



## Regulatory Board interim meeting

9 March 2023, 10:30-11:30, via MS Teams

<b>Board</b>	David Broadbent, Edwin Sheaf, Helen Brown, Melanie Puri, Mike Smedley, Neil Buckley (Chair), Nicola Williams, Oliver Bettis, Sue Lewis, Simon Martin
<b>Executive</b>	Alan Marshall, Cargill Sanderson, Chiara McCormack, David Gordon (item 1), Elena McLachlan (item 2), Fiona Goddard, Hannah MacLeod, Neri Narkute
<b>Apologies</b>	Ben Kemp, Mitesh Soni
<b>Notes by</b>	Hannah MacLeod, Neri Narkute

### 1. Corporate pensions review findings and draft Thematic Review report

DG introduced the approval paper and noted that it summarised the Thematic Review findings and provided a note on the methodology applied.

The Board welcomed the report and raised the following points in discussion:

- The finding relating to the communication of assumptions underlying buy-out estimates was queried. It was suggested that it should not be a requirement that actuaries back-solve in terms of what the assumptions are. DG replied noting the TAS 100 requirements in this area and agreed to refine the wording relating to this finding.
- There was a discussion regarding the suggestion within the report that objectives are often not clearly set out within communications, with some comments that it was unrealistic to expect this where advice was provided orally or by email. Also noted that it is important to have an audit trail in terms of objections and the decisions being made.
- It was agreed that the Review should promote good practice and the accessible style of the report was welcomed.
- It was noted that the report contained nothing on ESG factors and DG agreed to reflect on this.
- Comments were made that finding 8 might have been more prominent. DG noted that this finding related to only two examples.
- It was noted that it should be very clear who the actuary providing advice is, in order to comply with the Code.

NB summarised the discussion and noted his view that the report was well written. NB agreed to work with the Executive to finalise the Report Foreword, including strengthening references to the public interest.

### 2. Board response to corporate pensions report

EM introduced the paper and noted that the draft Thematic Review report does not suggest that there are material regulatory gaps, but that there might be areas for the Board to consider

regarding best practice for members. The paper suggested a number of points that could be highlighted in the foreword and other issues that might be addressed in other ways including the webinar (scheduled for 4 May), professional skills training, guidance to the Actuaries Code, etc.

The Board in discussion noted the following:

- The signature issue to ensure compliance with the Code.
- The Board may wish to have a later discussion about what requirements are needed to improve communication, particularly regarding objectives and risk.
- It was noted that the Review Report was to be shared with fellow regulators and highlighted in the Actuary magazine.

The Chair concluded that the Board agreed with the points outlined in EM's paper.

**Actions:**

- DG to consider the feedback from this meeting in finalising the report.
- NB to reflect on the foreword, in particular noting the public interest.
- Executive to review guidance to the Actuaries' Code in light of review findings, to ensure the findings, particularly those around communication, are reflected.
- Executive to ask the Professional Skills Sub Committee to explore possible professional skills materials to provide members with additional support and guidance in this area
- Executive to discuss review feedback with the IFoA's education and lifelong learning team to support their consideration of ways to develop relevant competencies within the overall learning offering.
- Executive to ensure findings are reflected in any formal response to the FRC's planned consultation on changes to TAS 300