

**The Actuarial Profession**  
making financial sense of the future

# **CPD Handbook**

## **2009/2010**

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## FOREWORD

Welcome to the Continuing Professional Development (CPD) Handbook.

This Handbook is intended to provide you with details of the Profession's CPD Scheme, to help you identify your CPD needs and to point to ways to identify appropriate CPD opportunities.

**It is, of course, compulsory for all members of the Profession to complete CPD in accordance with the terms of this scheme- not just those who need one of the Profession's Practising Certificates.**

**IMPORTANT:** This year there are some **new requirements for Practising Certificate Holders** (Category 1) which have the effect of increasing the number of CPD hours required. Therefore if you fall within this Category, it is particularly important that you familiarise yourself with the new rules on pages 9 and 10.

The Handbook is in several parts. Part 1 details the Scheme itself, Part 2 contains a guide to assist you in complying, Part 3 provides some more detail on the specific requirements in skills development and Part 4 sets out some frequently asked questions which we hope will help to clarify any areas of uncertainty.

We urge you to take the time to read the handbook and hope that it will be helpful in planning and carrying out your CPD.

**Professional Regulation Executive Committee**

## INTRODUCTION

The vast majority of actuaries have always maintained a keen interest in keeping their technical skills up to date. The mandatory requirement to undertake sufficient and appropriate Continuous Professional Development (CPD) is therefore nothing new for our members.

There is a growing and understandable public interest in actuaries being able to show clearly that they have maintained their skills through relevant development. Effective CPD is one of the means by which the Profession not only shows its pride in and determination to maintain its technical and professional standards but cements public confidence in its work. Experience has shown us that the development of professionalism skills is as important in this respect as building up our technical skills.

**The Scheme is based on five overarching principles which provide a framework for compliance. These principles are as follows:-**

- **Actuaries need to maintain and develop their technical and professionalism competence.** Technical skills will relate directly to actuaries' area of practice or business whilst professionalism skills will cover wider, more over-arching, themes associated with professional ethics and good management.
- **Actuaries need to demonstrate clearly and transparently that they are maintaining their competence.** Compliance with the Profession's CPD Scheme and maintenance of online CPD records on the Profession's website will provide evidence of this.
- **Actuaries need to challenge their own assumptions through the cross-fertilisation of ideas from other actuaries and to demonstrate input from external sources.** The development of ideas and skills in isolation can sometimes result in atypical interpretations and behaviours. It is important therefore to ensure that actuaries are exposed to external views and interpretations.
- **Actuaries need to undertake CPD which is appropriate to their role and how their role is perceived by those commissioning and relying on their services.** The CPD Scheme uses a categorisation structure to facilitate this principle.
- **Actuaries need to fulfil the requirements for their Category in each CPD year.** Actuaries should consider their own developmental needs and plan learning appropriately. The Profession may suggest and or require learning on designated topics.

## **Part One**

### **The Continuing Professional Development Scheme**

The Continuing Professional Development Requirements

## The Continuing Professional Development (CPD) Requirements

### Application

All Fellows and Associates, who are in work and are Fully Regulated by the UK Actuarial Profession (UKAP) (i.e. working in the UK or overseas carrying out work which is subject to technical actuarial standards or guidance notes issued or maintained by the UK Board of Actuarial Standards), will be required to demonstrate that they have undertaken appropriate and sufficient CPD. Those working overseas, but who are Fully Regulated by the UKAP, may satisfy the Scheme requirements by complying with a local IAA body's CPD Scheme where this has been recognised by the UKAP. It is important to note that where a member wishes to take advantage of this provision, they must still make a CPD Category Declaration and confirm which recognised body's scheme they are complying with. Only the Schemes officially recognised by the UKAP will qualify and such Schemes are listed in Appendix 1.

The Actuaries' Code requires all actuaries to be competent in any work they do. CPD forms a vital part of achieving or retaining that competency.

In addition to CPD, attendance at a Professionalism Event at least once every ten years is a mandatory requirement for actuaries in Categories 1 and 2.

Any failure by a Fellow or Associate to comply with the CPD Scheme is of itself a ground for referral under the Disciplinary Schemes. Such failure would, in the opinion of the Profession, be likely to amount to strong *prima facie* evidence of misconduct.

### CPD Categories

There are four categories of actuary for the purpose of identifying CPD requirements. It is an essential requirement of this Scheme that each CPD year an actuary must identify the category to which he or she belongs and declare this on-line in their personal record in the members' section of the website at [www.actuaries.org.uk](http://www.actuaries.org.uk). Again, members should be aware that failure to complete this Declaration may result in disciplinary action being taken.

