



Institute
and Faculty
of Actuaries

Annual Report

of the Regulatory Board of the
Institute and Faculty of
Actuaries

1 June 2022 to 31 August 2023

October 2023

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Chair's report

I am pleased to present the annual report of the Regulatory Board (the Board) of the Institute and Faculty of Actuaries (IFoA) for 2022/2023.



I am pleased to present the annual report of the Regulatory Board (the Board) of the Institute and Faculty of Actuaries (IFoA) for 2022/2023.

I am delighted to be able to report on a year of significant progress, with the Board initiating reviews into several areas of public interest – from a review of the role of actuaries in the public interest aspects of

equity release mortgage work, to consideration of how the principles of Diversity, Equity and Inclusion are reflected in our regulatory framework. This public interest focus has also seen the Board monitor closely the impact of this year's volatile economic environment, and the role of actuaries in managing the ensuing risks to consumers.

The Board will continue to focus on these areas of public interest in 2023. In addition, it will be a priority for the Board during 2023/24 to ensure that Members are adequately supported in areas of rapid development and emerging risk. As such, guidance will be developed to support Members in managing risks relating to climate change and sustainability, and a Thematic Review will be undertaken to investigate the impact of Artificial Intelligence on the work of Members.

The future landscape of actuarial regulation in the UK remains uncertain, and the Board provides every assurance to its UK Members that it continues to work closely with all stakeholders in anticipation and preparation of change.

The Board's highlights from 2022 include:

- Thematic reviews of actuarial involvement in equity release mortgages and corporate pension schemes under our Actuarial Monitoring Scheme (AMS);
- The launch of our new Practising Certificates regime which adopts a competency-based approach to provide for a more effective, fair and inclusive process;

- The introduction of a modern new Disciplinary Scheme, which provides improved clarity and allows for increased flexibility;
- The approval of proposals to amend the Actuaries' Code to include specific obligations on Members relating to Diversity, Equity and Inclusion.

The key priorities identified by the Board for 2023/24 are set out in **Section 3** of this report and include:

- Engagement with Members in relation to Diversity, Equity and Inclusion, to ensure the publication of practical and meaningful guidance on the agreed changes to the Code;
- The development and publication of new guidance on professional requirements concerning climate change and sustainability;
- The introduction of a new regulatory and professional support service;
- The commissioning of an independent evaluation of the effectiveness of the Board.

I would like to thank the Board, its Committees, and the IFoA Executive for all their hard work over the past year.

The Board is keen to hear from both Members and the public, particularly users of actuarial services. If you would like to share any comments, or have any questions, please contact the Secretary to the Board at regulation@actuaries.org.uk.

A handwritten signature in blue ink that reads "Neil Buckley". The signature is stylized and includes a long horizontal flourish at the end.

Neil Buckley
Lay Chair of Regulatory Board

1. Overview

The Institute and Faculty of Actuaries (IFoA) is a Royal Chartered professional body that has responsibility for regulating its Members in the public interest.

The IFoA's approach to this role is set out in its Regulatory Purpose¹ as:

'Regulation of the actuarial profession in a way that promotes the public interest by holding Members to high standards of professional competency and conduct'

The IFoA's Regulatory Board (the Board) is responsible for overseeing the delivery of the IFoA's regulatory function, including codes and standards relating to professional conduct and competence (including the CPD Scheme), disciplinary and enforcement functions, and the public interest regulatory aspects of the IFoA's examination and admissions framework.

The Board carries out its functions independently of the IFoA's Council and is subject to oversight from the Financial Reporting Council in respect of its UK regulatory activities. Its Terms of Reference are included in **Appendix 1**.

This annual report focuses on the work completed by the Board between 1 June 2022–31 August 2023.

The Board comprises up to 12 Members, with 50% lay (non-actuary) Members, including a lay (non-actuary) Chair and the IFoA's General Counsel, and 50% actuary member volunteers from different practice areas, including a member of Council. An independent Regulatory Appointments Committee is responsible for appointing members to the Board (other than the General Counsel and the Council representative). The Board's current membership, including biographies of each member, can be found in **Appendix 2**.

The Board is supported primarily by the IFoA's Regulatory Executive, as well as colleagues across the IFoA.

The Board meets five times per year, including an annual strategy day. Details of forthcoming meetings can be found on the Board's webpage. Minutes and papers are also published after meetings have taken place.

The Board delegates oversight of certain regulatory functions to the following Committees, which operate under clear Terms of Reference to help deliver the Regulatory Board's objectives:

- **The Disciplinary Committee**
- **The Practising Certificates Committee**
- **The Quality Assurance Scheme Committee**
- **The Designated Professional Bodies Board**

These committees report annually to the Board on their activities.

Additionally, the IFoA Board of Examiners reports annually to the Board on its activities, relevant to the public interest regulatory aspects of the qualifications and admissions frameworks.

The Board is also supported by the Professional Skills Working Group and various ad hoc working parties and other groups that help inform its decision-making.

A table showing the structural composition of the Board and its Committees is included in **Appendix 3**.

