

## Institute and Faculty of Actuaries, **Regulatory Board**

<b>Subject</b>	AMS future thematic reviews (2025/26)
<b>Meeting date</b>	24 September 2024
<b>Previous Steer/Approval</b>	October 2020, September 2022
<b>Related horizon scan code</b>	All
<b>International issues considered?</b>	Relevant
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<b>Reviewer</b>	David Gordon, Senior Review Actuary
<b>Purpose</b>	Steer

### **A: Executive summary**

1. This paper is to provide the Board with proposals for broad themes on which to base future thematic reviews.
2. The Actuarial Monitoring Scheme (AMS) team has considered what reviews have taken place to date, and also the themes that are maintained by the Board through the Horizon Scan.
3. There are three main themes the AMS team proposes to consider further in developing thematic review topics:
  - [REDACTED]
  - [REDACTED]
  - [REDACTED]
4. The Board is asked to provide views on these themes, and whether there are others that should be explored before the outline scope and timetabling for the specific review topics are decided upon.

### **B: Introduction and Background**

5. The Thematic Review Programme has been running since 2020, and to date there have been eight completed reviews, with a further two currently in progress (Cyber Risk and Pension Scheme Design).
6. The thematic review reports published to date are:
  - Pension retirement factors
  - GI Home and Motor pricing
  - Climate-related risk
  - Funeral Plans
  - Equity Release mortgages
  - Corporate Pensions advice
  - Data Science and AI

- Pensions on Divorce
7. The AMS team will have capacity to commence new topics early in 2025, and, assuming the Board agrees three topics at this stage, would propose to launch the first topic in Q1/2, another later in the year with the third in early 2026.
  8. The FRC is currently carrying out trial runs of a monitoring scheme and this could influence the IFoA approach in future years and the exact scope of the chosen topics. This is to a large extent dependent on the content of the UK government Draft Audit Reform and Corporate Governance Bill, and the statutory powers to be conferred upon FRC's planned replacement, ARGA.

### **C: Key Considerations**

9. In proposing potential thematic review topics, we consider areas which have a high involvement of actuaries and/or may be seen as higher risk areas of activity.
10. The main indicator for potential themes or topics is the Board Horizon Scan. This has been supplemented by wider consideration of other regulatory activity and priorities (for previous exercises the JFAR Risk Perspective was a useful source – this is no longer being updated following the move away from JFAR in favour of regulatory bilateral meetings).
11. [REDACTED]
12. [REDACTED]
13. [REDACTED]
14. [REDACTED]
15. [REDACTED]
16. [REDACTED]
17. [REDACTED]
18. [REDACTED]
19. [REDACTED]
20. [REDACTED]
21. [REDACTED]

### **D: Conclusions**

22. The Board is asked to provide a steer on these three broad themes highlighted in this paper, and any further themes they would like the AMS team to consider. Additionally, if the Board has strong views on more specific review topics, the AMS team will take that into account in its planning.
23. The AMS team proposes to provide a noting paper for the November Board meeting setting out the eventual specific review topics and indicative timescales, with the intention to communicate to IFoA members thereafter.