



Institute
and Faculty
of Actuaries

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

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CHIPS - Leeds
4 November 2015



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

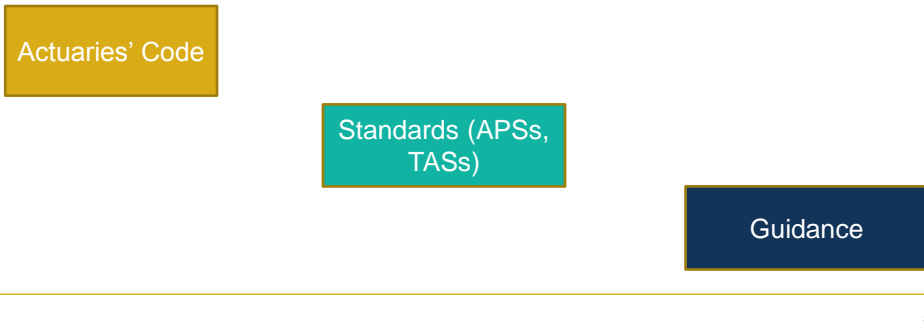
How can IFoA help members navigate through this?

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

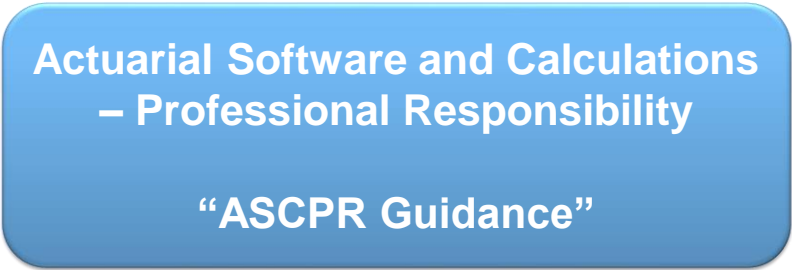
4

Code, Standards and Guidance

- Positive aspect of ‘regulation’
- Assist with understanding what you should do
- Status =  likely to get employer’s ‘buy in’



New ASCPR Guidance



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
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7

Initial Discussions

- Confidence in Profession
 - Encourage Innovation
 - Legal Responsibilities
 - Commercial Factors
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8

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

 9

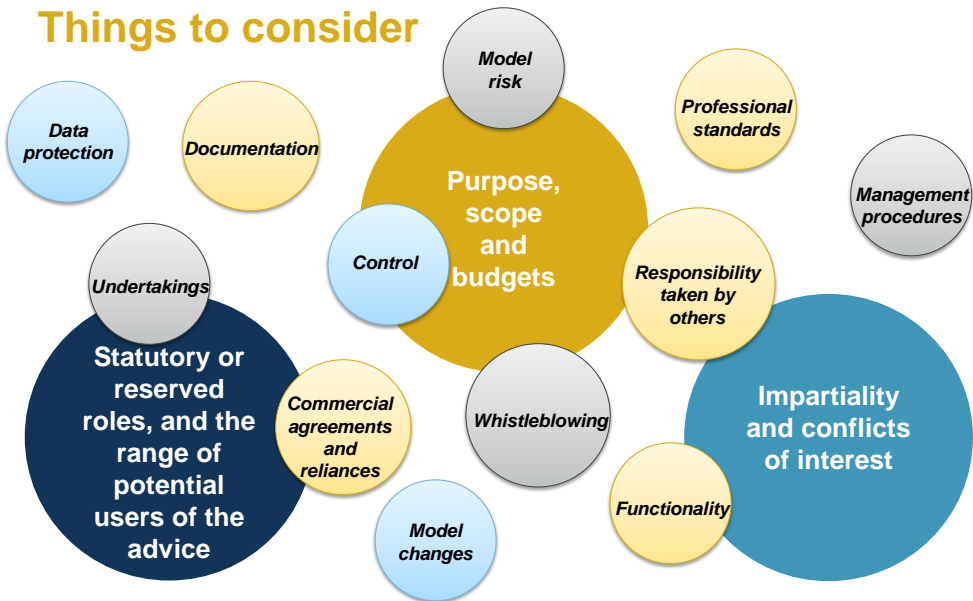
Conclusions of Working Party

- 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

 10

Case Studies

Things to consider



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

 13

Quality Assurance Scheme



- APS QA1
- Outcomes based and linked to professional requirements
- Interview based: designed to test if outcomes truly embedded
- Involves assessment

 14

Quality Assurance Scheme

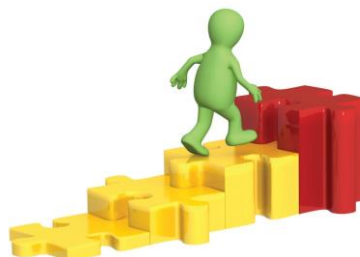


- Must demonstrate commitment to the quality of actuarial work
- Must provide support to their employees in meeting their professional requirements (e.g. the Actuaries' Code and APSs)
- Must demonstrate that they have effective policies and procedures in relation to certain key areas

15

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



16

Quality Assurance Scheme



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



 17

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

 18

Questions and comments ?