1 | <https://www.actuaries.org.uk/documents/ifo-a-regulatory-policy-statement-october-2021-0>

2. Highlights of 2022/2023

Horizon-scanning and risk

The Board's horizon-scanning register assists with the identification of new and emerging regulatory risks and helps inform the Board's regulatory activities.

In August 2022, the Board issued a Risk Alert to highlight to Members the need to take appropriate consideration of the high inflation environment. Shortly after this Risk Alert, the Board considered the involvement of actuaries in the use of Liability Driven Investment (LDI) strategies, which came under widespread scrutiny following the volatility in UK gilt markets in September 2022. The Board determined in the circumstances that a further Risk Alert was not appropriate, and instead monitored closely the engagement of the IFoA with other regulators and the House of Commons Work and Pensions Select Committee Inquiry into the matter. Following the completion of this inquiry, the Board agreed in July 2023 to a series of regulatory steps aimed at improving Member awareness of the risks involved in LDI strategies.

Between 1 June 2022 and 31 July 2023 the Board carried out two deep dives on topics identified through its horizon-scanning register. We received a presentation from an industry expert on the upcoming Consumer Duty requirements to be introduced by the Financial Conduct Authority (FCA). This enabled the Board to consider the implication for actuaries of these new rules and what steps might be taken to raise Member awareness of any new obligations. The Professional Skills Working Group has discussed the deep dive and is considering whether material or resources might be put in place for Members in relation to the Consumer Duty. Later in the year, we heard from our Actuarial Monitoring team, the Financial Reporting Council (FRC) and the Government Actuary's Department on the recent developments in Artificial Intelligence and the associated considerations for actuaries. This deep dive provided essential background to the Board in advance of the Thematic Review on data science; and enabled the Board to consider the issuing of a Risk Alert on the development and use of Artificial Intelligence by Members.

Professional Standards

Over the past year, the Board has overseen several developments in the IFoA's professional standards framework. These are outlined in the following paragraphs.

- **Introduction of Diversity, Equity and Inclusion obligations into the Actuaries' Code**

The IFoA's DEI Strategy includes a commitment to review the IFoA's regulatory framework, in order to ensure that the strategic commitments are reflected in the IFoA's expectations of Members. A consultation on proposals to amend the Code, to include specific reference to DEI principles ran from January to April 2023, and the detail of the proposal was discussed at two online webinars. The consultation attracted significant engagement and the feedback received from Members, employers and other stakeholders was discussed by the Board at its May 2023 meeting.

The Board noted that whilst many Members were supportive of the introduction of specific DEI principles in the Code, others had concerns about the proposals, including how these might impact Members' practice. The Board reflected on the comments received and discussed how these concerns might be allayed. The Board agreed to amend the Code, but with some changes to the wording consulted upon, to address some concerns raised by respondents. The Board also agreed to prepare guidance for Members which would aim to provide practical examples, and further mitigate some points of concern.

The **feedback consultation document** was published in July 2023 and includes details of the Board's discussion and decision. In Autumn 2023, the Board will consider what guidance might be required to support Members in understanding their obligations under the revised Code. The Board will engage with Members to ascertain what guidance would be most helpful. The draft guidance will be published for consultation in the early part of 2024, and the revised Code will come into effect later on in 2024.

- **Changes to the Actuaries' Code to reflect the new Disciplinary Scheme**

The new **Disciplinary Scheme**, which was approved by Member vote in December 2022, and which came into effect on 1 August 2023, necessitated some changes to the obligations within the Code for Members to self-report criminal convictions, other relevant court decisions and regulatory sanctions. The proposed changes were consulted on from January to April 2023 and the Board approved the changes in May 2023. The amended Code came into effect on 1 August 2023, alongside the new Disciplinary Scheme. Guidance to support Members in their understanding of the requirements will be published in Autumn 2023.

- **APS Z1 – Funeral Plans**

Following a review and public consultation, an updated version of Actuarial Profession Standard (APS) Z1 (duties and responsibilities of Members working in funeral plans) will be published in Autumn 2023. The new version reflects the introduction of a new regulatory regime, overseen by the FCA.

- **APS L1 – Duties and Responsibilities of Life Assurance Actuaries**

The Board decided in May 2023 to conduct a consultation on the removal of the requirement for a Practising Certificate for Members carrying out the role of Reviewing Actuary. This consultation, which will run from August to November 2023, includes a proposed amendment to APS L1, to reflect the removal of this requirement.

Thematic reviews under the Actuarial Monitoring Scheme (AMS)

The Board continued to consider the **Actuarial Monitoring Scheme (AMS)** thematic reviews. These reviews seek to focus on key areas of work in which actuaries have significant involvement and influence.

In December 2022, a thematic review on equity release mortgage product design and pricing was published. A webinar was held in January 2023, attended by almost one hundred delegates, and key findings from the review were highlighted in a number of finance and insurance sector media releases.

Whilst the review report noted the significant involvement of actuaries in this area, and the importance of balancing consumer and commercial outcomes, no material regulatory gaps were identified. However, the Board recognised the importance of promoting the public interest aspects of equity release mortgage work, and tasked the Professional Skills Working Group to explore the opportunities to enhance support for Members working in this area.

