



Institute
and Faculty
of Actuaries

Regulatory Round Up

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Summary

- Regulation of Solvency II roles
- Standards Framework Review
- Joint Forum on Actuarial Regulation
- Quality Assurance Scheme and Peer Review
- Professionalism
- Case study

Regulation of Solvency II roles

Initial Consultation - closed June 2014.

- Actuarial Function
- Risk Management
- Internal Audit

2nd Consultation

- Actuarial Function - compulsory Practising Certificate
- Risk Management – possible voluntary Practising Certificate
- Alignment with Prudential Regulation Authority

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Standards Framework Review

- Statement on Actuarial Standards
- Top Down Review of IFoA standards
- Identify gaps / overlaps / unnecessary
- APS X1- Application of Standards



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Joint Forum on Actuarial Regulation (JFAR)

- A unique collaboration of regulators
 - Established in 2013 to co-ordinate the identification of, and response to, public interest risks to which actuarial work is relevant
 - Members FRC, IFoA, PRA, FCA, tPR
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Risk Perspective

- 'JFAR: A risk perspective' was published in October 2014 by the FRC
www.frc.org.uk/JFAR
 - Identification of risks to the public interest where actuarial work is relevant
 - Broad view of public interest
 - All areas of actuarial work
 - Feedback sought by 20th February 2015
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Quality Assurance Scheme

Overview of the proposals – a reminder

- APS QA1: Organisations and Employers of Actuaries
- Participation agreement
- Application assessed and accreditation granted or refused
- Regular monitoring to ensure compliance with standard
- Withdrawal of accreditation if deemed to fall short
- Designated Representatives Forum



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Professionalism

➤ First tranche 2013/14

- Conflicts of Interest focus
- 23 videos on generic and practice specific issues
- 75,000 views of online content
- 3,000 attended events delivering content for experienced members

➤ Second tranche 2014/2015

- Whistleblowing focus
- 10 videos
- Generic
- Investment
- Pricing
- Life



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Whistleblowing

Actuaries' Code requires all members to:

- “act honestly and with the highest standards of integrity”
- “respect confidentiality unless disclosure is permitted by law and justified in the public interest”

Principle 4 (Compliance) of the Code requires members to:

- Speak up to their clients or to their employers, or both, if they believe, or have reasonable cause to believe, that a course of action is unlawful, unethical or improper.
- Fulfil any obligations to report information to relevant regulatory authorities.

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Questions ?



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