The four CPD categories are:

- Category 1: Those with UK statutory practising certificates
- Category 2: Those working in one of the areas covered by the specialist application syllabuses but who do not hold a UK statutory Practising Certificate

Note: An actuary who serves as a pension-scheme trustee or as a non-executive director of an insurance company does not automatically fall within Category 2 by virtue of those roles alone. As one of a group which *receives* actuarial reports or advice, rather than providing such advice, the actuary may determine that the Category 3 rules are sufficient to enable him or her to meet the competence requirements expected by fellow trustees or directors.

- Category 3: Those working outside Categories 1 and 2
- Category 4: Those who are not in work (either because they are retired or on a career break).

Note: Category 4 does **not** include actuaries who work only in a part-time or voluntary capacity or whose work is wholly non-actuarial. Actuaries who continue to work fall within one of the first three categories: the requirement for competence is not waived merely because the actuary works in a non-actuarial area, works less than full-time or is not paid.

## Detailed Requirements

The requirements vary according to an individual actuary's CPD category.

For the purposes of these Requirements, CPD may comprise **Verifiable activities, Personally Assessed activities, External Events and Internal Events.**

**Verifiable activities** are anything you do which can be verified by virtue of the following:

- attendance lists for events such as conferences, seminars etc;
- certificates of completion of a course etc;
- preparation of lectures or other forms of presentation which you will deliver;
- tangible outputs such as writing articles or papers for publication.

**Personally Assessed activities** comprise learning which is not able to be verified in this way- perhaps because it takes the form of private study. In this case the outcome of such learning requires to be recorded.

**External Events** are any training or development opportunity which involves interaction with other individuals outwith your own firm. The important factor in external events is exposure to differing ideas which are often to be found outwith normal everyday working environments. This external stimulus might be satisfied, for example, by an external speaker addressing an event within your firm, or by participating in one of the following:

- conferences, seminars, workshops, discussion meetings or similar events involving active contribution;  
or
- research groups, member interest groups, webcast, wikis etc.

Any service to the Profession would also be considered to meet the criteria for an External event.

**Internal Events** are when the audience and speaker are all from the same firm. These events can be counted as verifiable as defined above.

## **Category 1 - Statutory Practising Certificates**

As mentioned in the Foreword, there are some important changes which will affect all members in this Category during the course of the year to 1 October 2010. Exactly how the changes affect you will be determined by the date of renewal of your Practising Certificate.

### **Practising Certificate applications made or due for renewal on or before 30 September 2010**

For those actuaries who are making a new application or whose Certificate is due for renewal on or before 30 September 2010 there is no immediate change to existing requirements for the current year: i.e.

- actuaries must undertake no less than fifteen hours of verifiable activities in the year prior to initial application or renewal of their Practising Certificate;
- a minimum of 10 of the 15 hours must comprise Technical Skills relevant to the subject area of the Practising Certificate and at least 5 hours of this must be in the form of external events;
- at least two of the 15 hours must relate to Professional skills - more information on Professional skills is contained in Part 3;
- there is also a requirement for breadth of activity, so there must be at least four distinct entries overall with at least two distinct entries in the Technical Skills section;
- all Practising Certificate Holders must record their CPD activity on-line in their personal records section of the members' section of the website;
- the CPD year will be the year leading up to initial application or from the anniversary of their last Practising Certificate application.

### **Practising Certificate due for renewal on or after 1 October 2010**

For those actuaries whose Practising Certificate is due for renewal on or after 1 October 2010 then in the year prior to that renewal:-

- actuaries must undertake no less than **30 hours** of **verifiable** activities in the year prior to renewal of their Practising Certificate;
- a minimum of 20 hours (at least 10 of which should be external), of the 30 hours should be technically relevant to the subject area of the Practising Certificate;
- a minimum of 6 hours must relate to Professional Skills;
- up to 15 hours can be counted for "service to the Profession";
- all PC holders are required to attend a Professionalism Event at least once every ten years. The Profession may also require Practising Certificate holders to attend specific additional Professional Events;
- all Practising Certificate Holders must record their CPD activity on-line in their personal records section of the members' section of the website;
- the reporting year for those in Category 1 will be the year from the anniversary of their last Practising Certificate application.

## **CPD Requirements for first time Practising Certificate applicants on or after 1 October 2010**

From 1 October 2010 those members wishing to apply for their first Practising Certificate will be required to comply with the CPD requirement for Category 2 in the year immediately leading up to the date of initial application with the added requirement that **all 15 hours must be verifiable**.

### **Category 2 –Specified Practice Area but not Holding a Statutory Practising Certificate**

Actuaries will be in this category if they are practising during the relevant CPD year in one or more of the areas of practice covered by the Actuarial Profession's examination syllabus.