In March 2023 the Board considered the AMS thematic review report on corporate pensions, which was then published in April 2023. The report makes a number of findings and observations that aim to help improve the quality of advice given by actuaries to the sponsors of UK Defined Benefit pension schemes. In particular it found that actuaries advising corporate sponsors do not always focus on articulating the sponsor's objectives and clearly communicating how they relate to funding advice. The findings of the report have been communicated to Members through a variety of channels, with the AMS team hosting a webinar and speaking at conferences.

The thematic review process offers a valuable opportunity for collaborative regulation and the AMS team has continued to work closely with other regulators in developing and progressing its programme of review. The AMS team has

discussed its review findings with the FRC, and in turn, the FRC has reflected certain of these findings in its recent review of Technical Actuarial Standard 300/310.

A thematic review on data science was launched in Spring 2023 and is expected to report in early 2024.



The Board continued its oversight of the **Quality Assurance Scheme (QAS)** and in July 2023 received its annual report from the **QAS Committee**, summarising its work during 2022/23.

The QAS has a total of 42 accredited organisations, based across 9 countries. In August 2023, the QAS awarded its first accreditation to an India-based actuarial firm.

The focus of the QAS during 2022/23 has been on the re-accreditation of the first accredited organisations and the embedding of the refreshed QAS (which launched on 1 April 2022). As part of the refreshed scheme, the first Specialist Review, which focused on the newly introduced Diversity, Equity and Inclusion (DEI) Sub-outcome, concluded in March 2023. All QAS accredited organisations took part in the review and received an individual report highlighting areas of good practice and identifying recommendations.

The FRC carried out an oversight visit on the QAS during November and December 2022. Early feedback was positive, with three recommendations made. Of these recommendations, one has now been implemented, and the other two are currently being considered.

At its July meeting, the Board discussed the potential of integrating the QAS and Practising Certificate Scheme to create a streamlined PC Scheme for employees of QAS accredited organisations. The QAS covers the employers of approximately 69% of PC holders, including 94% of UK Scheme Actuary PC holders. A consultation on the introduction of an integrated scheme will be launched in 2024.

Continuing Professional Development (CPD)

The IFoA launched a **new approach to lifelong learning for Members** in 2020 with the introduction of a new CPD Scheme. This scheme takes a progressive, outcomes-focused approach to skill and knowledge development and moves away from manual record submission obligations. This year the Board reviewed the implementation of the new scheme, engaging extensively with Members through an anonymous survey, to evaluate a variety of key performance indicators. An overwhelming majority of the high level of respondents

(84%) submitted positive satisfaction responses, indicating strong support for the new, deeper focus on learning to match Member needs.

As part of the new CPD Scheme, Members are required to reflect on their learning, review their needs and plan further development by participating in a formal Reflective Practice Discussion (RPD). In November 2021, the IFoA introduced a programme of supported RPDs, where Members would undertake this discussion with an IFoA facilitator. By 30 June 2023, 324 IFoA-led RPDs had been facilitated, with discussions involving Members from a range of practice areas, with varying levels of experience. Members who participated in these IFoA-led RPDs have indicated that they are highly valued, with satisfaction being scored at an average of 4/5 (5/5 being the highest score).

This year's review data now allows the IFoA to refine and improve its modernised offering into 2024 and beyond, with additional resource allocated to expand the IFoA-led RPD service and consistent, targeted communications to Members, focused on how to use the new tools available to maximise individual development.

The Board continues to look for new opportunities to develop and improve this service. Feedback from Members, employers and the public is encouraged on an ongoing basis.

Practising Certificates

This year has seen a significant change to the design and delivery of the IFoA's Practising Certificate Scheme. Following significant engagement with Members, and considerable input from the Practising Certificate Committee, a **new PC Scheme** and PC Handbook were published in June 2022, and came into effect on 1 December 2022.

The new scheme offers a simplified and more proportionate application process and the new competency framework aims to ensure that applicants are assessed appropriately and fairly. A range of positive and useful feedback on the new scheme has been received, which will help to inform a post-implementation review commencing at the end of 2023.

At 31 August, 51 applications for new PCs had been processed under the new scheme, and 817 renewal applications. No PC applications have so far been declined under the new scheme. The breakdown of PC applications is shown below:

PC Type	Number of PCs renewed	Number of new PCs issued
Collective Defined Contribution Scheme Actuary	0	1
Chief Actuary (Life)	82	6
Chief Actuary (non-Life with Lloyd's)	57	10
Chief Actuary (non-Life without Lloyd's)	50	3
Chief Actuary (Life, non-Directive)	5	0
Lloyd's	24	2
Scheme Actuary	569	25
With-Profits Actuary	30	4
TOTAL ISSUED	817	51

Changes in legislation leading to the mandatory involvement of actuaries in relation to specific roles or types of work has resulted in the need for the Board to consider the introduction of new Practising Certificate requirements this year. In July 2022, the Board approved a consultation on the introduction of a Practising Certificate for Scheme Actuaries of Collective Defined Contribution (CDC) Pension Schemes, and following this consultation, a new Practising Certificate for CDC Scheme Actuaries (with corresponding additions to the competency framework) was introduced in March 2023.

