



Institute
and Faculty
of Actuaries

Individual Professional Responsibility From third party software and the Code via the new QAS

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Individual Professional Responsibility

What does this mean?

- Individual?
- Professional?
- Responsibility?

What does this mean in pension working environments?

- Possible tensions
- Commercial
- Contractual
- Time pressures
- Client Relationships
- Employer relationships
- Conflicts of interest

3

How can IFoA help members navigate through this?

- Actuaries Code, Standards and Guidance
- New ASCPR Guidance
- Quality Assurance Scheme
- Professional Support Service
- Professionalism materials

4

New Guidance

**Actuarial Software and Calculations
– Professional Responsibility**

“ASCPR Guidance”

5

ASCPR - Background

- Developments in consulting world
- Needs of clients - both sponsor and trustee
- Provision of third party calculation solutions
- Questions raised with IFoA by tPR
- Establishment of Working Party

6

Initial Discussions

- Confidence in Profession
 - Encourage Innovation
 - Legal Responsibilities
 - Commercial Factors
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7

Terms of Reference

- The working party's overall purpose is to identify:
 - i. the factors related to the use of models and calculations which enable a Scheme Actuary to properly sign off his/ her work; and
 - ii. any associated issues and make recommendations for any IFoA actions.
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8

The Working Party

Third Party Products

Individual Professional Responsibility

Actuarial Software and Calculations

Volunteers drawn from users, actuaries and software providers

9

ASCPR guidance

- For trustees and sponsors
 - Guidance includes
 - **Precis**
 - **Note to users** – including scenarios, Q&As for users and factors to consider
 - **Separate Q&As for actuaries**
 - Explains professional responsibilities of actuaries when they provide advice or actuarial information which relies on data or calculations provided by
 - trustees or scheme sponsors,
 - computer models or software programs
 - third parties, or
 - internal support teams
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10

Conclusions of Working Party

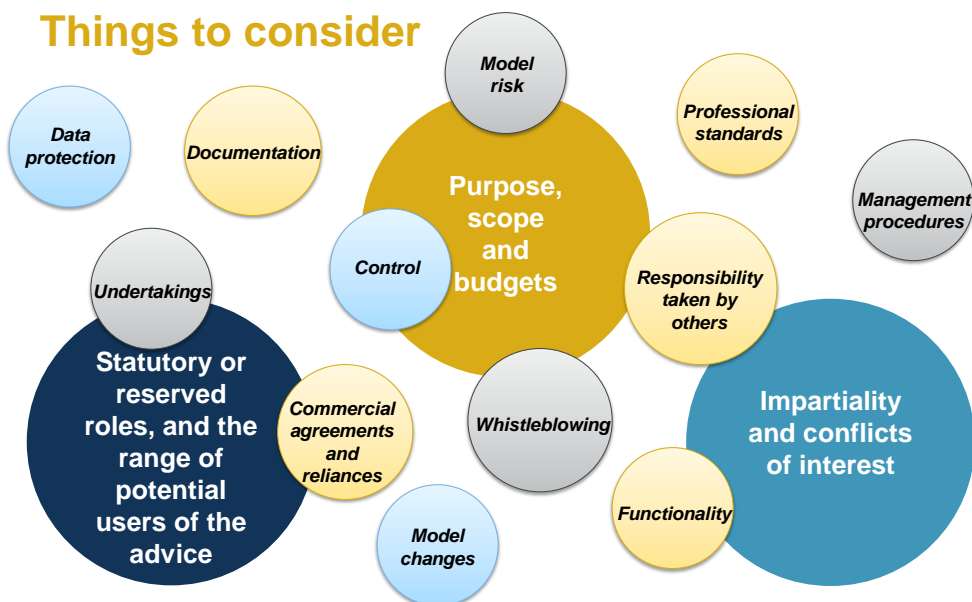
- Every case will be different
- It is incumbent on each actuary to reach their own conclusions
- Actuaries' Code provides the framework, and
- no new regulation needed

11

Case Studies

12

Things to consider



13

Quality Assurance Scheme

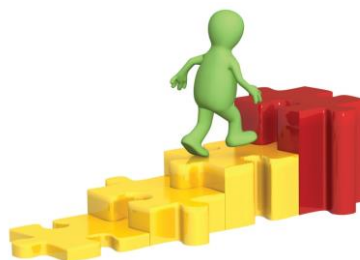


- Another way to navigate through the tensions...
- Accreditation scheme for organisations that employ members
- Aims to create a direct link between the IFoA and those that employ its members
- Recognising:
 - The importance of culture and the working environment to Members' ability to meet their professional responsibilities
 - That the support of employers is required to meet the requirements of standards
- Outcomes based and linked to professional requirements

14

Quality Assurance Scheme – key areas

- Quality Assurance (including Work Review)
- Conflicts of Interest
- Development/Training of Members
- Speaking Up
- Relationship with Users
 - Engagement and communication
 - Handling and appropriate resolution of concerns



15

Quality Assurance Scheme

- Senior Quality Assurance Representatives (SQAR) forum
- Launched 1 September 2015
- First accreditations due to be announced spring 2016



16

Professional Support Service

- Panels of experienced members can answer your questions
- Any issue relating to professional ethical or technical matters
- Submit an online query form
- www.actuaries.org.uk/regulation/pages/professional-support-service

17

Questions and comments ?



18