

Institute and Faculty of Actuaries

Regulatory Board

Noting report

Subject	Chair's update
Regulatory Board meeting	16 November 2022
Author	Neil Buckley, Chair of Regulatory Board
Reviewer	Emma Gilpin, Head of Regulatory Policy
Purpose	Noting

SUMMARY

1. I start this report with the excellent news in relation to the member vote on the revised Disciplinary Scheme. The changes to the Scheme were approved by an overwhelming majority of members. The next stage is implementation of the changes and this will be taking place over the coming months. Thanks to executive colleagues for all the work that they have done on helping to secure these positive changes to the Scheme.
2. I had the pleasure of visiting colleagues in the Edinburgh office last month. It was good to see everyone and to be updated on the progress of all the different areas of work. For the first time since the 2020 lockdown I was able to see the whole team together.
3. One issue that has arisen in the last few weeks has been concerns raised by the Practising Certificate Committee (PCC) about what would happen to Practising Certificates (PCs) for Reviewing Actuaries who have, to date, had restricted Chief Actuary Certificates. Their concern was about the need to meet the competencies for a Chief Actuary Certificate and the absence of the ability to give a restricted certificate. I had a good discussion with Karen, the Chair of the PCC and subsequently with Stephanie and Emma in a meeting in Edinburgh. Hopefully we have found a practical way forward and I have written to Karen outlining what we will do.
4. Well, 2022 has most definitely been a year of change. We are now onto our third Prime Minister and fourth Chancellor of Exchequer of the year. This has had a number of impacts one of which was the market turmoil after the never to be implemented mini budget. This, in part, led to the issues around Liability Driven Investment which we will discuss again today.
5. The repeated changes in political leadership at various ministries means that it is difficult to gauge where we now are in relation to future legislation for regulation of the actuarial profession. We had an inkling when Jacob Rees Moggs was Secretary of State at BEIS of his priorities, but now we just have to wait and see whether anything is said in the November Financial Statement.
6. The FRC meanwhile plough ahead with their plans. They advise that they are still working to an April 2024 implementation date. There has been quite a lot of interaction with FRC colleagues in the last couple of months, not least in relation to the public and private oversight reports. The public oversight report has now been agreed and we expect it to be published shortly.
7. The process of oversight reporting was one of the issues we discussed in my meeting with Sarah Rapson, FRC Executive Director of Supervision. We raised the issue of the MoU and although there seems a disinclination at this time to start discussions about reviewing the MoU, there does seem to be an acceptance that this will be necessary at some point relatively soon.

8. Finally, we have been advised that the FRC are proposing the abolition of The Joint Forum on Actuarial Regulation (JFAR). We think this is a retrograde step and have advised the FRC of our concerns. We will discuss this matter at the December JFAR.