In January 2023 the Board considered the role of actuaries in advising Funeral Plan trusts and decided not at this stage to require such practitioners to obtain a Practising Certificate.

In May 2023, the Board considered the Practising Certificate requirements for the role of Reviewing Actuary and in particular, whether the requirement remains proportionate and aligned with the PC criteria. The Board decided to conduct a consultation on the removal of the requirement for a Practising Certificate for Members carrying out this role. This consultation will run from August to November 2023.

Support to Members

New Professional Skills Training online resources were published in September 2022. These included 4 video case studies and 3 short case studies in varying formats.

The videos covered neurodiversity, climate change and hybrid working. The neurodiversity video titled 'Diverse Minds', in particular, received positive feedback from Members;

"Very interesting and relevant scenario with very useful follow-up discussion."

"This is the best inclusivity training I have been on. Really impactful and helpful."

"Very relevant in the current environment wherein stereotypes of various kinds have to be shed!"

A further release of content was published in March 2023 which included 3 video case studies and 3 short case studies. The videos covered conflicts of interest between Scheme Actuary/Equivalent Scheme Actuary and 'Other Actuarial Adviser', related to the principles covered in APS P1; a Scheme Actuary pitching for a new Scheme Actuary appointment for a major client; and where an actuary is given a developmental opportunity but soon struggles to put the theory into practice in the specific circumstances.

There were 25,674 viewings of the professional skills videos developed for the 2022/23 CPD year.

To assist Members with meeting their personal development needs, further professionalism CPD opportunities were offered in the form of professional skills sessions at the GIRO and Life conferences in November 2022 and the IFoA conference in June 2023.

Regulatory support to Members continued to be provided in a number of ways, including through the **Professional Support Service** (PSS) and responses to questions provided through the regulatory inbox.

Between 1 June 2022–31 August 2023 the PSS received 20 queries covering topics including compliance with the Actuaries' Code, the application of APSs, conflicts of interest and speaking up. Queries were received from Members across the globe, including the UK and Kenya. The queries involved areas of professionalism as well as queries relating to technical pensions work and the application of technical standards.

A full review of the services provided to Members to support them in meeting their regulatory and professional obligations was carried out during 2022. The focus of the review was to ensure that the services align with the IFoA's strategic aim to transform the Member experience and reflect the needs of Members, reinforcing the IFoA's supportive approach to its regulatory role and reflective of a modern professional body. Following the review, the Board agreed to introduce a new Professional and Regulatory Support Helpdesk to replace the existing Professional Support Service and Regulation inbox. Implementation of the new Helpdesk will be carried out alongside the IFoA's wider digital transformation, with the service scheduled to be available from Q1 2024.

Discipline and enforcement

The Board provided oversight of the IFoA's disciplinary and enforcement functions, including oversight of the **Disciplinary Committee** (DC). Whilst only a very small proportion of Members will ever be involved with the disciplinary process, the oversight of this enforcement function is an essential aspect of the Board's regulatory remit.

The Board received an annual report from the DC summarising its work between 1 June 2022–31 May 2023. Over this period, the DC provided oversight of the IFoA disciplinary process.

Details of disciplinary casework undertaken:

	1 June 2022–31 May 2023	1 June 2021–31 May 2022
Allegations received	8	30
Cases considered at Adjudication Panels	19	29
Cases dismissed	10	7
Cases referred to Disciplinary Tribunal Panel	3	9
Cases where misconduct found and accepted by Respondent	2	13
Cases heard at Disciplinary Tribunal Panels	6	6
Cases dismissed	0	0
Cases where misconduct found	4	4
Referrals to the Independent Examiner	3	1*
Interim Order applications	0	0
Number of Appeal Tribunals	0	0
Number of Capacity for Membership Hearings	0	0

* Referral was not accepted by the Independent Examiner

The 8 allegations were made by:

- 2 members of the public
- 4 actuaries/Members
- 2 through the IFoA Executive Referral process

The allegations included issues of inappropriate communication, misleading communication, technical incompetence, breach of actuarial rules, conflicts of interest, complaints handling and falsifying exam transcripts.

Of the cases completed:

- 2 Adjudication Panel cases concluded with findings of misconduct against the Respondent.
- 10 Adjudication Panel cases were dismissed.
- 4 Disciplinary Tribunal Panel cases concluded with findings of misconduct against the Respondent².

- 2 Disciplinary Tribunal Panel cases were adjourned.
- Where a Panel made a finding of misconduct, the sanctions imposed were mostly a reprimand and a fine. The maximum fine imposed by any Panel was £10,000. One Member was suspended from membership of the IFoA.
- Costs were awarded in favour of the IFoA in all of the cases concluded at a Disciplinary Tribunal Panel. In those cases, the Tribunals awarded total costs of £18,784 to be paid by the Respondents to the IFoA.

Following the Board's approval in April 2022 of a revised IFoA Disciplinary Scheme, the IFoA Council approved the revised Disciplinary Scheme in June 2022. The revised Disciplinary Scheme was then approved by voting Members in Autumn 2022 and came into force on 1 August 2023.

