

Institute and Faculty of Actuaries

Approval report

Subject	Review of IFoA's policy on Continuing Professional Development (CPD)
Regulation Board meeting	14 May 2020
Author	IFoA Executive Team
International Issues Considered	Yes

A: Executive summary

1. Summary

- 1.1 At its December meeting Regulation Board approved a proposal for a new Continuing Professional Development Scheme and the launch of a consultation on that proposal.
- 1.2 This paper seeks Regulation's Board's approval of the final CPD Scheme following consideration of the feedback provided through the consultation process.
- 1.3 The paper also seeks the Board's approval of the draft Discussion Paper which summarises that feedback and explains how it has been taken account of.

B: Background

2. Consultation Process

- 2.1 The consultation was formally opened on 24 January 2020, with the publishing of a [consultation package](#) online. An email was sent to all Members, and the Executive also sent notice to the Presidential Team, the Life-long Learning and Disciplinary Boards, Practice Boards and external stakeholders.
- 2.2 During the consultation period news items were published on the IFoA website, articles were placed in the Actuary and reminders included in the various newsletters. Two consultation meetings were held in the form of webinars, with around 80 joining the first, and 180 joining the second.
- 2.3 The consultation closed on 17 April 2020. A total of 215 responses were received through Survey Monkey and a further 13 via email.
- 2.4 The Executive have now analysed the responses, and prepared a discussion paper summarising the main issues raised, and the IFoA's feedback to it.

C: Discussion

3. Results of Consultation

- 3.1 The Survey Monkey results are included at **Appendix A**. Whilst these don't capture all responses (some respondents having chosen other means to respond) they give the Board a good indication of the support for the proposed scheme.
- 3.2 A spreadsheet of the detailed responses and comments is included at **Appendix B**, and

the responses that did not follow the questionnaire format are included at **Appendix C**.

- 3.3 The Board will note that there was overwhelming support for the introduction of the proposed CPD Scheme. The questionnaire sought views on the details of the proposed Scheme, and all parts of the proposal were supported.
- 3.4 Many detailed, helpful comments were provided by respondents that can be utilised to help shape the processes, guidance and other material that will be put in place to implement the Scheme.
- 3.5 The responses did not highlight any fatal flaws or problems with the Scheme in its proposed form. Most of the concerns expressed at the proposals were around clarity and understanding and therefore will be best addressed through guidance and further explanation on the arrangements.

4. Feedback from Financial Reporting Council

- 4.1 The feedback provided by the Financial Reporting Council is included at **Appendix D**. The Executive has reflected upon the feedback in considering the proposed final form of the new scheme. It will also prepare a substantive response to this private consultation response. The Board is invited to consider that feedback when taking its decision to approve the new scheme as proposed.

5. Discussion Paper

- 5.1 A draft Discussion Paper summarising the results and the conclusions drawn from the consultation is included at **Appendix E**.
- 5.2 The Board is invited to consider the paper and make any suggestions or comment.

6. Final CPD Scheme

- 6.1 In light of the volume of support for the proposed Scheme and given there were no impediments identified to the introduction of it, the Executive proposes that it be implemented in the form consulted upon. The final CPD Scheme is therefore included at **Appendix F**.

D: Next Steps

7. Implementation of the Scheme

- 7.1 The Board agreed at the December meeting the following timescales for implementation:-
- 01 June 2020 - CPD Scheme and Discussion Paper on consultation published
 - June – August 2020 – Process for applying for Non-Practising Status drawn up, changes made to IFoA website for optional recording of CPD
 - 01 September 2020 – CPD Scheme takes effect, start of new CPD year
 - 2021 – Detail of Reflective Practice Discussions drawn up following pilot
 - 31 August 2021 – end of first CPD year

- 01 September 2021 – Reflective Practice Discussion program commences

7.2 This mean that Members have an additional two months in which to complete their CPD requirements for the 2019/20 year.

8. Communications

8.1 The Executive are working with the Communications Team to develop a plan to ensure that all Members are aware of the new Scheme and their obligations under it. The Executive will be presenting on the new Scheme at a number of IFoA conferences that will now be hosted as webinars.

8.2 As and when additional material or the details of processes are confirmed further communications on these will be issued to ensure all Members are aware.

9. Development of further material

9.1 The Executive will be considering guidance to support Members in understand their obligations under the new Scheme, and to ensure they are sufficiently supported.

9.2 The Executive intends to look at methods by which the IFoA can engage with the employers of IFoA Members and support them in Reflective Practice Discussions in house.

10. IFoA Reflective Practice Discussions

10.1 The aim of the proposed CPD scheme was to focus more on supporting Members in their development and learning. The discussions are the key mechanism by which the IFoA can offer this support to Members.

10.2 This section therefore sets out how the Executive proposes the discussions be managed and consider some options that will be further investigated.

Objectives

10.3 The proposed CPD scheme defines a Reflective Practice Discussion as “A discussion to allow the Member to reflect on the CPD Activities carried out during the previous CPD Period, Learning Outcomes achieved and how they have applied what was learnt as well as to discuss how they intend to approach future development and learning, including anticipated other work and/ or roles.”

