**Quality Assurance Scheme Sub-Committee (QAS-SC)**

**08 December 2020, 10.00 -13.00**

Videoconference

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| **Attending:** | Victor Olowe (Chair), Ruth Thomas, Wendy Walford, Alison Carr, Iain McGrory, Alison Carr (lay), Helen Brown, Tze Leong Chan (for part of the meeting) |
| **Executive Staff:** | Katie Wood, Emma Gilpin (for part of the meeting) Cargill Sanderson, Emma Burns, Karen Cross |
| **Apologies:** | Douglas Green. |

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| Item | Title | | Action |
| **1.** | **Welcome, conflicts and minutes** | |  |
|  | **1.1** | Some of the Sub-Committee (SC) members indicated that there may be a conflict for them when discussing Practising Certificates as they themselves hold certificates. This general conflict was noted but deemed unavoidable for any Practising Certificate holder taking part in these broad discussions.  No other conflicts were declared. |  |
|  | **3.1** | The SC agreed to bring forward the consideration of this item.  EG informed the group she had attended the meeting to hear the SC’s thoughts on the possible approaches for awarding Practising Certificates (PC), set out in the paper provided. One possible approach is using integration of QAS and the PC process, recognising QAS provides more assurance, as through the Scheme the IFoA is already familiar with those organisations’ controls. This could, perhaps, enable QAS organisations to be required to renew their PCs less frequently.  Another, possibly more complex option could be QAS organisations are exempt from the PC process and have an internal process to appoint staff members most suitable to hold a PC.  EG was keen to get the SC’s views on these options to help inform the proposal which will go to the Regulation Board.  The SC asked why PCs require an annual renewal. EG explained that it is similar to a specialist accreditation, therefore it is hard to compare with the models used by other professional bodies where members are required to hold a PC to be able to carry out their professional roles.  Some SC members were opposed to running the PC Scheme internally within their organisations because they felt it could have a negative public perception and also give rise to internal conflicts of interest. The concerns related to the public protection aspect of the PC process, given that the proposal would enable an individual to make a determination in relation to the matter, which at present is carried out by an IFoA Committee or a member of the IFoA Executive.  There were also concerns about the public perception of the profession “marking its own homework”. The matter of an individual (such as the SQAR) being potentially conflicted in terms of their professional responsibilities (upholding professional standards) and possible commercial pressure from their employer (should the employer wish a PC to be issued to an individual) would potentially lead to a difficult personal conflict for the individual involved.  The SC thought the only potential exception to this could be a Chief Actuary position because they are regulated by both the IFoA and PRA and this new approach could remove duplication. EG explained the PRA, in relation to insurers, focuses on the regulation of the firm as a whole rather than the individual. However, it was felt by a number of SC members that the PC Scheme focuses on individual competencies rather than the organisation.  The SC indicated that a potential benefit to QAS members could be the maintaining of employees’ PCs provided that the decision to issue the PC is taken by the IFoA.  The SC further noted that another potential option for QAS organisations could be the issuing of a provisional or restricted practising certificate to supervised employees who might be on track for a full practising certificate in the future, which was an approach that was adopted previously.  The SC concluded that this policy proposal was potentially an interesting and exciting possibility for QAS organisations to benefit from a further recognition of their assurance of standards enabling a different regulatory approach for QAS member organisations including potential cost savings.  EG advised the SC that their helpful input will be fed into the wider discussion in relation to the Practising Certificates Review, led by the Regulation Board.  *[EG thanked the SC for their input and left the meeting at 10.47am.]* |  |
|  | **1.2** | Minutes of previous meeting on 10 September 2020 were approved subject to relevant amendments arising from the redacted minutes. |  |
|  | **1.3** | Minutes of previous meeting on 15 October 2020 were approved subject to relevant amendments arising from the redacted minutes. |  |
|  | **1.4** | The redacted minutes for publication were discussed. The SC mentioned that for consistency the Executive should be referred to as ‘Executive’ throughout the minute rather than ‘IFoA Executive’ in some parts. The SC requested [REDACTED].  The SC also suggested that more positive language could be used in the summary section of the October meeting, in relation to the length of responses provided in Annual Returns.  It was also noted there were a couple of minor typos in the same section.  **Action.**  It was discussed that having redacted text could be a higher risk, if text to be redacted is missed, however it was decided that the review by the SC would mitigate this risk.  It was also agreed to have one summary only, at the start of the relevant sections, which combines the discussion points and a summary of the decisions taken. It was further agreed that the section would be given a sub-title which includes the word “summary” which will assist the reader in understanding the context of that section. **Action.**  The SC approved both full minutes from 10 September and 15 October and subject to changes mentioned above, approved both of the redacted minutes.  *[REDACTED] left the meeting at 11.00am.]* | Executive  Executive |
| **2.** | **Standing items** | |  |
|  | **2.1** | The action list was noted with no further comments. |  |
|  | **2.2** | The strategic plan was noted with no further comments. |  |
| **3.** | **Update from the IFoA Executive** | |  |
|  | **3.1** | As discussed above. |  |
|  | **3.2** | The Executive update was noted. [REDACTED]. |  |
| **4.** | **Annual Returns**  **Summary**  The SC discussed Annual Returns from seven organisations in total, six of which the SC were satisfied they did not need further information.  The SC noted in particular the information provided by the organisations in relation to their responses to the COVID 19 crisis and the consequential impact on their working practices.  The SC requested more information from one organisation in regard to peer review conflicts of interest, and training and development. | |  |