2 | The Executive Referral process allows the IFoA to formally instigate a case investigation in the absence of an individual/organisation raising an allegation against a Member or where a Member self-refers in relation to their own possible Misconduct.

Designated Professional Body licensing

The Board continued to oversee the IFoA's **Designated Professional Body** (DPB) licensing system, which continues to be a valued service and Member benefit. The system is subject to oversight by the UK's Financial Conduct Authority.

The Board received its annual report from the **DPB Board** on its work during 2022/2023.

The report confirmed that in the period between May 2022 and May 2023:

- 12 firms were licensed
- The monitoring of firms continued to show high levels of compliance with the DPB Handbook, and the Institute of Chartered Accountants of England and Wales have this year provided an independent review of compliance which has confirmed that there are no material issues.
- The DPB Board reconsidered a previous (2018) complaint against a licensed firm, further to referral to an independent reviewer.
- The review of the DPB regime is ongoing, with a consultation on proposed changes expected to commence in autumn 2023.

Public interest regulatory aspects of exams and admissions

The Board is responsible for oversight of the public interest regulatory aspects of the IFoA's examination and admissions framework.

In order to assist the Board in discharging this part of its function, it receives an annual report from the Independent Officers of the **Board of Examiners**. In July 2023 the Board received an annual assurance report from the IFoA's Officers of the Board of Examiners. This provided formal assurance to the Regulatory Board that the 2022 examinations fairly and appropriately tested the standards demonstrated by candidates, and that the professional knowledge, skills and competencies of the 371 Associates and 707 Fellows entering the profession in 2022 were maintained.

The annual report also confirmed that a programme of work would be undertaken during the period 2023-2025 to ensure continuous improvement of processes. Together with proposed developments in the technology used in delivering examinations, this programme is aimed at enhancing the Member proposition and ensuring that contemporary good practice is maintained.

The Board gives ad-hoc consideration to other educational matters as they arise from time to time. In order to ensure that the Board receives appropriate information necessary to discharge this part of its role, it has, this year, agreed with Management Board a Protocol for the transfer of information between the Board and the newly formed Education Operations Committee (a committee of Management Board, with principal responsibility for overseeing operational aspects of the IFoA's education and qualification functions).

UK regulatory reform and engagement

Financial Reporting Council

The **Financial Reporting Council** (FRC) **published** its public professional oversight report for 2021/2022, including an actuarial section on page 21. The FRC Oversight Team attended the Board's February 2023 meeting to speak to the report, and observed the May 2023 meeting to fulfil its oversight function. The FRC was provided with updates and materials to review in relation to all of the IFoA's main regulatory projects.

Following calls for feedback in 2021 and 2022, the FRC consulted this year on revisions to TAS 100, TAS 400, TAS 300, and a new TAS 310. The Board provided responses to these consultations and continued to ensure that its own review of standards reflected and complemented the development of technical standards in these areas.

Future of actuarial regulation in the UK

On 31 May 2022 the UK government confirmed its intention to publish legislation that will see the Auditing, Reporting and Governance Authority (ARGA) replace the FRC and take on a role which will include the oversight of the IFoA.

The Board has been supporting the IFoA in relation to its engagement on this review and will continue to do so as developments continue over the next year.

The UK Joint Forum on Actuarial Regulation (JFAR), a collaboration between the UK regulators with a particular interest in the regulation of actuaries, ceased to exist in December 2022, following the publication of the annual update of its **Risk Perspective** document.

The Board has received assurance from the Executive that collaboration will continue between the IFoA and other relevant UK regulators, with an engagement plan having been produced.

3. Our plans for 2023/24

The Regulatory Board has identified a number of priorities for the 2023/24 corporate year.

These include:

- Engagement with Members in relation to Diversity, Equity and Inclusion, to ensure the publication of practical and meaningful guidance on the agreed changes to the Code.
- The development and publication of new guidance on professional requirements concerning climate change and sustainability, and further consideration of any additional regulatory action.
- The introduction of a new regulatory and professional support service.
- The completion of the review of the Designated Professional Bodies (DPB) regime.
- A review of the implementation of the new Practising Certificate Scheme and the exploration of the potential incorporation of part of the Practising Certificate Scheme into the QAS.
- The ongoing observation of the economic environment and consideration of the use of regulatory tools to ensure Member awareness of the risks arising from volatility.
- The commissioning of an independent evaluation of the Board's effectiveness.
- Development of the Board's relationship with the proposed new Unitary Board and a review of the Board's reporting obligations following this change to IFoA governance.
- In respect of the Board's oversight of the public interest regulatory aspects of the examinations and admissions framework, consideration of the review into how exam standards are set, and a 'deep dive' into the exam process.

4. How to contact the Board

If you wish to contact the Board, you can do so at **regulation@actuaries.org.uk** and address it to the Secretary of the Regulatory Board.

For further information on the Regulatory Board and to see the published agendas, minutes and papers of each Board Meeting, please visit **our webpage**.

Appendix 1

Regulatory Board Terms of Reference

Purpose

Ensures that the IFoA regulatory objectives are being delivered and remain appropriate. Oversees the delivery of the IFoA's regulatory functions including: codes and standards relating to professional conduct and competence, including the CPD Scheme, disciplinary and enforcement functions, and the public interest regulatory aspects of the IFoA's examination and admissions framework. Oversees the proper integration of the IFoA regulatory framework in all activities.