Actuaries in this category must complete at least 15 hours CPD a year which must be a combination of **verifiable activities** and **personally-assessed activities**, 10 hours of which must be relevant to their practice area and 2 hours must relate to professional skills.

There is a requirement for breadth of activity and so there must be at least four distinct entries overall with at least two distinct entries in the Technical Skills section. There is a minimum requirement of 2 hours for activities relating to professional skills.

From time to time, the Profession will suggest, and may require, learning on designated topics. Actuaries must comply with any such requirement. In particular actuaries in this Category must attend a Professionalism Event at least once every ten years.

To ensure exposure to a wide range of views, there is also a requirement that some CPD should take the form of activities that are not attended only or mainly by members of the same firm.

It is a requirement for actuaries in Category 2 to record their CPD Category Declaration and CPD activity on-line by 30 June each year in their personal records section of the members' section of the website.

### **Category 3 – Working Outside Specified Practice Areas**

Actuaries who work outside the specified practice areas must complete sufficient CPD to ensure that they remain competent in their area of work. There is no minimum number of hours for this category: actuaries in Category 3 must determine for themselves what CPD is needed to remain competent and must be able to justify what they have done to the satisfaction of the Profession. Actuaries who are in this category must choose a combination of **verifiable** and **personally-assessed** activities to fulfil the requirements. Nil returns are not acceptable unless this can be demonstrated as appropriate to the Profession's satisfaction.

It is a mandatory requirement for actuaries in Category 3 to record their Category Declaration and completed CPD activity on-line by 30 June each year in their personal records section of the members' section of the website.

#### **Category 4 – Not Working**

Actuaries in Category 4 do not need to complete CPD activity but they must complete their on-line Category Declaration by 30 June every year.

#### **PERIOD OF REPORTING**

The CPD reporting year for actuaries in Categories 2, 3 and 4 is 1 July until 30 June each year. Actuaries in Category 1 must follow the year of their Practising Certificate application. For new applications you must have completed full CPD in the 12 months immediately preceding date of application as detailed above.

#### **Recording CPD Activity**

To enable the Profession to monitor CPD appropriately and efficiently all actuaries with CPD requirements must record their CPD activities on-line. The on-line form allows an actuary to record hours spent on verifiable and personally-assessed activities, and to record the outcomes of any type of learning. Supporting documentary evidence of attendance at events entered on the record must be kept by the member for three years and be submitted to the Profession's staff on request.

If the activity is not verifiable (i.e. is personally assessed), you will need to explain the outcome on the CPD form.

The on-line CPD Declaration forms together with recording forms can be found on your personal page of the Profession's website at [www.actuaries.org.uk](http://www.actuaries.org.uk). Once you have made a Category Declaration for the current year you should start completing your activity record and continue to do so on a regular basis throughout the recording year. You will need to do this even if an event you attend has been organised by the Profession.

Every year the Profession will randomly select a percentage of members for monitoring/auditing. Members must therefore keep evidence of their verifiable events, which must be produced, if asked for, as part of the sampling exercise. The emphasis is on evidence of attendance and participation. A simple proof of payment or copies of slides will not suffice. Events run by the Profession are exempt from this, as they will already be confirmed in the membership database. For the avoidance of doubt, the Profession reserves the right, as it sees fit, to test the learning outcomes from such verifiable events and seek evidence of how such outcomes have been put to a practical use by members selected for monitoring/audit.

The record must also demonstrate whether the CPD is internal or external, in accordance with the definitions on page 8.

The record is divided into the following sections: technically relevant skills, professional skills and other development. The relevance of most formal events to actuaries' CPD is usually very clear. If you wish to complete the requirements through other activities you will need to show in more detail what you have done and describe how it meets the principles and objectives of the scheme.

## **Averaging**

The CPD requirements must be fulfilled each year, but in exceptional circumstances, which must be approved by the Membership & Certificates Team in Edinburgh in advance where practicable, averaging over a period of up to three years may be permitted.

## **Professional Skills**

Actuaries in Categories 1 and 2 must also attend, at least once every ten years, a Professionalism Event for Experienced Actuaries accredited by the Profession.

Actuaries in Category 3 must determine for themselves the extent to which skills other than technical actuarial skills form part of the CPD they need in order to remain competent in their area of work and must be prepared to justify what they have done. Attendance at an accredited professionalism event is not compulsory but is encouraged. The inclusion of professional ethics from time to time in wider skills CPD would be expected. Actuaries who do not include professional ethics or who do not attend a ten-yearly Professionalism Event must justify their decisions.

