

Institute and Faculty of Actuaries, **Regulatory Board**

Subject	IFoA Executive Update
Meeting date	14 May 2024
Author	Executive Team
Reviewer	Emma Gilpin, Head of Regulatory Policy
Purpose	Noting

A: Introduction

1. This paper provides an update on the work of the IFoA Executive Team since the meeting of the Board in February 2024 and highlights key issues and developments for the Board to note.
2. **PLEASE NOTE:** Board Members are asked to let Sarah Borthwick, Interim Board Secretary (rbsecretary@actuaries.org.uk) know **at least three days in advance** if there are aspects of the update paper that they would like to discuss, so that appropriate time can be allocated in the agenda and the appropriate member of the Executive team can arrange to attend the meeting. We would also be happy to answer any questions on the below topics via email.

B: Key Developments and Updates

IFoA organisational updates

3. [REDACTED]
4. The IFoA's Corporate Plan for 24-25 was issued on 1 April and is a roadmap of what the organisation wants to achieve for the next 12 months to ensure that it is making progress against its 2020 – 2024 strategy. The strategy focuses on three pillars; to reposition the profession, transform member's IFoA experience, and foster a vibrant, global community. The plan can be seen at Appendix 1. Objectives 6 and 8 are particularly relevant to the work of the Regulatory Board.
5. Work has begun to develop the IFoA's next multi-year strategy to be launched at the beginning of 2025. It is currently not decided whether this will be a three or five year strategy.
6. In April 2024 the IFoA launched a call for views on the future of Council. A Council Working Group has been set up to discuss and engage with members on the future of the Council. This is part of an effort by the current Council to make sure that the profession both represents its members as well as possible and serves the public interest in furthering the application of actuarial expertise.
7. On 8 April 2024, the IFoA appointed Lord Currie of Marylebone as the inaugural chair of the new IFoA Board. The appointment was made with immediate effect for an initial three year period.
8. On 3 May 2024, the next President Elect of the IFoA was announced as Paul Sweeting. He will take up post in June and will be the first President to have a two year term under the new governance arrangements.

Sub Committees and Boards

9. The **DPB Board** held its most recent meeting on 1 May, where it reviewed ICAEW's annual report on firm visits and the DPB Annual Return 2023, which all DPB firms complete. There were no major supervisory or remedial issues observed and DPB firms continue to be in steady state. The Board also revised its workplan and projected timings for the ongoing Handbook Review, with further consultation with stakeholders expected and a period of rule drafting during Q3/Q4. The Board also discussed opportunities to market the scheme and raise awareness, with the IFoA's Marketing and Strategy Lead, Sarah Holman. The Board has welcomed three new members: Alison Carr (non-actuary); Sophie Wright (non-actuary) and Colin Mayger (actuary). More detail is set out in the DPB Annual Report (Paper 14, on agenda).
10. The **Disciplinary Committee** welcomed Paul Brooks, Convener of the Adjudication Panels, to their March meeting. The Committee also considered a review of the Determinations Review Sub-Committee and received an update on the embedding of the new Disciplinary Scheme.

CPD and professional skills

11. The second release of **professional skills training content** for the 2023-24 CPD year was published on 28 March. The content included three videos and two mini case studies. An ethical self-assessment quiz developed by ethicists at the Inter-Disciplinary Ethics Applied Centre at the University of Leeds and hosted on the IFoA's Virtual Learning Environment, will be published in May. Work is progressing well for the first release of content for the 2024-25 CPD year in September.
12. Since the last Executive update in February the **Reflective Practice team** have completed a further 58 IFoA led RPDs.
13. A trial of IFoA Group Reflective Practice Discussions commenced on 16 April, initial feedback is positive and suggests that group reflection brings additional benefit and opportunity to gain different perspectives. Findings from the Group RPD Trial and reworked KPIs for the Reflective Practice Programme will be presented in a paper at the July Regulatory Board meeting.

QAS

14. The consultation on the integration of the **QAS and PC Scheme** has been delayed due to due to uncertainties around the consultation on the Guidance supporting the DEI changes to the Code and the need to stagger regulatory member consultations.
15. Procurement for a new specialist reviewer of the **QAS sub-outcome**, Quality Assurance has taken place with a successful applicant provisionally selected, pending internal checks and agreement between both parties. In addition, recruitment for a new Lay Chair of the QAS Committee went live on 19 April. The current Chair is to step down in December at the end of his tenure.