Key Responsibilities

1. Strategy

- a. Supports Council in future reviews of IFoA regulatory objectives.
- b. Collaborates with other Boards to ensure that cross cutting organisational and cross-practice opportunities and initiatives are appropriately addressed.

2. Planning and reporting

- a. Supports Management Board in developing the annual corporate plan by developing proposals for that plan as they relate to regulation.
- b. Reports at least annually to the Financial Reporting Council (or any successor) in respect of its role as the IFoA's UK professional oversight body.
- c. Reports to Management Board on its activities and progress and to Council on strategic matters.

3. Governance

- a. Complies with the Governance Manual.
- b. Chair to be responsible for ensuring that the Board's activities support the IFoA principles of equality, diversity and inclusion.
- c. Appoints chairs and sets up terms of reference for the following sub-committees:
 - i. Practising Certificates
 - ii. Quality Assurance
 - iii. Designated Professional Body Board

- d. Chair to support the Regulatory Appointments Committee in respect of the appointment or reappointment of the Chair of the Disciplinary Committee.
- e. Acts independently of Council in relation to the approval of the regulatory programme, in the public interest, subject always to the Council set IFoA Strategy.

4. Oversight

- a. Oversees delivery of the regulatory functions of the IFoA in line with the regulatory programme and corporate plan
- b. Monitors the work of the Practising Certificates, Disciplinary and Quality Assurance sub-committees, the Professional Skills Working Group and the Designated Professional Body Board.
- c. Establishes and oversees the operation of such compliance monitoring arrangements as may be appropriate and proportionate, in the public interest.
- d. Oversees the effectiveness of the IFoA's regulatory enforcement arrangements at a policy level and in the context of the IFoA's regulatory strategy.
- e. Ensures appropriate liaison with, and recognition of international actuarial bodies such as the IAA and AAE.
- f. Ensures Practice Boards are informed of and share the Board's understanding of regulatory matters.
- g. Ensures Practice Boards are informed of and share the Board's understanding of regulatory matters.

5. Other responsibilities

- a. Develops, issues and communicates to Members, co-regulators and to the public at large appropriate codes and standards relating to professional conduct and competence.
- b. Engages with the Chief Risk Officer to ensure that strategic and significant operational risks and their mitigation are understood and appropriately managed. View the **Standards**.
- c. Ensures proper integration of the IFoA's regulatory framework (including the Practising Certificate regime) with its qualification and educational requirements and syllabus.

- d. Develops, issues and promotes an appropriate CPD scheme, including requirements in relation to professionalism and promote and review compliance to ensure effective enforcement arrangements in the event of non-compliance with the CPD scheme.

View the **CPD Scheme**.

- e. Works with the DPB Board to ensure that the IFoA Bye-laws, Professional Guidance and DPB Handbook, taken together, provide an adequate basis for investor protection within the scope of the IFoA's powers as a DPB.
- f. Ensures that regulatory aspects of Mutual Recognition Agreements (MRAs) meet required standards.
- g. Maintains productive and effective working relationships with the FRC, FCA, PRA, TPR, PPF and Lloyd's together with other relevant regulatory bodies and stakeholders.
- h. Develops and maintains effective relationships as required with actuarial associations based outside of the UK.

Membership

Executive Support: Secretary to the Regulation Board

The Board shall comprise twelve Members appointed by the Regulatory Appointments Committee:*

1. Six actuary Members, including one Council member; and
2. Six independent (lay) Members, including:
 - a. a Lay Chair;
 - b. the Chair of the Disciplinary Committee; and
 - c. the IFoA's General Counsel.

*The initial Chair and membership of the board will, so far as practicable, comprise the Chair and members appointed to the Regulatory Board immediately prior to these Terms of Reference taking effect, subject to their existing terms of appointment and tenure.

Specific Procedural Rules

1. The quorum for meetings shall require at least four actuary Members and four lay Members.

Appendix 2

Regulatory Board member biographies

Chair



Neil Buckley

Prior to becoming Regulatory Board Chair Neil was Chief Executive of the Legal Services Board, an oversight body for legal regulators in England and Wales. Before this he was Director of Investigations at Ofcom, leading a team responsible for enforcing competition law and regulatory rules applying to the communication sector. Neil is Board Member of the Valuation Tribunal Service and the General Pharmaceutical Council. He qualified as a solicitor in 1990, and worked for a number of law firms in the City of London, specialising in international private arbitration. He has a master's degree in Regulation from the London School of Economics and an undergraduate law degree from Hertford College, Oxford University.

Lay Members



Helen Brown

Helen has a non-executive portfolio which builds on her 29-year career as a senior executive in the Insurance industry at AIG and Accenture, with international operating experience and deep expertise in strategy, transformation and governance.

She is a collaborative problem solver with an academic background in Philosophy. Her interests include the intersection of insurance with geo-politics, the effect of change on people with special reference to cultural differences and organisational values, and the social, economic and ethical impact of data.