## **Failure to Comply**

Failure to comply with the mandatory CPD requirements will lead to disciplinary action.

Records will be scrutinised as part of the disciplinary process.

## **PART TWO**

### **A Step by Step Guide to assist compliance with the CPD Scheme**

This section sets out the steps each actuary will need to take in order to fulfil the requirements of the scheme

## Step 1

Decide which CPD category you fall into and complete the on-line declaration.

- If you need a Practising Certificate from the Profession, you are Category 1.
- If you are doing no work at all then you are Category 4.

This will apply to actuaries who are completely retired or who are on a career break such as maternity leave. However, it is important to note that being retired or on a career break is not sufficient to put you in Category 4. If you do any work for other people, including voluntary or committee work, you are in Category 2 or 3.

- If you do work for other people, whether as an employee, a volunteer, an elected person, a director, a partner of a firm, or a self-employed consultant or trader, that uses any of the skills covered by any of the Profession's current Specialist Applications syllabuses then you are in Category 2.

This will cover most working actuaries. It should be noted that an actuary who is mainly retired, but who does some pensions work on a voluntary basis, perhaps for a local club, would be in Category 2. Most actuaries working in financial-services companies will be in Category 2, unless they are in positions that do not use actuarial skills at all.

Directors of companies and trustees of pension funds who receive actuarial advice are not thereby using actuarial skills and are not, by virtue of these positions, placed in Category 2. If their colleagues look to them as actuaries for help in interpreting the actuarial advice then they should be in Category 2.

- All other actuaries are in Category 3.

If having read the information above you are still not sure, then you are probably in the lower-numbered Categories 2 or 3. Specific questions may be directed to [cpd\\_feedback@actuaries.org.uk](mailto:cpd_feedback@actuaries.org.uk)

## Step 2

Identify the CPD requirements for your category.

- If you are in category 1 or category 2 then you must do certain amounts of CPD.
- If you are in category 3 then you need to think about your needs.
- If you are in category 4 then you do not need to do any CPD activity but you must record your declaration.

The simplest cases are at the extremes. At one extreme are actuaries who have moved to non-actuarial positions in companies that use actuarial services (insurance companies are the obvious example); general-management positions are the most likely. Actuaries with responsible positions in these companies need to fulfil a full programme of CPD, although it is most likely to be related to management and professional skills, and not to technical skills.

At the other extreme are actuaries who are retired and do work that is wholly non-actuarial. The work may well be voluntary and for which the fact that they are actuaries is wholly irrelevant, although it should be noted that whether an actuary's work is voluntary or paid has no affect whatsoever on that actuary's CPD requirements. These actuaries may not need to do any CPD. However, they will need to justify this conclusion during the monitoring process.

In between, the situation is less clear. In these cases, the question should be asked "does the fact that I am an actuary have any bearing on my doing this work?" If it does – for example if the actuary is using actuarial techniques in a "wider field" – then a full programme of CPD is indicated, although it may very well be CPD that is very different from anything that is provided by the Profession, probably directed towards understanding the new area of work rather than developing actuarial skills. Such an actuary would also be expected to attend a professionalism event at least once every ten years.

If the answer to the question is that it does not – for example if the actuary has started a new career in an unrelated field – then CPD may not be required under the terms of the Profession's scheme. However the member would need to inform the Profession of this and advise the Profession of the justification.

### **Step 3**

Identify your development needs. This handbook should help with this.

### **Step 4**

Identify appropriate events and activities to fulfil your requirements and development needs. The Profession's Diary of Events, available at: [http://www.actuaries.org.uk/media\\_centre/eventsearch](http://www.actuaries.org.uk/media_centre/eventsearch) should help. Actuaries working in the main professional areas should easily find available courses, conferences, meetings and papers provided by the Profession, their employers and other organisations. In many positions, actuaries will need to study new legislation and regulation to do their jobs. Study of this nature can be counted towards the requirement for Category 2 and 3 actuaries and those in Category 1 and 2 can make it verifiable, and therefore countable.

### **Step 5**

Do the CPD.

### **Step 6**

Record it in your personal on-line record.

## **Recording**

It is an essential requirement of the Scheme that actuaries keep an on-line record of the activities they have completed to meet the requirements. The form can be found on the members' only section of the Profession's website in their own personal details page. The form allows individual activities to be entered, showing the number of hours claimed. Personally-assessed activities may also be entered on the form, where a member can describe what he or she has done, the learning outcome, and the appropriateness of the activity for the CPD requirements.

CPD events run by the Profession are not entered automatically on the records of members who attended and will therefore need to be added personally. The registration records will be kept from events for which registration was required; and for other events, such as sessional meetings, an attendance record will be taken.

