

Q1.4 By way of turning the question around, the absence of a reserved role for GI actuaries in companies has probably helped GI actuaries work in "non-traditional" areas. It has also helped clarify the collective responsibility of senior members of companies to understand Balance Sheet strength and financial adequacy, for example.

Q1.5 Any peer review or scrutiny needs to bear in mind the existing review/scrutiny processes in companies. In large organisations there is often considerable review/challenge by "Group" functions, as well as by external auditors and periodic external validation of processes and assumptions.

Q1.9 Senior actuaries who support the profession on a voluntary basis invariably have commercial considerations which might affect their independence, or perception of independence by others. If the profession employs senior actuaries as spokespeople, they would soon become removed from day-to-day contact with current business issues and might struggle to retain credibility within and without the profession. It will always be hard to resolve this Catch 22.

Q1.22 The introduction of statutory roles for actuaries has no doubt contributed to the growing number of GI actuaries in Lloyd's. However this growth has also been fuelled by a "pull" from Lloyd's and Managing Agents to make greater use of actuaries. The "reconstruction" work involved in the creation of Equitas and the introduction of a formal RBC process for Lloyd's have also lead to a boom in the demand for GI actuaries in Lloyd's and the London Market.

Q1.34 Whilst there are undoubtedly lessons that can be learnt from the accountancy profession, the relative size of the two professions may preclude some of those lessons being directly applicable to actuaries.

Q2.2 As noted in 1.4, the absence of a reserved role for GI actuaries in companies has probably helped reinforce the collective responsibility of senior members of companies to understand financial strength, and been a positive benefit.

Q2.15 I welcome the move to a more realistic reporting regime for establishing capital within general insurance companies. This will allow the benefits of scale and diversification to be more accurately reflected in a company's capital requirements. GI actuaries have been pivotal in developing the understanding of capital requirements in most general insurance companies.

Q2.17 Most general insurance actuaries have a wide range of responsibilities in their organisations, reflecting the lack of any reserved / specific role. Their work may include reserving, pricing, underwriting, purchasing reinsurance, negotiating commercial contracts or more general management responsibilities. Any attempt to codify or regulate their roles and responsibilities would need to reflect the wide range of activities in which they are typically engaged.

Q2.37 It is always worth widening the scope of activities that are subject to peer review or other forms of scrutiny. However any such review/scrutiny must be constructed to demonstrably add value to the clients and employers who would ultimately pay for it. It should also reflect and complement any review/scrutiny that already exists."