

# Five operating-layer problems worth fixing in 2026

For chief actuaries. 4-minute read.

## The problem

Your engine is fine. The work around it is not. After a decade of investing in Prophet, AXIS or in-house actuarial engines, the residual risk has moved into the operating layer: the overlays, the assumptions estate, the actuarial-to-finance reconciliations, the IFRS 17 close, and the documentation. These five problems compound quietly. Each is fixable inside a single financial year if it is scoped honestly.

## Five problems, each scoped in under eight weeks

- **Overlay sprawl.** Count the post-engine adjustment workbooks touching the last valuation. If there are more than ten, name an overlay owner, retire half within one cycle, and migrate the rest into versioned configuration. Owner: statutory actuary. Six to eight weeks.
- **Unversioned assumptions.** The economic, demographic, expense and reinsurance tables that drive every number should sit in one versioned store with reporting-basis awareness (IFRS 17 CSM, SAM SCR, embedded value, internal). Anything else is reconstructable only from emails. Owner: assumptions lead. Six weeks.
- **Manual actuarial-to-finance reconciliations.** Replace the quarterly heroics with an instrumented pipeline that publishes a signed reconciliation pack. Target: zero manual breaks above the materiality threshold. Owner: chief actuary plus finance director. Eight weeks.
- **Slow IFRS 17 close.** Instrument the close calendar end-to-end before you optimise anything. Most teams discover three to four days disappear into wait states between actuarial and finance. Compress those first. Owner: IFRS 17 lead. See the CFO brief in this series.
- **Stale documentation.** Treat model documentation as an artefact regenerated each cycle from the same configuration that produced the run. Documentation that lives in a Word file on a shared drive is, by month three, fiction. Owner: statutory actuary plus model risk. Four weeks per model family.

## What good looks like by Q4 2026

- Every number on the regulator-facing pack traces, in under five minutes, to the source data, model output, assumption and adjustment that produced it.
- The IFRS 17 close runs in nine working days, not fifteen, and you can name where the savings came from.
- A new actuarial analyst can reproduce last quarter's SAM SCR run from a clean checkout, without asking three colleagues where the inputs live.