

Fitness & Probity  
Central Bank of Ireland  
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Dublin 1

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10<sup>th</sup> July 2025

**RE: Response to CP160 Consultation Paper on the Amendments to the Fitness and Probity Regime**

To whom it may concern,

Laya Healthcare ("Laya") welcomes the invitation to share our views and engage with the Central Bank of Ireland's, ("Central Bank"), on the amendments to the Fitness & Probity regime.

Laya supports the need for a robust Fitness and Probity regime, which will support trust in financial services. Individuals understand that by taking on a controlled function role, they will have a material impact on a firm's affairs and role within the wider financial system. Laya believes that proportionality, transparency and consistency must be embedded in the robust F&P regime and welcomes that in line with recommendations made by the Enria Report.

The guidance will need to remain readable and concise to avoid ambiguity and further enhanced with practical examples. Sector specific PCF listing would further ensure a consistent understanding and application. Together with the Central Bank we hope to remove the complexity for our team and any new proposed individuals to PCF & CF roles going forward. The below responses aim to highlight the areas for improvement or clarity in the proposed regulations and supporting guidance.

If you have any questions about this letter or require any further information, please contact me.

Yours sincerely,

*Mary Condon*

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Mary Condon  
Director of Risk, Regulatory & Compliance  
Laya Healthcare Limited

## Consultation Questions:

### 1 (a) Do you agree with the proposed revision to the draft Guidance?

*Laya embraces the Central Banks efforts to provide further clarity with regard to the Fitness and probity regime. The consolidation of the guidance materials into a single structured document is a welcome development and will support a more consistent approach.*

*It provides Laya and the Industry with the knowledge to meet the Central bank expectations and allows Laya to be prepared to apply these to our business processes. However, from reviewing the consultation paper in conjunction with the guidance there are some instances that further clarification would be beneficial as outlined in the following questions.*

### 1 (b) Are the enhancements to the draft Guidance useful to you?

*The enhancements made particularly around the expectations regarding the PCF roles, the clarification on conflicts of interests and a renewed emphasis on collective suitability and diversity are useful.*

*Some additional clarification would be valuable on points such as ongoing due diligence obligations for the CF & PCF roles, expansion on the past conduct considerations i.e. (10 year look back) and increase focus on the governance culture and the board composition.*

### 1 (c) What other elements could the Central Bank include within the draft Guidance?

*Laya has worked with Insurance Ireland over the last number of weeks to contribute to an insurance industry response, there it will detail a breakdown of proposed updates that should be considered for inclusion into the draft guidance.*

*However, at high level we would suggest that some areas could be considered and prioritised to provide further clarification on such as examples of acceptable documentation or good practice could be provided i.e. specifically around proving financial soundness of a proposed individual or evidence of time commitments etc.*

*A glossary of key terms could also be beneficial with terms defined such as 'material conflict / material change or concern' or 'collective suitability' which could support consistent interpretation across all industries.*

### 2 (a) Do you agree with the proposed revisions to the PCF list?

*Laya welcomes the Central Banks efforts to remove the duplication of roles within the PCF listing and a consolidated list would be beneficial, however we believe that the proposed listing causes some concerns by removing sector specific roles. Our hope was that any changes would reduce ambiguity and support more consistent implementation across the different firms.*

*However, the proposed listing opens up the requirement and the need for other PCF roles to be established within the insurance and intermediary sector that were not previously required*

*therefore, increasing the number of PCF roles in these sectors. While some PCF roles exist across all sectors not all PCF roles are material to every sector to justify being a PCF. Retaining the sector specific categorisations also provides greater clarity and certainty for firms and removing these categories goes against the spirit of what the consultation is aiming to achieve – simplification. Laya seeks further guidance and clarification on why this is being proposed and how the Central bank feels that this simplifies the PCF listing.*

## **2(b) Have you identified any issues with this revision?**

*From Laya's review of the guidance, we have identified some areas of the guidance that could cause some concern, and further clarification would be valuable.*

*The Standard of Financial soundness – raises the issue of how a firm should evidence this from a proposed CF & PCF individual and there is a potential issue that this is crossing into GDPR territory if asking for personal information regarding credit checks.*

*Board members – In the guidance there is a specific requirement for INED & NED roles to have had practical experience in recent managerial roles this could impact on the diversity of board teams and discourage people from going for the role, similarly with the Executive Director requirement of 5 years recent practical experience. This could have potential impact on succession planning within the business.*

*Due Diligence – limited examples of acceptable documentation or good practice has been provided within the guidance to date, and more detailed guidance would be beneficial.*

*Material changes & Concerns – further clarity should be provided on the notification to the Central bank on Instances whereby the material change/concern has occurred.*

*Head of Finance – Where a HoF must be a member of a recognised accountancy body and only in exceptional circumstances would non-accountants be considered may be seen as a limitation and could have succession planning consequences in the future and potentially deter team members for achieving this role. Employees from the actuarial profession could be equally qualified for the position and not just in exceptional circumstances.*

*PCF Listing – Removing the sector specific PCF roles, this poses a concern whereby some PCF roles may not apply across all sectors therefore increasing the number of existing PCF roles within the firm as stated above not all roles are material to each sector to justify being categorised as PCF.*