

CASE STUDY

Customer Screening: Monmouthshire Building Society



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Adam Henderson, Deputy Money Laundering Officer

Confidence in customer checks:
How automated daily screening reduces risk for
Monmouthshire Building Society

In June 2017, the 4th Money Laundering Regulation (4MLD) changed the way that businesses need to undertake their screening of politically exposed persons (PEPs), to include those in the UK, as well as internationally.

As a business headquartered in South Wales, Monmouthshire Building Society recognised that it may have a higher exposure to domestic PEPs as a result of the Welsh Assembly being located on its doorstep. Previously, the business had conducted manual [screening of PEPs](#), which was time-consuming and cumbersome, and knew that a manual option just wasn't practical to help identify and review their PEPs following the requirements of 4MLD.

That's where LexisNexis® Risk Solutions came in. Monmouthshire used LexisNexis® Bridger Insight® XG to carry out an initial scan of its customer book. Thanks to advanced adverse media screening capabilities, the tool was able to flag up customers who had money laundering convictions, or those with offences relating to money laundering, which helped support customer risk assessments. The business can now make informed decisions on whether to maintain business relationships in line with risk appetite and at the same time help fight financial crime.

Adam Henderson, Deputy Money Laundering Officer at Monmouthshire Building Society says: *"We would have never known this customer history before without manually searching through public data records. Suddenly what is an unusual transaction can become a suspicious one, which helps us with our reporting obligations, protecting our members' money, and ensuring that we continue to operate strong controls for fighting financial crime."*

As the Society provides savings accounts and mortgages, the frequency of transactions is a lot lower when compared to a current account provider. As a result, it can be more difficult to identify changes in customer behaviour. For Monmouthshire, *"it's not just about identification or verification of customers, it's about understanding the risks involved during the lifecycle of the customer relationship"*, according to Henderson. Monmouthshire currently uses [Bridger Insight XG](#) to screen all its customers, daily, against PEP and sanctions lists, which *"more than meets the requirements"* for the business at the moment and the team has *"never had any issues."*

Looking to the future, Monmouthshire hopes to expand the numbers of individuals screened using Bridger Insight XG, as its own customer base grows. LexisNexis Risk Solutions' software helps the Society stay true to its ethical values too. Thanks to the added customer screening capabilities, the business is able to ensure that it isn't entering into relationships with individuals who have been involved in financial crime. Henderson adds: *"[Bridger Insight XG] helps us underpin what's an ethical fit and what's not."* As the Society's risk appetite statements inform its strategy from a board level, these capabilities are critical.

As a fellow Wales-based business, the Society values the personable nature of its relationship with the LexisNexis Risk Solutions team and benefits from the location of their Cardiff headquarters. As the team is local, *"it makes things easier to know that should any issues occur, support is literally not far away"*, Henderson notes.

To find out how we can help you and your business
with customer screening, call 029 2067 8555
or email ukenquiry@lexisnexis.com

risk.lexisnexis.co.uk



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