

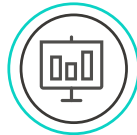
# Senior Executive Accountability Regime (SEAR)

## Current regulatory focus on accountability

Draft legislation implementing the Individual Accountability Framework and Senior Executive Accountability Regime is on the government's legislative programme and publication is expected in the near future.

Pending the publication of the draft legislation, initially promised for year-end 2019, we have observed a clear and continuing regulatory focus on individual accountability in the Central Bank's engagements with industry.

***Our Practice Specialist and Legal Project Management teams are ready to plan, advise on and oversee your implementation project end to end.***



The Central Bank Priorities for 2020 outlined a strong focus on individual accountability as enforcement and policy priorities



Record number of Central Bank enforcement outcomes against individuals under the Administrative Sanctions Procedure in 2020



Several new roles were added to the list of pre-approval controlled functions, listed roles require Central Bank pre-approval for appointments and impose standards of behaviour and competence requirements on individuals.



A Dear CEO letter on Fitness and Probity was issued by the Central Bank, following the results of a themed inspection of banks and insurers. When the UK rolled out its accountability regime banks and then insurers were the first industry sectors subject to the regime.



Consumer Protection Outlook Report for 2020 sets the Central Bank's expectation that firms must focus on values and conduct and individual accountability in order to improve culture



The Central Bank published an anti-money laundering bulletin in which the role of the Board and senior management in taking appropriate measures to address weaknesses is noted



In the Business Interruption Insurance Supervisory Framework the Central Bank includes expectations on senior management and Board accountability



In the insurance sector, Boards and senior management are expected to take responsibility for the impact of certain practices on customers. The Central Bank has stated its expectation that roles and responsibilities for pricing practices should be clearly defined.