The hours claimed for any event should be only the hours attended.

When renewing a Practising Certificate, members will be required to certify that they have complied with the CPD requirements. They will need to have completed their on-line record showing their CPD activities in the previous twelve months as part of the application. A member applying for a Practising Certificate should, therefore, ensure that his or her record is up to date when submitting the application.

## **Enforcement**

As stated previously, CPD records will be monitored by the Profession's staff, and any actuary whose record shows that he/she has not fulfilled the requirements will be referred to the Disciplinary Investigation Team.

It is important therefore that you contact the membership team at the Profession as soon as possible if there is any reason, such as illness, which may prevent you from completing the CPD required.

## **Part Three**

### **The Framework for Skills Development**

**Section 1:            Technical Skills**  
**Section 2:            Professional Skills**

## Section 1

### Technical Skills

Technical skills are those which are specific to your area of work (contrast this with professional skills which tend to be more broadly applicable) and will tend to focus on current and developing techniques and methods concerned with the application of actuarial science. If you are in a role where you do not utilise actuarial techniques directly there will nevertheless be skills which are technically relevant to your role.

It is the responsibility of each individual member to keep up to date with current developments and techniques in the area in which they work. To help members assess their needs in respect of skills relevant to their own work area, and plan their individual CPD work programme, the website includes details of the various subjects covered in the main areas of specialism, indicating the type of knowledge and expertise which might be required in the area. However, this is only a guide and you will need to consider the subjects mentioned against the background of your own knowledge, expertise and experience. In whichever area you practice, you will need to observe the requirements of the Actuaries' Code and any related guidance notes and standards published by the profession or the Board for Actuarial Standards.

For more information on skills relevant to the main areas of specialism, please visit the website links below:-

Enterprise Risk Management: [http://www.actuaries.org.uk/erm/cpd\\_technical\\_needs](http://www.actuaries.org.uk/erm/cpd_technical_needs)

Finance & Investment: [http://www.actuaries.org.uk/finance\\_invest/cpd\\_technical\\_needs](http://www.actuaries.org.uk/finance_invest/cpd_technical_needs)

General Insurance: [http://www.actuaries.org.uk/general\\_insurance/cpd\\_technical\\_needs](http://www.actuaries.org.uk/general_insurance/cpd_technical_needs)

Health & Care: [http://www.actuaries.org.uk/health\\_care/cpd\\_technical\\_needs](http://www.actuaries.org.uk/health_care/cpd_technical_needs)

Life Insurance: [http://www.actuaries.org.uk/life\\_insurance/cpd\\_technical\\_needs](http://www.actuaries.org.uk/life_insurance/cpd_technical_needs)

Pensions: [http://www.actuaries.org.uk/pensions/cpd\\_technical\\_needs](http://www.actuaries.org.uk/pensions/cpd_technical_needs)

## **Section 2**

### **Professional Skills**

Professional skills can be construed in a very wide sense. Professionalism is divided into two themes for the purposes of CPD. The first deals with adherence to and demonstrating commitment to the principles of the Actuaries' Code, whilst the second covers other aspects of non technical skills which are part and parcel of delivering a satisfactory outcome to the customer. Members should be able to demonstrate an appropriate balance of both themes. That demonstration could be over more than 1 CPD year, provided adequate hours of Professional CPD are covered every year. Whilst attendance at a professional event run by the Profession may be one source of professional development there are many and varied opportunities to develop these skills. These may include topics such as business skills, management, staff development and IT.

## Part Four

### Frequently Asked Questions

#### Requirements

**I did much more CPD than the minimum last year. Does this mean I can do less this year?**

No. CPD keeps actuaries up to date, and being up to date two years ago is not consistent with the aims of the scheme. In exceptional cases, though, averaging over up to three years may be permitted where permission has been gained from the Profession.

**Are the amounts of CPD set out in the requirements necessarily sufficient for my role?**

Not necessarily. We would expect them to be the minimum that might be sufficient for most actuaries most of the time. However, if you change your role significantly, or work in a time of substantial legislative change, you may need to do more than the minimum requirements in order to remain competent for your work. That is the fundamental requirement of both the Professional Conduct Standards and the new Actuaries' Code. To develop in your career you would be likely to need more than the minimum in most years.

You would also need to do more than the minimum CPD requirement if you want to apply for more than one Practising Certificate and the certificates are not in the same practice area.

