

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

<b>Subject</b>	IFoA Executive Update
<b>Meeting date</b>	25 July 2023
<b>International issues considered?</b>	Yes
<b>Author</b>	Executive Team
<b>Reviewer</b>	Ben Kemp, General Counsel
<b>Purpose</b>	Noting

### A: Introduction

1. This paper provides an update on the work of the IFoA Executive Team since the last meeting of the Board (in May 2023) and highlights key issues and developments for the Board to note.
2. **PLEASE NOTE:** Board Members are asked to let the Board Secretary (hannah.macleod@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 specific questions on the below topics via email.

### B: Key Developments and Updates

3. The revised Disciplinary Scheme, together with an **amended Actuaries' Code** will come into effect on 1 August. Work is progressing to develop guidance to support the amended Principle 4 (containing the obligations on members to self-report) and once complete this will be shared with the Board for comment.
4. Following the Board's approval in May of amendments to the Actuaries' Code **to introduce requirements on Diversity, Equity and Inclusion (DEI)**, a consultation feedback paper (which has been shared with the Board by email) will be published on 27th July, with work then turning to the development of guidance to support the changes.
5. The **AMS** team continues its work in progressing its thematic review into **Data Science**. It has also begun to scope the upcoming review into **Pensions on Divorce**
6. The House of Commons Work & Pensions Committee, reported on its recent review of **Liability Driven Investments** on 23 June. The report's main themes are the 'need for more systematic, regular and comprehensive collection of data on LDI' and the need 'to improve governance throughout the investment chain'. This is picked up elsewhere in today's agenda.
7. Members of the Executive team attended the **IFoA Conference** in June. David Gordon and Peter Heffernan (Chair, Professional Skills Working Group) led a session *Professionalism and the thematic review programme*, where report findings were used to illustrate the provisions of the Code. Caoimhe McDonagh held five in-person reflective practice discussions with attendees.

8. Work is progressing in respect of the agreed changes to the **structure of Regulatory Board Committees and Boards** with the Professional Skills Sub-Committee having reformed as the Professional Skills Working Group, and the decision to remove the regulatory requirements from the GISCC and the LSCC having been communicated to those groups.
9. Work is progressing on the development of **professional skills content** for release in September 2023. As well as having video content, an ethical self-assessment quiz, developed by an ethicist at the University of Leeds, will be hosted on the VLE.
10. The FRC has issued an update to its **guidance for AS TM1** (which sets out requirements for producing annual Statutory Money Purchase Illustrations). The revised guidance provides further clarity on circumstances in which volatility cannot be reliably determined, and on guaranteed annuity terms.
11. The FRC's **revised TAS 100** came into effect on 1 July, and the IFoA's guidance on TAS 100 was withdrawn on this date. As well as the previously published new guidance on Proportionality and the definitions of Technical actuarial work/Geographic Scope, the FRC has published additional guidance on Principle 5 (Models).
12. Following the completion of its consultation on a **revised TAS 400**, the FRC has published the new standard, to come into force on 17 July, and has confirmed that no technical guidance will accompany the TAS at this stage.
13. The **DPB Board** made a final determination on 24 May in respect of a longstanding complaint against a DPB firm, which had been referred back to it by the independent complaints reviewer for further investigation and consideration. The Board's determination will be published on the IFoA website shortly. The DPB Board at its meeting on 6 July agreed to include a review of the DPB authorisation/licencing arrangements in its review of the DPB Handbook, alongside considering the complaints and monitoring/supervision arrangements.
14. The **Practising Certificates Committee** (PCC) has recently recruited two new volunteer actuary members to the Life Panel. This follows the retirement of one long-standing panel member and, with interest from two excellent candidates, allowed the opportunity to increase the Life Panel to six members. Following the recent introduction of the CDC Scheme Actuary PC, the PCC has also recruited a Collective Defined Contribution (CDC) volunteer actuary member, with potentially one further appointment expected in the coming weeks.
15. As at the date of writing bookings are open and live for all but two of the **Practice Module Workshops** (Non-Life options) with the expectation that the dates for the remaining workshops will be finalised and published in the coming days. Training sessions for facilitators are being run through June and July ahead of the commencement of the first Workshop on 25<sup>th</sup> July.

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

16. In addition to work mentioned above, over the next period, we anticipate the following key activities:

1. Progress proposals to consult on possible integration of the QAS and PC Scheme
2. Begin implementation of new regulatory support process.
3. Work to progress the planned review of APS X2: Review of Actuarial Work, and its accompanying guidance.
4. Publication of consultation on removal of PC requirement for Reviewing Actuaries.
5. Commencement of next Specialist Review, focusing on Development and Training for the period from 1 April 2023 to 31 March 2024.
6. Begin work on review of DPB Handbook and processes.
7. Work is progressing with developing professional skills content for release in September 2023.