



APS X4: Social Security Programmes

Version: 1.0, effective from 27 February 2020

Purpose: This **APS** adopts the terms of model standard **ISAP 2** for **Members** producing **Actuarial Work** outside the **UK Geographic Scope**. **ISAP 2** sets standards for **Members** to apply whilst performing **financial analyses** of **Social Security Programmes**, or reviewing, advising on, or opining on such analyses, to give **Users** confidence that:

- **Actuarial Work** is carried out professionally and with due care;
- The results are relevant to their needs, are presented clearly and understandably, and are complete; and,
- The assumptions and methodology (including, but not limited to, models and modelling techniques) used are disclosed appropriately.

1. Application of ISAP 2

- 1.1. The requirements set out in this **APS** apply only to **Actuarial Work** that is outside the **UK Geographic Scope**.
- 1.2. **Members** performing **financial analyses** of **Social Security Programmes**, or reviewing, advising on, or opining on such analyses, should comply with **ISAP 2**.
- 1.3. **ISAP 2** should be read together with the **ISAP Glossary**. In the event of any inconsistency between the **ISAP Glossary** and this **APS**, this **APS** prevails.
- 1.4. The sections entitled "Preface", "Introduction" and "Section 1. General" of **ISAP 2** are to be treated as deleted.
- 1.5. Paragraphs 2.5, 2.6, and 3.1.4 of **ISAP 2** are to be treated as deleted.

1.6. In applying judgement to the application of this **APS Members** must consider the principles underlying the requirements, along with the spirit and reasoning behind the **APS**.

2. Interpretation and application

2.1. A failure to comply with this **APS** may result in a finding of misconduct in terms of the **IFoA's Disciplinary and Capacity for Membership Schemes**.

2.2. This **APS** uses the word "must" to mean a specific mandatory requirement. It uses the word "should" to indicate that, while the presumption is that **Members** will comply with the provision in question, there may be some circumstances in which **Members** are able to justify non-compliance.

2.3. In the event of any inconsistency between this **APS** and the **Actuaries' Code**, the **Actuaries' Code** prevails.

3. Definitions

Term	Definition
Actuarial Work	Work undertaken by a Member in their capacity as a person with actuarial skills on which the intended recipient of that work is entitled to rely. This may include carrying out calculations, modelling or the rendering of advice, recommendations, findings, or opinions.
Actuaries' Code	The ethical professional code for Members issued by the Institute and Faculty of Actuaries.
APS	Actuarial Profession Standard issued by the Institute and Faculty of Actuaries.
Financial analyses	Any formal actuarial analysis as defined by the ISAP Glossary.
IAA	The International Actuarial Association.
IFoA	The Institute and Faculty of Actuaries.
IFoA's Disciplinary and Capacity for Membership Schemes	The currently in force Disciplinary and Capacity for Membership Schemes of the Institute and Faculty of Actuaries, as may be amended from time to time.
ISAP Glossary	The Glossary of Defined Terms Used in International Standards of Actuarial Practice, adopted by the IAA on 01 December 2018.
ISAP 2	The second International Standard of Actuarial Practice adopted by the IAA on 01 December 2018.
Legal Requirement	A requirement of law or regulation, imposed by a body of lawful jurisdiction and directly enforceable by reason of national or local law.
Member	A member of the Institute and Faculty of Actuaries.
Social Security Programme	A programme with particular attributes as defined by the ISAP Glossary.
UK Geographic Scope	Refers to work done in relation to the UK operations of entities, as well as to any overseas operations which report into the UK, within the context of UK law or regulation (regardless of the location or domicile of the person carrying out the work).
User	The person, including a corporate entity, for whom the Actuarial Work is produced.