

## **PIstitute and Faculty of Actuaries**

### Noting report

<b>Subject</b>	Annual Report of the Practising Certificates Committee (PCC)
<b>Regulatory Board meeting</b>	10 November 2021
<b>Previous Board Steer/Approval</b>	N/A – this is an annual noting report
<b>International issues considered?</b>	Relates to a UK specific matter
<b>Author</b>	Chair of the PCC IFoA Executive
<b>Purpose</b>	Noting

#### **A: Introduction**

1. **This report to the Regulatory Board (“the Board”) summarises the work of the Practising Certificates Committee (PCC) for 2020/21.**
2. It provides details for the Board on the ongoing administration and membership of the PCC, plans for the PCC report for Members, as well as current and ongoing topics of interest.

#### **B: Administration and Membership**

3. **Appendix 1** to this paper summarises the casework over the period from 1 September 2020 to 31 August 2021. It shows the number of applications renewed, renewed through discretion, rejected and cases where a restricted certificate has been issued. Member names have been redacted.
4. Over this period, two appeals were received. The PCC’s decision was upheld in both cases.
5. Full meetings of the PCC were held on 4 May 2021 and 12 October 2021. In accordance with the PCC Terms of reference, **Appendix 2** to this report summarises the attendance statistics of the PCC. The Chair notes the extensive workload of the Committee and the generosity with which panel Members give their time. The Chair also wishes to record and thank the Executive for their efforts in ensuring the smooth running of the administration of the PC Scheme. Most cases progress through the PCC process relatively easily, but there is always a steady stream of more difficult or borderline cases which require particular consideration and this is where much of the harder work lies. In particular, the Chair wishes to thank the Executive for the significant amount of work involved in the two appeals over this period.
6. Recently retired Board member Marcia Cantor-Grable was also the Lay member of the PCC for the past four years and she has been consulted on a small number of specific cases over the last year in particular. On behalf of the Committee, the Chair would like to extend their thanks to Marcia for her valued contribution during her tenure as the Lay member.
7. The PCC Executive has the delegated authority to approve pensions cases without referral to the Pensions Panel, where the application meets certain set criteria. In previous years, Members of the PCC Pensions Panel have carried out a review of the Executive PC

process, with the last review taking place in 2019. An upcoming review is currently being organised and any findings will be reported back to the full PCC.

8. The delegated authority has been extended over recent months, to renewal applications in each practice area, with set criteria having been agreed with each Panel. The new process is working well and is allowing the Panels to focus their time on the more difficult/complex cases. The agreed criteria can be found at **Appendix 3**.

### **C: PCC Report to Members**

9. In previous years, the PCC has produced an Annual Report to Members, which includes information such as the annual review of the PC Scheme, statistics on the number of PCs in existence and some points for applicants to consider when completing their applications.
10. Due to the ongoing review of the PC Scheme and the likelihood that any changes will be communicated to Members in the coming months, it was felt that it would not be beneficial to produce a report this year based on the current PC Scheme.
11. As an alternative, the Executive will create a new webpage within the Practising Certificates area of the IFoA website to provide Members with the most recent statistics on PC cases to ensure transparency is maintained.

### **D: Current or ongoing topics**

12. The PCC Chair has recently raised concerns with the Chair of the Board, and the Executive, in relation to changes in the pensions landscape and in particular, the different types of pension schemes that Members are now working on.
13. There is a growing number of pension schemes being reorganised as multi-section schemes, some of which have more than 80 sections and have one or more Scheme Actuaries providing actuarial advice. Additionally, there will be an introduction of CDC Schemes and a growing number of closed schemes that Members are working on, which require different skills sets to those required for open schemes.
14. The PCC notes that these points are included in the Board's Horizon Scanning Register and would be happy to provide any input on these public interest regulatory risks, as and when required.

### **E: Conclusions**

**The Board is asked to note the report.**

### **F: Appendices**

**Appendix 1:** Casework Summary 1 September 2020 to 31 August 2021

**Appendix 2:** Meeting attendance and calls

**Appendix 3:** PCC guidance on assessing PC applications