|  | **4.1** | [REDACTED] Annual Return was discussed. The SC were satisfied with this return and had no further comments, [REDACTED]. |  |
|  | **4.2** | [REDACTED] Annual Return was discussed. The SC considered that there was insufficient information on how their work was peer reviewed. It was also discussed that there was not an explanation of how conflicts are managed, although there was some information later in the form about this. It was also noted that there was a good description of the training undertaken by staff to enable them to work from home, but no information provided in relation to other training and development.  Therefore, although [REDACTED] have provided a detailed explanation of adapting to the pandemic, which is a useful insight, there was not enough information on the general standards and processes.  The SC requested the Executive to seek more information on these issues. The SC will then consider the annual return and rate this firm once they have received more detail. **Action.** | Executive |
|  | **4.3** | [REDACTED] Annual Return was discussed and the SC agreed that this was an excellent return, which they were satisfied with, there were no further comments [REDACTED]. |  |
|  | **4.4** | [REDACTED] Annual Return was discussed. The SC noted that it contained no detail confirming who reviewed the form, however they were satisfied with the return [REDACTED]. |  |
|  | **4.5** | [REDACTED] Annual Return was discussed. The SC were satisfied with this return and had no further comments, [REDACTED]. |  |
|  | **4.6** | [REDACTED] Annual Return was discussed. [REDACTED].  The SC were satisfied with the return and had no further comments on the form. [REDACTED] |  |
|  | **4.7** | [REDACTED] Annual Return was discussed and the SC agreed that, there were no further comments [REDACTED] |  |
| **5.** | **Applications**  **Summary**  The SC discussed three applications, one of which was for a new accreditation, and two of which were for amendments to existing accreditations. The SC was satisfied with one application, and was satisfied with the other two provided that the MRAs were resolved to the satisfaction of the Executive.  The SC was encouraged that the visits carried out by ICAEW had been completed successfully on a remote basis. | |  |
|  | **5.1** | The application for [REDACTED] was discussed and the SC were content to accredit the organisation [REDACTED] which had been highlighted in the excellent report from ICAEW. **Action.** | Executive |
|  | **5.2** | The SC discussed [REDACTED] If this is not the case, the matter should be referred to the SC at its next meeting. **Action.** | Executive |
|  | **5.3** | [REDACTED] Accreditation Report was discussed, the SC were content with the report [REDACTED]. |  |
| **6.** | **Interim Visits**  **Summary**  The SC noted ICAEW interim reports from three organisations and were satisfied with their content.  The SC discussed, as a result of the interim visits, the impact of COVID-19 changes to working practices on matters such as the storage of hard copy files, and noted with interest that the pandemic may lead to significant changes in the way QAS organisations work. | |  |
|  | **6.1** | [REDACTED] Interim Visit Report. , The SC noticed ICAEW referenced the QAS Handbook 2015 in its reports, however the handbook has been updated since then and the Executive will bring this to their attention in the next meeting between ICAEW and the Executive.  The SC queried some cold file reviews which were missed by the organisation but picked up by ICAEW, however the SC were content that the organisation had addressed this and put a plan in place and agreed that the action should be closed. The interim report was noted with no further comments [REDACTED]. |  |
|  | **6.2** | [REDACTED] Interim Report was noted with no further comments [REDACTED]. |  |
|  | **6.3** | [REDACTED] Interim Report was noted with no further comments [REDACTED]. |  |
| **7.** | **Final update on Annual Return form** | |  |
|  | **7.1** | The final version of the new annual return form was discussed page by page and the SC were satisfied with the form subject to suggested minor amendments. It was suggested changing the wording in section 4.4 to plain English however the SC noted that the form is bound to this wording due to the same wording being in APS QA1.  The SC indicated that t the left column in section 5 was also too wordy. The SC observed that for most organisations the left column has similar content each year and it is the right column that will differ therefore, it was agreed to update the wording in the ‘please note’ part and the right hand column in Section 5 to include wording to allow future planned activities and actions to be included in the submission. **Action.**  *[REDACTED] left the meeting at 1303.]*  The SC requested the word ‘relevant’ be added to Section 7and It agreed Section 8 should have a checkbox to indicate a signature. **Action.**  The SC endorsed the new annual return for implementation in 2021 subject to the suggested amendments and commended the Executive for the approach adopted to achieve the improved form. | Executive  Executive |
| **8.** | **Review of SQAR survey, actions taken and focus for coming months** | |  |
|  | **8.1** | The report of responses was noted. It was discussed that the SC and Executive will plan in the new year how to engage with SQARs more as currently there is a survey every 3 years, and make public the long term engagement plan. It was also agreed that the annual SQAR report would include a summary of the actions taken. **Action.** |  |
| **9.** | **AOB** | |  |
|  | **9.1** | Some of the SC mentioned that their term of office on the committee will be coming to an end in 2021. The Chair recognised the need for renewal of the SC next year, which ideally would be informed by an updated term of reference. The Chair indicated that the SC will be updated next year on the position with regard to the terms of reference and the implications for recruitment of new members. The SC agreed to have a discussion at the next meeting in reference to those who have completed term time and  recruitment for SC members who already left earlier this year.  The SC noted that a doodle poll will be sent to the SC to agree the dates  for the 2021 meetings mindful that it would be more challenging to manage apologies for absence. **Action** | Executive |