10.4 The objective of the discussions is to give Members an opportunity to carefully consider what they have learned, and what more they might do to address any gaps in their knowledge, as well as develop themselves for the future. The discussions will also allow the IFoA to better understand the CPD that Members are carrying out. This information will be used by the IFoA to shape its offering of CPD events and material.

10.5 Members should feel confident talking about their learning needs and goals for the CPD Period and come away from the discussion with a plan as to how they can continue to work towards those goals.

- 10.6 The discussions are not a method of audit. Whilst Members would have to come prepared to talk about all the activities they have taken part in, the discussion would not involve checking a record of those activities.

Arrangements

- 10.7 The proposed scheme requires all Members to prepare for such a discussion and for some to have a discussion with the IFoA where asked. We envisage that all Members would therefore have a discussion with a peer, line manager or another appropriate person such as a volunteer. Only a selected number would be selected for a discussion with the IFoA.
- 10.8 Material will therefore be produced on both types of discussions and what the Member should be looking to get out of them. This will include guidance on how to assess Learning Outcomes, how to reflect, as well as potentially videos demonstrating how the discussions can go.

IFoA Discussions

- 10.9 For those that are selected for a discussion with the IFoA, they would be provided with the appropriate guidance and would be encouraged to converse with the IFoA representative in advance of the discussion about any problems, or concerns they might have.
- 10.10 The guidance would likely set out the areas that the Member should think about prior to the discussion, the types of questions that will be asked and what the expectations of the person conducting the discussion are.
- 10.11 The person conducting the discussion on behalf of the IFoA needs to have good communication skills, be capable of interviewing a professional, gently challenging them on their conclusions and probing the information they present. They need to do so in a supportive, constructive manner however, as the discussions are not about testing the Member but instead about helping them draw conclusions and recognise issues. They should also be able to provide a steer on the sort of things that the individual might want to consider and be able to point them in the right direction of where to find it.
- 10.12 Whilst some knowledge around actuarial training and development would be useful the person could be informed on this through advice from Practice Boards and colleagues in Life-Long Learning. Education Actuaries could also be key in offering advice on actuarial learning.
- 10.13 Therefore Members of the Executive (without an actuarial qualification) could be trained up to effectively conduct such a discussion.
- 10.14 Volunteers could also bring a benefit to these discussions. A volunteer with a similar skill set, who perhaps works in the same field as the Member selected could offer more insight and draw on their own experiences to help shape the line of questioning and thus the conclusions that are drawn. This would allow the discussion to be better tailored to the individual's circumstances and assist the person conducting the discussion in asking the appropriate questions. That might be of particular relevance for Members in (or aspiring to) certain roles, for example involving PC Holders.
- 10.15 It is possible volunteers could feed into the training of the IFoA Executive with a view to the Executive eventually carrying out the discussions themselves.
- 10.16 In utilising Executive staff, Education Actuaries and volunteers the resource required to implement the program of discussions would not be onerous on the IFoA.

Content of Discussion

- 10.17 The discussion should not be overly technical in nature. The selected Member would be expected to be able to convey their learning to a lay person. This also presents a test of the Members communication skills.
- 10.18 The Member would be asked to explain what CPD Activities they carried out in the past CPD year and why they selected them. The Member would explain, with the help of the person conducting the discussion, what the Learning Outcomes were. Learning Outcomes are defined as "Knowledge and/or skills which the Member gained as a result of taking part in an activity".
- 10.19 The person conducting the discussion would gather this information from the Member, assist them in identifying any gaps in their knowledge and considering whether what they had done was suitable for maintaining their competence in their field. This could be shaped through checklists and additional material produced in conjunction with the volunteers.
- 10.20 The discussion should also cover the Member's future development and what they could be doing to develop themselves, in both soft and technical skills.

Follow up

- 10.21 The person conducting the discussion would make suggestions to the Member on areas for consideration moving forward both with respect to maintaining their competence and future development. Suggestions would cover topics to learn more about, areas to consider and activities to carry out.
- 10.22 For Members that are found to not be carrying out appropriate CPD (with respect to both quantity and quality) the IFoA would stay in touch with that Member over the course of the year, and request the Member show that they had addressed the concerns identified.
- 10.23 For Members who are found to have breached the Actuaries' Code obligation to maintain their competence, there is a risk of them being referred under the Disciplinary and Capacity for Membership Schemes. Although this would be pursued in extreme circumstances only, recognising the nature of these discussions as supportive rather than about checking compliance.

Conclusion

- 10.24 The Executive propose to set up a pilot program of discussions utilising the personnel mentioned above. The intention of the pilot would be to determine who would be best to carry out the discussions, what knowledge and skills that person would require, and investigate what more can be done to ensure the discussions support Members in the best possible manner.
- 10.25 Once the program and detail of the discussions has been finalised, this will shape the decision on how Members are selected for the discussions, and how many discussions are conducted in a year.

F. Recommendations

11. The Board is asked to:-
- Approve the final CPD Scheme for publication

- Approve the Discussion Paper on the consultation for publication
- Note the update on Reflective Practice Discussions

G. Appendices

A - Survey Monkey results

B – Spreadsheet of detailed responses

C - Other responses

D - Financial Reporting Council feedback (CONFIDENTIAL)

E - Draft Discussion Paper

F - Final CPD Scheme