

Head of Actuarial Function and Solvency II Actuarial Function

Mike Claffey
Milliman Breakfast Briefing
6 October 2015

Head of Actuarial Function

2 April

- CP92

29 May

- Consultation closed
- 11 responses received

6 Oct

- Publish feedback
- Publish final text of requirements

1 Jan 2016

- New PCF role commences
- CBI guidance for HoAF

Solvency II:

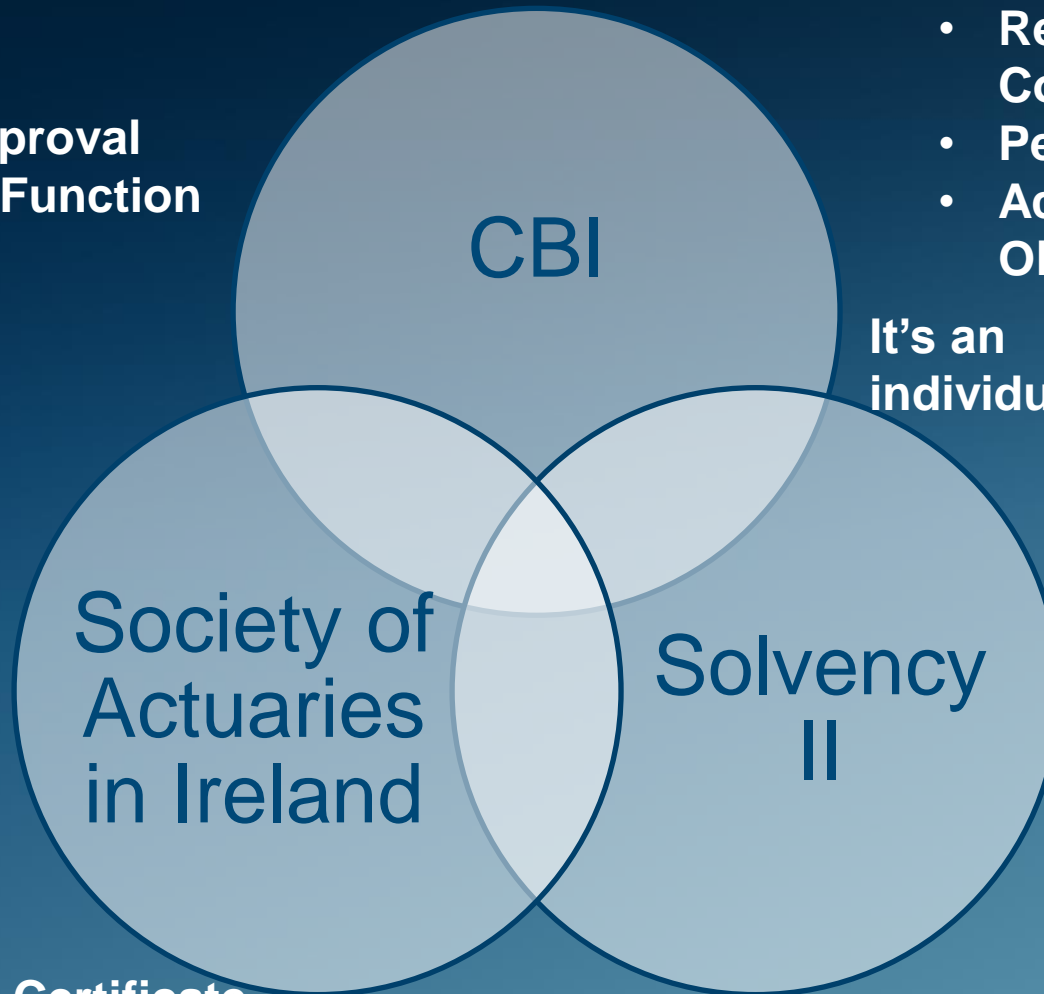
“Insurance and reinsurance undertakings shall provide for an effective actuarial function”
- Technical provisions, underwriting opinion, reinsurance opinion, contribute to RMS

Head of Actuarial Function

- CBI Pre-Approval Controlled Function

- Actuarial guidance
- CBI Guidance
- EIOPA Level 3 Guidance

- Practising Certificate from SAI



It's an individual

- Certify Technical Provisions to the CBI
- Reserving Policy (& Committee for non-life)
- Peer Review
- Actuarial opinion on ORSA to the Board

- Calculate Technical Provisions
- Opinion on underwriting
- Opinion on reinsurance
- Contribute to the RMS

Domestic Actuarial Regime and Related Governance Requirements

- Actuarial Function under Solvency II
 - May require a review of roles and responsibilities
- Propose a Head of Actuarial Function to the CBI
 - Experienced, influential, authoritative
 - Ensure independence
 - Member of an actuarial association
- Board approved Reserving Policy, non-life also requires a Reserving Committee
- HoAF certifies technical provisions to the CBI
 - External peer review (periodically)
- HoAF has wider responsibilities than existing Signing Actuaries
 - Actuarial Opinion to the Board on the ORSA and continuous compliance with the TPs

What happens now

- Domestic Actuarial Regime and Related Governance Requirements
 - Requirements published today
 - Imposed on a statutory basis by end 2015
- HoAF applications start
 - Board nominates HoAF
 - HoAF nomination application to the CBI
- HoAF approved and in place on 1 January 2016
- HoAF produces Actuarial Function Report end 2015 (Solvency II)
- HoAF produces Actuarial Opinion (& Actuarial Report) on Technical Provisions to Central Bank for annual QRTs on or after 30 June 2016
- HoAF gives opinion to Board on ORSA from 2016 onwards

Questions?



Upcoming Society of Actuaries Event

**CP92 Requirements and SAI
Practising Certificates**

Spencer Hotel, IFSC

Tuesday 13th October

4.30pm to 6.00pm

**Declan Lavelle (SAI) and Mark
Burke (Central Bank)**