**I am retired, but do a little work from time to time. Do I really need to do CPD?**

Yes. The fundamental issue is one of *competence* for the work that you do and not the amount you do. It has long been a requirement of the Profession – and articulated as such in the PCS/Actuaries' Code – that members must not take on work unless they are competent to do it, or are supervised by someone who is. In an environment in which the relevant knowledge, skills and/or regulations are subject to change, it is not possible to remain competent without undertaking CPD. So, if you do any work whatsoever, you are not in Category 4. This applies whether the work is paid or voluntary, because the need for competence is the same, as is the risk to you and to the Profession if the work is done badly.

If any of the work you do falls within the scope of the Profession's syllabuses, then you will be in Category 2 and subject to the full requirements of that Category.

**I have become an Associate and am now studying for Fellowship. Do I really have to complete CPD?**

Yes, but a normal study programme for the Fellowship exams will be accepted as fulfilling the requirements. You should write the following in the free-text box on the website form. "I am currently studying for Fellowship exams". You will also be required to add sufficient CPD activity to your on-line record even if it is exam/study related.

An Associate who makes this declaration but who does not sit a Fellowship exam is likely to be asked for further details of his or her activity.

**I completed my Fellowship during the most recent CPD Year. Do I need to complete a full fifteen-hour programme by 30 June?**

Members who complete the Fellowship in the April exams generally learn the results in mid-June and are admitted to Fellowship in July. They would not be expected to fulfil the CPD requirements in the CPD year ending on 30 June in the year of qualification, but would be expected to do so in full in the following year.

Members who complete the Fellowship in the September exams generally learn the results in late November and are admitted to Fellowship in December. They would not be expected to fulfil the CPD requirements in full in the CPD year ending on 30 June following the year of qualification, but would be expected to have made some progress. Any such member who had completed about half the requirements for a full year would be regarded as having done an acceptable amount.

A similar answer would apply to a new Associate who was not trying to progress to Fellowship.

**What happens if I change categories during a year?**

If you move to a higher-numbered category there is usually no difficulty, as the requirements are usually less restrictive. However, if you are moving to a lower-numbered category as part of a significant change in the direction of your career you should consider whether or not you need a significant extra CPD programme at the start to do that work properly.

**I work, but not as an actuary. How can the Profession monitor my CPD or insist that I do it?**

There may be some individuals who have qualified as an actuary but moved so far outside the realms of business and/or finance, for example, to manual labour or the performing arts, that no one could plausibly consider them to be working as actuaries. However, these cases are extremely rare (and may not exist at all in the Profession). For almost all members who fall within Category 3, there is no clear cut-off point between what is, or is not, "actuarial" and, more significantly, what would, or would not, be thought of as actuarial by the members' employers or clients. That is why category 3 has been defined to include **all** members who are not in categories 1, 2 or 4.

As a matter of practical reality, however, if you are *unmistakeably* working beyond the confines that anyone could conceivably regard as actuarial, for example, in manual labour or the performing arts, as cited above, the Profession will not be able to make any realistic assessment of the CPD that you might do, nor be able to determine whether a remedial plan is needed, let alone what it should contain. Nevertheless, members should note that, unless and until a definable cut-off point is found, the rule is, formally, that CPD is required, as discussed in the preceding paragraph.

## **Recording and Monitoring**

### **Can I design my own CPD record form or use one from another professional body?**

No. This is because we need to be able to monitor records efficiently, without requiring undue administrative support. Using the standard format will help ensure that we can do this. The reporting system has been kept as simple as possible so that using it should not be onerous.

### **What counts as supporting documentary evidence?**

The sort of evidence which is expected includes: attendance certificates, copy of page in visitors' book, certified copy of signed attendance lists, etc.

### **Must I record all the CPD I do in completing my record?**

No, you just need to show how you have complied with the minimum requirement. However, you may find it a good idea to record all the verifiable CPD you do at the time, in case you need to rely on it for three-year averaging.

You should note that if you attend CPD events run by the Profession you are still required to add this to your CPD record.

### **I have attended a lot of verifiable events this year. Can I record them all on my CPD form?**

An activity may be verifiable, but it's only CPD if it "develops or maintains your professional skills". Could you, if necessary, explain how each of these events did that? If you can, you can put them all on your form.

Note, for verifiable activities, it isn't necessary to put the explanation on the CPD form.

## **CPD Definitions**

### **What is meant by 'technical CPD'?**

"Technical skills" encompasses knowledge and techniques directly relevant to the industry and commercial environment in which you are working. This will include learning about new methodology, training to use existing methodology better, learning

about developments in the business environment and new regulatory requirements. Most events run by the Actuarial Profession provide technical CPD.

## **Practice Executive Committee Requirements**

### **How will requirements set by my Practice Executive Committee work?**

Practice Executive Committees may (with the agreement of Councils) suggest or require learning for various roles. For example, there might be a requirement for Pension Scheme Actuaries to have either studied a course or attended an event on financial economics. The CPD Record Form would be used to record compliance with this requirement.