She has been a Non-Executive Director of the Lloyd's Managing Agent RenaissanceRe since April 2021, and Chair of the Audit Committee since April 2023. She joined the Institute and Faculty of Actuaries as a lay member on the QAS committee in 2019 and the Regulatory Board in 2020.



Sue Lewis

Sue is an independent board member and consultant, with expertise in financial services consumer issues. She is a specialist adviser to the Treasury Sub-Committee on financial services regulation, and on the boards of Surviving Economic Abuse, the International Longevity Centre, and the Fairbanking Foundation. She also chairs Fairer Finance's Consumer Advisory Board. Sue joined the IFoA's Practising Certificates Committee in 2022.

Previously a senior Treasury official, Sue's experience includes chairing the FCA's independent Financial Services Consumer Panel; Trustee Director at The People's Pension; and lay member of the Chartered Insurance Institute Professional Standards Committee. Sue also has experience advising international organisations on financial education, financial inclusion and financial services consumer protection regulation.



Mitesh Soni

Mitesh is an experienced Investment Banker and Corporate Finance professional. He has spent the majority of his career advising companies on M&A and Capital Markets transactions globally in the Cleantech, Energy and Industrial sectors. He also sits on the board of a consumer products business based in the UK and in general enjoys working with technology focussed companies supporting their growth and strategic ambitions. Mitesh graduated from U.C.T. with Honours in Actuarial Science and Finance.



Nicola Williams

Nicola Williams is a part-time Crown Court Judge and author. She was listed as one of the 100 most influential Black people in the U.K. After a successful career at the Bar (including as a legal commentator on the OJ Simpson trial verdict) she served as an Ombudsman both in the UK and internationally, including as a Commissioner at the Independent Police Complaints Commission and as the Complaints Commissioner of the Cayman Islands. She was the first Service Complaints Ombudsman for the UK Armed Forces. Nicola holds a number of Board and Trustee positions. She is Chair of the Independent Complaints Panel for the Portman Group; co-Chair of the EDI Forum for the Association of Chief Executives; and a trustee of Bridge Support. She is also an active volunteer for Speakers for Schools. She is the author of the legal thriller, "Without Prejudice". Her second thriller will be published by Penguin in March 2023.

Council Member



Oliver Bettis

Oliver is the ESG Actuary for Great Lakes Insurance, a subsidiary of Munich Re. He has 3 decades of experience in the general insurance industry, initially in underwriting and consultancy before retraining as an actuary in the early 2000s. He has a strong interest in climate change and economic theory and how these topics affect actuarial practice. He was the first chairperson of the IFoA Sustainability Board in 2013, served on the Research and Thought Leadership Board, and he currently co-chairs the Economics Member Interest Group. He is a director of Promoting Economic Pluralism and a member of the Advisory Committee of the Centre for the Understanding of Sustainable Prosperity. Oliver was elected to IFoA Council in 2022.

IFoA General Counsel



Ben Kemp

Ben is a Director and General Counsel at the IFoA. He was formerly a partner in the Regulatory and Professional Discipline at London law firm Kingsley Napley LLP. Prior to that he trained and worked for ten years as a solicitor with Shepherd + Wedderburn LLP. Ben is dual qualified as a solicitor in Scotland and England & Wales, a solicitor member of the Scottish Solicitors' Discipline Tribunal and a member of the Professional Standards and Ethics Committee of the Law Society of England and Wales. He serves as a Legal Assessor appointed to advise disciplinary panels of the Royal Institution of Chartered Surveyors and is a part time tutor in public and constitutional law at the Edinburgh University.

Practitioner Members



Edwin Sheaf

Edwin is a Senior Director at Willis Towers Watson, where he has worked for almost 30 years. He divides his time between advising the trustees of pension schemes, having held a Scheme Actuary certificate for 22 years, and advising the companies that sponsor such schemes. Edwin is a current member of the IFoA's Practising Certificates Committee. He has twice been elected to IFoA Council. He is also a former member of Management Board, Nominations Committee, the Diversity Steering Group and the DC Advisory Group, as well as several working parties dealing with actuarial regulation and education.



Simon Martin

Simon has recently retired, having been a pensions and investment specialist for nearly 40 years. Simon has made a valuable contribution to the profession in a variety of posts, including involvement in the design and delivery of CPD and professionalism courses for new and experienced Members. He has been an IFoA Staff Actuary, and an Investigation Actuary under the Disciplinary Scheme. For the past 6 years, Simon has been a member of the Disciplinary Board. Before he retired, Simon was a Partner in the Retirement and Investment Business at Aon, specialising in delivering investment advice to defined benefit pension schemes.



Mike Smedley

Mike is a partner at Isio, which was previously KPMG's UK pensions advisory business. He has over 30 years' experience delivering pensions advice to trustees and sponsors in a wide range of situations. Over his career he has worked for a law firm, Big Four consultants and employee benefit firms including Towers Perrin and Mercer and has a MBA from London Business School. He has previously been a member of IFoA Council and various industry and DWP working groups. He is also a regular press commentator and speaks at a number of conferences and events on topical pension issues.



