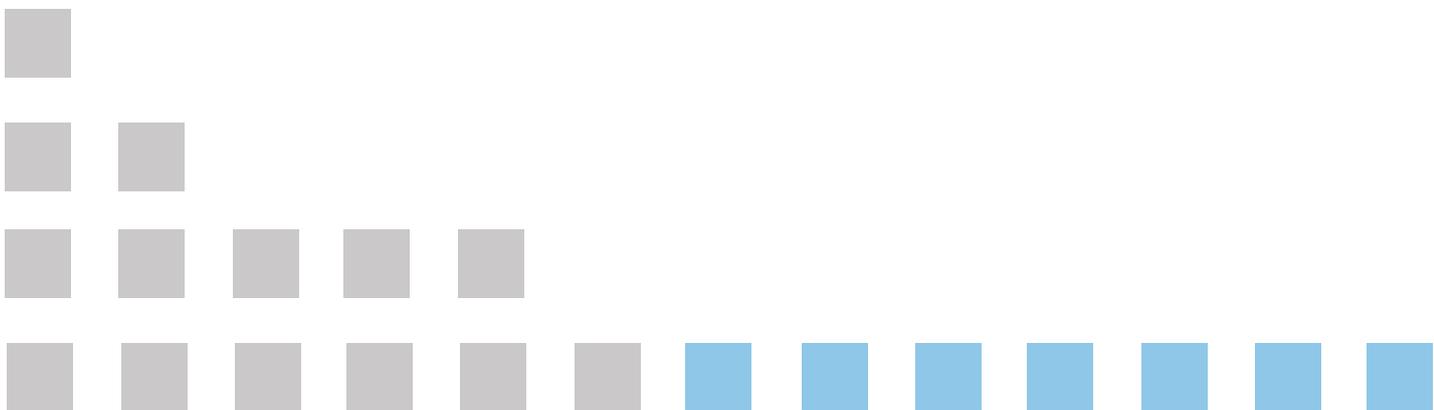


# Insurance Managers Thematic

Key findings



# Insurance Managers Thematic

## Organisational structure

The organisational structures are quite similar across the sector, with MD/CEO's, senior finance and insurance personnel in place and a supporting accounting team.

All managers would appear to have sufficient staff numbers, a large element of which are relevantly professionally qualified personnel. These include financial, actuarial and compliance-based qualifications.

We would however like to see more analysis from the respective insurance managers on how the level of staff relative to the number of clients and services being provided or to be provided are considered and the matching of staff to the volume of business both from a time resource and skills perspective.

## Training

Most firms have covered the topical issues facing the industry with specific training on areas such as cyber-security, data security, AML and anti-bribery law.

Much of the training provided was internal but certain external training for insurance-specific areas and accounting was also provided.

The training provided should be kept under review to ensure that it covers the areas where there are developments in the sector or where improvements are needed. The training records of firms should include all courses attended by staff so that individual's continuous professional development can be monitored centrally.

## Procedures manuals

A broad range of procedures are in place across the firms, with a strong focus on AML, KYC, data-protection and risk management.

As the industry evolves, we would expect the number and type of procedures required to expand. We are pleased to see that insurance managers have given areas such as cyber-security and data protection the priority which they require.

Procedures manuals should however cover all areas of the business and include details of the four-eyes requirements for the processes and controls and risk management considerations relative to these.

## Risk registers

Whilst most firms had a risk register or risk appetite document, firms should consider best practice in this area and ensure that their risk registers set out the key risks faced by the organisation as well as any mitigating controls or plans that the company could implement to reduce the overall inherent risk.

## Conflicts of interest

We identified that a low number of potential conflicts of interest were recorded across the firms. However, for those conflicts registered, these were monitored carefully and in an appropriate manner.

Due to the size of the jurisdiction a strong emphasis on conflicts of interest would be expected and we would encourage firms to continue with their efforts in this area.

## Board and Committee Meeting Minutes

All firms have their own way of carrying out and structuring committee/board meetings and maintaining the minutes. We have seen that there is a significantly high quality of minute taking and clarity in actions required across the firms and this gives us significant comfort that the firms see the importance and value of maintaining these minutes, not just as best practice but as a highly effective internal tool.

Board minutes should cover all agenda items so that there is a record of all matters discussed, including the challenge provided by directors to the work performed by executive directors and management; and firms should continue to consider the matters which should be documented given the extent of governance required by Solvency II.

## Financial reporting for clients

Each firm has its own method of providing financial analysis and reporting. Firms should continue to consider how best to present the financial reporting data for firms given the extent of data required to be analysed and reported under Solvency II. The extent of reporting should be proportionate to the size of the business and the number of different classes and geographies in which the firm is underwriting policies. This should be sufficient to allow the board to understand the underwriting results on a class and country basis. Ideally there should also be some commentary on the data validation and verification performed in producing the management information packs so that the Board can understand the reliability of the data being considered.

Insurance managers, together with their respective clients, may want to consider whether it is now appropriate, to the extent that this is not currently in place, to introduce standard reporting templates for premiums and claims bordereaux to facilitate the financial reporting process and data analysis.

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