

## Institute and Faculty of Actuaries

### Noting report

<b>Subject</b>	IFoA Executive Update
<b>Regulation Board Meeting</b>	14 May 2020
<b>Author</b>	IFoA Executive Team

#### A: Introduction

1. This paper provides an update on the work of the IFoA Executive Team since the last meeting of the Board and highlights key issues and developments for the Board to note.
2. The Board is invited to let the Chair know at least three days in advance of the meeting if there are any aspects of the update paper that they would like to discuss, so that appropriate time can be allocated in the agenda.

#### B: Update

		<b>UPDATE</b>	<b>NEXT STEPS AND KEY DATES</b>
1	<b>Update on IFoA Covid-19 regulatory responses</b>	There have been a number of Covid-19 related regulatory responses published since the last meeting. Those include: (1) A general communication on steps taken by the IFoA in relation to the impact of Covid 19 on members' ability to comply with regulatory requirements; (2) a Risk Alert on Covid 19; and (3) a communication about special arrangements for PCs to be issued. The measures taken will be kept under review and further steps may be proposed if appropriate.	
2	<b>Update on post-Kingman review of Actuarial Regulation</b>	There have been no further developments in relation to the review of actuarial regulation. The UK Government has postponed many consultations that were due to be published in light of Covid 19 related issues. Therefore it seems very unlikely that the consultation will be published in Spring, as previously indicated.	
3	<b>Update on Review of Professional Support Service</b>	<i>*redacted due to confidential content*</i>	<i>*redacted due to confidential content*</i>
4	<b>AMS Thematic Review Programme</b>	The Pension factors review was successfully launched on 2 <sup>nd</sup> March. As part of the Covid-19 regulatory update the deadline for submissions	Receipt of review material which will enable us to move into

	<b>update – Pensions factors review</b>	was extended to 29 <sup>th</sup> May. At this stage there are 13 organisations which have committed to contributing which should provide over 40 examples of reports to review.	the review phase. A fuller update of progress will be provided at the July Regulation Board meeting.
5	<b>Disciplinary Board annual report</b>	Included as <b>Appendix 2</b> is the annual report of the Disciplinary Board for noting.	Publication expected mid-June 2020
6	<b>Proposed Brexit risk alert</b>	<p>Feedback from the Practice Boards is that there is currently little appetite for a cross practice Brexit risk alert. The comments/issues shared by the Boards will instead be used by the Policy Team to inform the IFoA's dedicated Brexit webpage as well as any other sources of information developed for members.</p> <p>The GI Board has been notified of the Board's decision not to proceed with a Brexit risk alert at this time.</p>	
7	<b>FRC private oversight report</b>	<p>Included as <b>Appendix 3</b> is the FRC's private oversight report for noting.</p> <p>The document is largely in final form however we expect to receive a further version from the FRC with some minor changes. This can be made available to Board members on request.</p>	
8	<b>PRA and FCA Business Plans</b>	<p>These were published in early April. A summary of the plans has been included as <b>Appendix 4</b>. There are some matters that may be considered from an IFoA perspective, including:</p> <ul style="list-style-type: none"> <li>• How does our regulatory policy approach line up against the PRA in terms of cancelling/postponing/extending activity?</li> <li>• Are our key regulatory pillars (Standards, CPD, QAS and AMS) sufficiently complementary to our co-regulators current aims?</li> <li>• Is there anything we should be considering in order to better support members in understanding and meeting the requirements of the PRA and FCA?</li> </ul>	
9	<b>Redacted minute from Board's</b>	Board members will recall previous discussion about publication of the Board's minutes where it was agreed that an appropriately redacted minute	The published minutes and papers will be kept under review and

	<b>February meeting for publication</b>	<p>would be circulated to the Board before the first minutes were published.</p> <p>Included as <b>Appendix 5</b> is a version of the minutes from the February meeting of the Board intended for publication on the Board's webpage. Highlighted in yellow are proposed redactions where a policy decision of the Board has not yet been implemented or communicated to members.</p> <p>Included as <b>Appendix 6</b> is a note setting out which papers from the February meeting will be published.</p>	<p>redactions removed as and when policy decisions have been implemented and communicated to Members.</p>
<b>10</b>	<b>Review of APS P1</b>	<p>The full Pension Standards Committee are considering a further revised draft of APS P1 following additional discussion and debate amongst the Committee about the wording.</p>	<p>Once the Committee are happy with the draft, this will be shared with the Financial Reporting Council for comments and the Regulation Board at the July meeting for approval to go to a Member consultation.</p>
<b>11</b>	<b>Update on the Professional Skills Refresh (Stages 1 and 2)</b>	<p>At the Board's meeting on 28 February approval was sought for revised eligibility criteria for the Stage 1 and Stage 2 Professional Skills Courses.</p> <p>The Board proposed consulting Life Long Learning Board in relation to the eligibility criteria for the Stage 1 course and proposed an alternative rule allowing Students 12 months post admission to complete the Stage 1 course.</p> <p>On further reflection and discussion, it was decided to retain the current rule for Stage 1 (the course needs to be completed before Students may apply to take CB3 Business Management exam). This was discussed with the Regulation Board Chair in a telephone discussion on 8 April 2020.</p> <p>The project is on track to be implemented from July 2020 which is a revised, earlier date than previously reported.</p>	<p>A further update will be provided at the Board's July meeting.</p>
<b>12</b>	<b>Stage 3 Professional Skills for</b>	<p>New content is being developed for the 2020/2021 CPD year, however the focus will be less on video case studies balanced with some ethical online</p>	<p>A further update will be provided to the Board's July meeting.</p>

	<b>Experienced Members</b>	tools. The usual filming cycle of video case studies cannot be met due to the Coronavirus restrictions.	
13	<b>Updates from other Boards and Committees</b>	<p>The report from the meeting of the Lifelong Learning Board on 26 March is included as <b>Appendix 7</b>.</p> <p>The latest Research and Thought Leadership Board update is included as <b>Appendix 8</b>.</p> <p>The report from the meeting of the Policy and Public Affairs Board on 25 February is included as <b>Appendix 9</b>.</p>	
14	<b>JFAR update</b>	The last meeting of the JFAR was on 4 March and was attended by the Chair of this Board. An update is included in the Chair's update note. The Risk Perspective has now been approved by the members of JFAR and is almost finalised.	Next JFAR meeting is on 3 June 2020.
15	<b>Update on IAA, AAE and International Standards</b>	Meetings of the IAA and AAE were recently held virtually for the first time as a result of the Covid 19 restrictions. Included at <b>Appendix 10</b> is a note of the current status with international model standards. Mark Stocker and Ben Kemp attended the IAA Professionalism Committee and Emma Potter and Ben attended the AAE Professionalism Committee. Both meetings were substantially confined to updates and discursive topics, including in relation to CPD regulation, where we were able to share our reform proposals. The IAA is likely to focus its further standard setting activities on producing core 'framework' model standards targeted at supporting smaller associations.	

### **C: Recommendations**

The Board is asked to note this update.

### **D: Appendices**

Appendix 1: Update on review of professional support for Members

Appendix 2: Disciplinary Board Annual Report

Appendix 3: FRC's private oversight report

Appendix 4: Summary of PRA and FCA Business Plans

Appendix 5: Redacted minute from Board's February meeting

Appendix 6: Note of proposed redactions to papers from Board's February meeting

Appendix 7: Lifelong Learning Board update

Appendix 8: Research and Thought Leadership Board update

Appendix 9: Policy and Public Affairs Board update  
Appendix 10: Table of international standards