David Broadbent

David is a Senior Consulting Actuary with Buck and has over 35 years' experience within the pension and life assurance industry with almost 17 years' experience as a Scheme Actuary. David advises both trustees and sponsors. David is a member of Buck's Actuarial Committee, Buck's lead on PPF levy management and also a Senior Quality Assurance Representative for Buck. David was previously a member of the IFoA's CPD Committee and a Panel Actuary for the IFoA's Disciplinary and Capacity for Membership Scheme having sat on some high-profile cases. Recently, David was also a member of the GN30 Compensation for Professional Shortcomings Working Party.



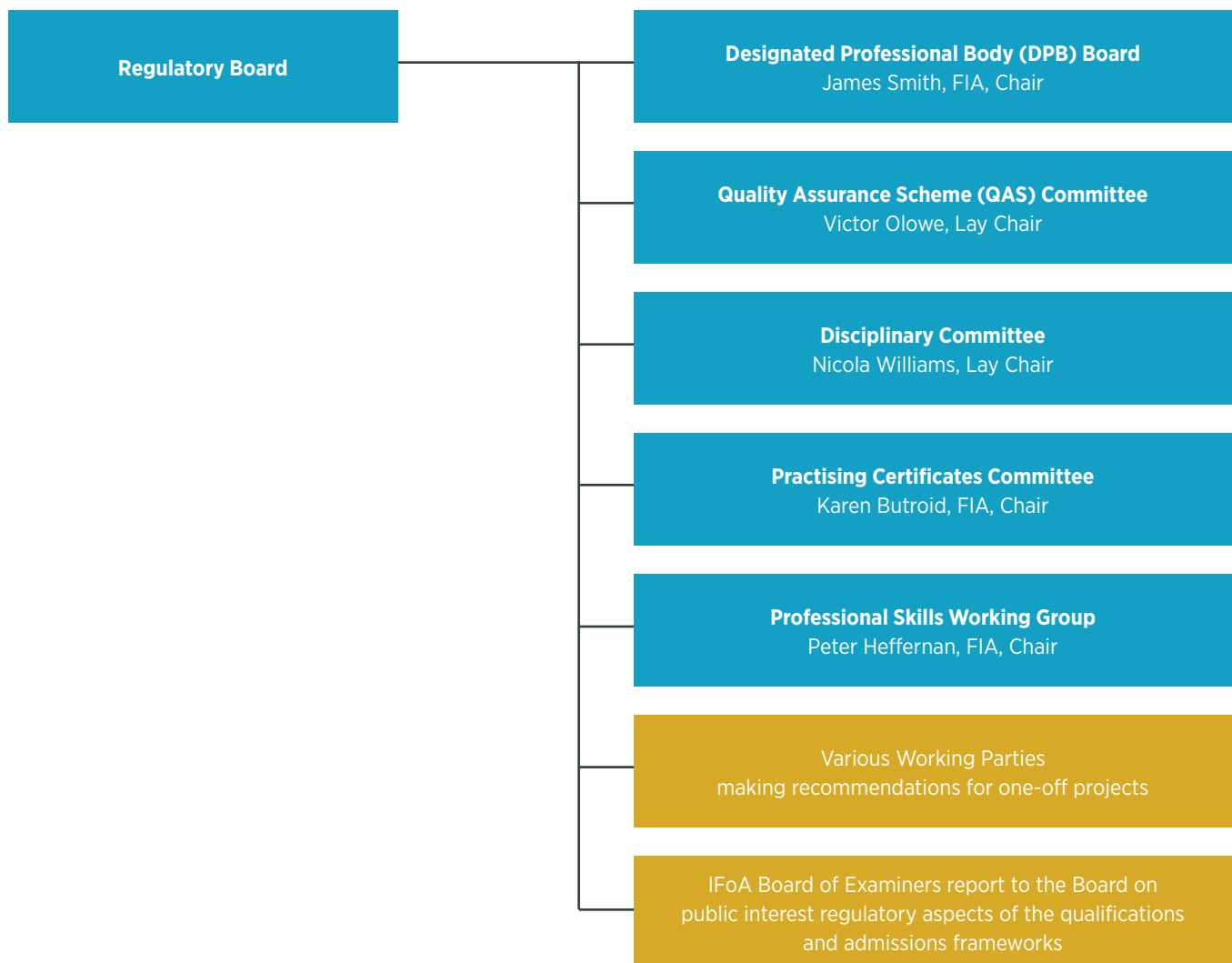
Melanie Puri

(Melanie resigned from the Regulatory Board on 7 September 2023)

Melanie is Head of Audit for LGRI and Group Finance at Legal and General. She was previously a Director in the Actuarial Services practice at PwC, specialising in providing consulting advice for life insurance clients and she was a reviewing actuary for a number of life insurance audits. She has over 25 years extensive and varied experience in life insurance companies and consultancies, for a number of years operating at the C-suite level. Melanie has 15 years' experience working overseas in India and the Netherlands - based in Delhi, the Hague, and Mumbai. She returned to the UK in 2017 after building an actuarial consultancy business for PwC in Mumbai and is currently based in Bristol.

Appendix 3

Regulatory Board Structure





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and Faculty
of Actuaries

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