If such a Committee makes such a suggestion or requirement then the Profession will try to alert anybody who may be affected by e-mail. There will also be a place on the CPD section of the website where these suggestions and requirements may be seen.

## **What Counts?**

### **Does verifiable CPD have to be gained by attending events organised by the Actuarial Profession?**

No, but verifiable CPD does need to include an element of public recognition, such as attending a public gathering, writing for others or participating in a course which is assessed. ("Public" in this context means open to others, and may be restricted to colleagues.)

### **I have been to the same presentation four times. Can I count the total time as verifiable CPD?**

If it is simply a repeat of the same speech then it should be counted only the first time. However, it might be reasonable to count any discussion time – if the discussions were significantly different. You would need to explain this on your CPD form.

### **Does the content need to be 'new' to count?**

No, relevant CPD can include refreshing and testing one's understanding, not necessarily learning something new.

### **Can I count towards verifiable CPD discussions which take place after formal sessions, say over coffee?**

No, informal discussions aren't verifiable CPD.

**I spent an hour and a half reading a sessional-meeting paper, two hours at the sessional meeting, half an hour chatting socially later which was at least partly on the paper and two hours at my dining club, which included about half an hour talking about the meeting. How much CPD can I count?**

The time spent at the sessional meeting is verifiable CPD. Time spent reading the paper could be recorded as personally-assessed CPD but it is not verifiable. An acceptable formulation for stating the outcome would be "Studying the paper in advance improved my ability to think critically about the subsequent presentation."

**I listened to the sessional meeting discussion on the internet a couple of weeks after it happened. Does this count as verifiable CPD?**

Listening to a recorded meeting is similar to reading a book or paper. It is not verifiable in itself, although it might be made verifiable, for example by formally presenting on the subject to colleagues or writing a summary for distribution. It would be appropriate to record it as personally-assessed CPD (for actuaries in Categories 2 and 3), provided that you listened as you would at a sessional meeting: with full attention and not doing anything else.

**How do I decide if an activity is verifiable?**

The key issue is whether a reasonable person would accept that there's evidence (other than your own declaration) that you undertook the activity claimed. So any visible participation in a public event is verifiable, as is any activity with a public output directly linked to the activity. Examples of such outputs are formal assessments of learning, for example exams or tests where the result is recorded, publication of a paper or report based on what you learnt, or a presentation to others based on the activity.

**Typically I learn a lot during the normal course of my work. Can I record this as CPD?**

Work experience is, of course, a vital part of professional development. That's why it's necessary for initial qualification and for the award of statutory Practising Certificates. This is in addition to the requirements for verifiable CPD.

It's not a black and white area. Some work activities will have a definite learning objective. Examples are online and other training courses plus private study for the purposes of mastering a defined learning area. Such activities are CPD and may or may not be verifiable. However, picking up skills and knowledge as you go along, or looking up the answer to a specific problem isn't CPD.

**A large part of my professional development is “private” – for example reading. Surely you’re not saying this isn’t CPD?**

We fully recognise the importance of private study. That’s why the scheme allows for personally-assessed CPD to be entered on the form with a brief description of how it met the objective of developing or maintaining your professional skills. However, actuaries who require Practising Certificates will not be able to count personally-assessed CPD towards their requirements, although they can make the activity verifiable by making the result public.

## **Non-Technical Skills**

**In my company we regularly review professionalism and professional management issues through in-house sessions. Can this count towards the professionalism part of CPD?**

Yes. This activity is likely to count for the annual CPD requirement on professional skills of 2 hours. However, by their nature, such meetings do not automatically lead to best-practice ideas being shared and adopted across the profession so attendance at an external event run or approved by the Profession every 10 years is required to help actuaries develop a wider perspective, and in-house events cannot count towards this requirement.

**I attended a course on management skills provided by my employer but presented by an external supplier. Does this count as internal or external?**

If it was a course delivered by an external provider/speaker then this would count as external even where the audience was made up of colleagues from the same firm.

**It is more than ten years since I attended the professionalism course for new qualifiers. Does that mean I must attend the professionalism event for experienced actuaries immediately?**

No. The Professional Regulation Executive Committee intends that all actuaries should comply with this requirement within five years of the launch of the scheme. All actuaries will be asked to attend one of these events before 30 June 2011, based on the date of their attendance at the professionalism course. This applies also to those who have not taken the professionalism course, which became compulsory during the 1990s. Actuaries who attended a professionalism course for experienced actuaries before the new requirements came into effect will be required to attend a professionalism event based on the date they last attended such a course, not on the date they attended the course for new qualifiers.