Practising Certificates

16. The removal of the requirement for reviewing actuaries to hold a Practising Certificate came into effect on 2 April, with the draft guidance for those acting in such roles published for feedback for a period of four weeks. The consultation period has now closed and received seven responses, including some helpful suggestions for improvements to the guidance. The Executive is currently making those amendments and will share with the Board by email for final approval in the coming weeks.
17. The Post-Implementation review of the PC Scheme has commenced, with a survey issued to all PC holders to gather feedback on the changes. The survey has now closed and received 90 responses. The Executive is currently analysing the data received, with further information gathering exercises planned over the coming months to help inform the review.

Standards

18. Various members of the IFoA's Regulatory Policy Team met with the FRC's Actuarial Policy Team for an update on **TAS 310** (Collective Money Purchase Pensions), including discussion on the response to the consultation, (including IFoA's private response) and publication timescales.
19. The formal **TAS 200** (Insurance) consultation closes on May 10th. IFoA informal verbal feedback, broadly supportive in nature, was provided in a recent call with the FRC, following review of the proposed changes by the Regulatory Policy and Policy / Public Affairs teams. It was agreed that the key points from the feedback would be confirmed privately in writing to the FRC during May.

Actuarial Monitoring Scheme (AMS)

20. Following Regulatory Board discussions and endorsement, the **Review Team** has published thematic review reports on Data Science and AI (March) and Pensions on Divorce (April). Both reports have had attention through trade press and social media, with the Pensions on Divorce report also being briefly mentioned during a House of Lords debate on family law.
21. A webinar open to all IFoA members was held during March to promote the key findings of the Data Science and AI review. This webinar had over 400 sign-ups and 150 attendees on the day, with a range of interesting questions raised.
22. A further all-member webinar will take place at the end of May to highlight the key findings from the Pensions on Divorce review.
23. Initial planning and scoping activity has started for a Cyber risk thematic review with the main bulk of activity for this review planned for 2024.

The Financial Reporting Council (FRC)

24. The **FRC supervision period for 2023/4** is closed and the FRC are planning to attend the July meeting to present the draft private report. The report is included with Paper 16, below.

25. The FRC have shared their supervision plan for 2024-2025, which sets out their proposed oversight activities during the period. Meetings have taken place with the FRC to discuss this. A copy of the plan is included with Paper 16.
26. The FRC have published their plan and budget for 2024/25. The plan for spend on actuarial regulation can be seen at page 24 onwards of the linked document.

International Association of Actuaries (IAA) and Actuarial Association of Europe (AAE)

27. The AAE held their Spring meeting in Vilnius in late April where there were discussions at the Professionalism Committee about proposals to lobby for a centralised European body to set 'fit and proper' standards/requirements for actuaries, although there was a significant degree of pushback from a number of the represented associations (including the IFoA) and no proposals have been agreed.
28. At the same meeting, the IFoA met with representatives of the AAE for discussions around the Mutual Recognition Agreement, in which the IFoA does not currently participate. Those discussions continue.
29. The IAA is due to meet in Seoul in May where it is anticipated that there will be a Task Force set up to review the general standard ISAP 1. This is the standard with which member associations are expected to attain substantial consistency in their own standards.
30. A more detailed overview of IAA and AAE matters as they relate to the Board's functions has been tabled into the Regulatory Board's agenda for later in the year.

C: Key Planned Activities for Next Period (Up to next full Board meeting)

31. In addition to work mentioned above, over the next period, we anticipate the following key activities:
 1. Launch and promote new Professional and Regulatory Support Helpdesk.
 2. Potential consultation on the Guidance supporting the DEI changes to the Code.
 3. Continue to collate feedback to inform the Post-Implementation Review of the Practising Certificates Scheme.
 4. Recruitment of new QAS Chair to finalise and adverts for a Non-UK Actuary Member, Lay Member and Actuary Member to go live.
 5. Further planning, scoping and promotional work for a Cyber risk thematic review, planned to launch with IFoA members in June. Additionally, work will commence on a Pension scheme design thematic review due to launch during later in 2024.
 6. Member survey on Actuarial Profession Standard X2 proposed (Paper 7, below)
 7. DPB consultation concluded and review of responses completed.

D: Appendices

- **Appendix 1 – IFoA Corporate Plan**