
Identifying scope

Understand the application of FAR to individuals and entities and develop Accountability Statements / Maps.



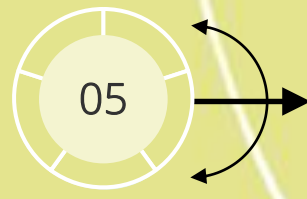
Taking reasonable steps

Equip individuals and entities with the right tools to support in demonstrating compliance with obligations.



Bringing FAR to life

Support the business, project team and individuals through structured communications and training programs.



Transitioning to BAU

Phasing the arrangements to the business, including through appropriate policies and processes.

Supporting activities

A | Create plan

Determine key activities and milestones to achieve compliance, and map key stakeholders based on impact vs influence.

B | Kick off program

Facilitate kick off workshop to discuss program plan, mapping of stakeholders, working assumptions and arrangements.

C | Deliver program

Execute the program in accordance with defined plan and engage with stakeholders through defined arrangements.

A | Document review

Conduct review of key documents and facilitate workshops to identify individuals and entities likely to be caught.

B | Perform interviews

Facilitate interviews and workshops to understand responsibilities, grey areas and adjacencies, and draft Accountability Statements.

C | Scenario test

Resolve gaps, greys and overlaps in responsibilities through scenario testing and case studies with relevant individuals.

D | Evolve statements

Test Accountability Statements and Map/s, including refining over time as responsibilities evolve, change, or shift.

A | Toolkit or guide

Develop documents that provides practical guidance to Accountable Persons and teams on evidencing current environment.

B | Assess ecosystem

Undertake an assessment of the Accountable Persons existing frameworks and processes to support in demonstrating compliance.

C | Identify gaps

Determine the gaps or areas of improvement in the Accountable Persons' ecosystem and approach to address these.

D | Document output

Finalise the reasonable steps ecosystem for the Accountable Person and decide approach for review and uplift over time.

A | Agree approach

Identify key stakeholders that are impacted by FAR and agree an engagement approach and plan, and document this.

B | Develop material

Develop practical guidance on how Accountable Persons and teams can execute responsibilities to comply.

C | Execute sessions

Conduct relevant training or info sessions, such as immersion/onboarding labs, Board education sessions, training for support teams.

A | Design process

Establish process for BAU admin and maintenance, breach identification and assessment, and ongoing compliance.

B | Setup function

Design a FAR BAU function that is fit-for-purpose, including composition, responsibilities, and interactions with business.

C | Perform handover

Effect the handover of responsibilities from project team to BAU function, including scenario testing the structures.

D | Execute role

Carry out responsibilities in accordance with policies and processes, and refine the approach to maintain compliance under FAR.

Industry progress

Many **Super Funds** are drafting Accountability Statements and have a plan in place to execute the remaining phases of work shortly.

Many **Insurers** are documenting and assessing reasonable steps, having already drafted Accountability Statements.

Many **ADIs** are conducting refreshes of existing arrangements and have undertaken post-implementation reviews to identify gaps.

How we can help...



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Templated project and stakeholder engagement plans



Methodology to identify accountable entities and persons



Approaches to drafting and examples of statements and maps



Frameworks for assessing/documenting reasonable steps



Off the shelf FAR policies and procedures to support transition to BAU



Case studies and guidance presentations for briefings and training sessions



Scoping and industry benchmarks for implementation reviews

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