

Bank of England PRA

Meeting Summary

PRA/ABI Solvency UK Attestation Subject Expert Group (ASEG): Seventh Meeting

29 March 2023

Location: Bank of England Offices, MS Teams

Attendees: The PRA, ABI and HMT

Representatives of the following insurance firms:

- Aviva, Just, Phoenix Group, PIC, Rothesay, Royal London, Legal & General, Scottish Widows Group
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Agenda

1. Introductions and recap on previous meeting
2. Industry's proposal on the Attestation process
3. Industry reflections on PRA Attestation process
4. Framework for supporting the Attestation
5. Next Steps

Summary of meeting

This final ASEG meeting was held on Wednesday 29 March. Following on from the previous meeting, in which the PRA set out its view as to a potential attestation process, industry representatives shared proposals that had been previously discussed amongst themselves.

Many industry representatives agreed that the existing FS and allocation of credit ratings for all asset types was sufficient allowance for retained risks and that MA should equal

spread minus FS. Some industry representatives questioned the materiality of the attestation process.

The group explored whether there was ground for further discussing whether liquidity premium could be considered as representing a high degree of confidence in the MA being earned, but there was limited scope for reaching a consensus on the final definition that would be required in this instance.

The group also discussed the following three options on the framework for supporting the attestation:

- Private submission to the PRA which would largely rely on supervision review
- Some degree of public disclosure, harnessing market discipline on makeup of firms' MAPs
- Use of external auditors