

Compliance Is At The Heart Of Ireland's Financial Stability

YComply Managing Director **Ruth Gaffney** explains the important role regulatory compliance plays in protecting a company's reputation and profits

YComply is a regulatory compliance consultancy firm I founded in 2020. I have spent over 20 years working primarily in the insurance industry both in London in professional indemnity, general insurance and the life and pensions sectors in London and Ireland.

When I returned to Ireland in 2006, I started working in the life and pensions sector and I was working in an environment that was so driven by targets, sales, commissions and bonuses. I noticed that the customer was never really at the heart of the industry, nor was it about giving the right advice to the customer. I was very curious about this and noticed so many mistakes and could almost see what was going to happen further down the line. I did not have the confidence to speak up, but I trusted my gut that I could contribute my sales experience into the regulatory environment.

I decided to go back to UCC to pursue my Law degree at night for four years with a view to transferring into the legal and compliance sector within the insurance industry.

BUILDING TRUST AND CONFIDENCE

Compliance has now become a huge part of a regulated entity, and it no longer serves on the periphery of the business. Despite it being perceived as boring and restricting, the ultimate role that compliance plays is protecting your company's reputation and your company's profits. Compliance has a snowball effect, because when a regulated entity has all the correct policies and procedures in place, a company can focus on its operations with confidence, and a customer will trust a company that is compliant and continue to place their business with it. This has been the WHY for YComply.

I notice companies are still very much in a reactive space when it comes to compliance, rather than being proactive or, I as like to say, active. YComply assists with all the necessary policies and procedures and any major legislative changes that could impact on their business.

Ireland is a growing market for the Financial Services sector, as there are huge advantages to operating from Ireland for companies from other jurisdictions. We have



Ruth Gaffney, Managing Director, YComply

highly educated people, English is our first language, and we are part of the European market. YComply assists those companies who would like to have an office based in Ireland. YComply works with legal firms, accounting firms and consulting firms to assist in the obtaining a licence from the Central Bank of Ireland.

NEW LEGAL FRAMEWORK

Unfortunately, things still do go wrong and, when they do, the consequences – such as fines imposed on a company – can be very damaging. One of the biggest fines imposed on a firm was €24,500,000 to Bank of Ireland for the tracker mortgage scandal. This does affect the bank's reputation and this fine came

directly from the bank's profits, but so many people lost their homes unnecessarily which made consumers very angry. A new regulatory framework has been introduced where an individual working in a regulated entity must now be held accountable for their behaviour. This indicates the ongoing monitoring of specific areas so as to prevent mistakes.

There is also the risk of litigation, and YComply assists legal firms by providing expert witness reports to legal firms specialising in the insurance industry. YComply has both the industry knowledge, legal ability to interpret legislation and to highlight specific clauses in a contract that lawyers may only know legally but may not know exactly what it means to the actual product. This is why YComply plays a complementary role in litigation.

Since the financial crash, Ireland has now regained financial stability, and this is a direct result of compliance. This is a wonderful achievement to be part of.

For information, email info@ycomply.ie or visit ycomply.ie