The schedule by which members who are Fully Regulated will be expected to attend a professionalism event has been set as follows. However, this should not be regarded as final. Actuaries who hold a statutory Practising Certificate and who last attended a Professionalism Course more than 10 years ago are encouraged to attend as soon as possible.

Year of Attending Prof Course	Deadline
1999; 1982 – 1986	30 June 2009
2000; 1987 – 1991	30 June 2010
2001; 1992 – 1996	30 June 2011

## **Maternity Leave and Career Breaks**

### **I am expecting to go on maternity leave or planning a career break. What are the CPD requirements for when I go and for when I want to work again?**

The overriding criterion is that you need to be competent for the work you are doing, so you should consider very carefully your CPD needs before you return. If there are developments that you need to know and understand before you re-start work, you will need to address them, even if you are returning from a short break and have enough CPD saved up from before you left to use averaging to meet the requirement. For the same reason, you may need to resume work at a simpler level than you were used to immediately before you stopped. Undoubtedly, for any period of absence which is long enough to be a “career break”, rather than a long holiday, you will need to arrange a CPD programme to complete within a short period of resuming work.

It should be noted that you may not be granted a Practising Certificate immediately on your return if you do not fulfil the CPD requirements. If this is likely to be a problem then you may want to carry out CPD during your break. The Practising Certificate Committee is responsible for the granting or withholding of practising certificates and considers each individual case on its merits. If you have any concerns about your own situation then you should contact them directly.

For the CPD year in which you return to work, re-establishing competence is the overriding requirement, rather than meeting the minimum number of hours, especially if you return late in CPD year (1 July – 30 June). Likewise, for the CPD year in which you leave for your break, the issue is your competence whilst you are still working: it would be wholly inconsistent with the spirit of the scheme for you to rush through some CPD just before you go on a break so as to meet the minimum number of hours in that year. If you are in any doubt you are advised to seek guidance from the Profession to ensure that you are able to meet the requirements.(listed in Appendix 1)

## **Members outside the United Kingdom**

### **Are the requirements relaxed for members who are practising outside the United Kingdom?**

For those members of the UKAP who are based overseas but who remain Fully Regulated, we recognise certain other actuarial bodies' CPD Schemes (listed in Appendix 1), as being equivalent to our own and in these cases actuaries who fulfil them can be regarded as fulfilling the UKAP's requirements. However it should be stressed that this is not a concession on doing CPD, it will only reduce the effort involved in reporting it to the UKAP. A member who wants to use this method for fulfilling the requirements must still make a CPD Declaration and must tick the appropriate box on the Category Declaration screen and select the relevant association from the drop down fields. If this is not completed correctly, the member will not have complied with the UKAP's requirements and could find themselves referred to the Discipline Investigation Team for non-compliance.

Those members opting for Partial Regulation by the UK Actuarial Profession will not be required to comply with the UK Actuarial Profession's CPD requirements but must at all times comply with the CPD requirements of his or her primary professional regulator provided that the body is an IAA affiliated actuarial professional body.

## **Appendix 1**

### **CPD Schemes recognised by the UK Profession**

- Institute of Actuaries of Australia
- Society of Actuaries in Ireland
- Actuarial Society of South Africa
- Canadian Institute of Actuaries
- New Zealand Society of Actuaries

### **Professionalism Events for New Fellows and Associates recognised by the UK Profession**

- Institute of Actuaries of Australia
- Society of Actuaries in Ireland
- Actuarial Society of South Africa
- Canadian Institute of Actuaries
- Institute of Actuaries of India
- Institute of Actuaries of Japan
- USA: Casualty Actuarial Society
- USA: Society of Actuaries
- Singapore Actuarial Society

### **Professionalism Events for Experienced Actuaries recognised by the UK**

- Society of Actuaries in Ireland
- Singapore Actuarial Society

# For further Information

Cath Bryson  
Manager, Membership and Certificates  
The Actuarial Profession  
Maclaurin House  
18 Dublin Street  
EdinburghEH1 3PP  
Tel: +44 (0)131 240 1305  
Fax: +44 (0)131 240 1313  
e-mail: [cath.bryson@actuaries.org.uk](mailto:cath.bryson@actuaries.org.uk)

Patricia McLauchlin  
Team Leader, Membership and Certificates  
The Actuarial Profession  
Maclaurin House  
18 Dublin Street  
EdinburghEH1 3PP  
Tel: +44 (0)131 240 1303  
Fax: +44 (0)131 240 1313  
e-mail: [patricia.mclauchlin@actuaries.org.uk](mailto:patricia.mclauchlin@actuaries.org.uk)