



Institute  
and Faculty  
of Actuaries

# Draft prosecution policy consultation

IFoA response to The Pensions Regulator

17 February 2016

## **About the Institute and Faculty of Actuaries**

The Institute and Faculty of Actuaries is the chartered professional body for actuaries in the United Kingdom. A rigorous examination system is supported by a programme of continuous professional development and a professional code of conduct supports high standards, reflecting the significant role of the Profession in society.

Actuaries' training is founded on mathematical and statistical techniques used in insurance, pension fund management and investment and then builds the management skills associated with the application of these techniques. The training includes the derivation and application of 'mortality tables' used to assess probabilities of death or survival. It also includes the financial mathematics of interest and risk associated with different investment vehicles – from simple deposits through to complex stock market derivatives.

Actuaries provide commercial, financial and prudential advice on the management of a business' assets and liabilities, especially where long term management and planning are critical to the success of any business venture. A majority of actuaries work for insurance companies or pension funds – either as their direct employees or in firms which undertake work on a consultancy basis – but they also advise individuals and offer comment on social and public interest issues. Members of the profession have a statutory role in the supervision of pension funds and life insurance companies as well as a statutory role to provide actuarial opinions for managing agents at Lloyd's.



Mr Simon Broadhurst  
The Pensions Regulator  
Napier House  
Trafalgar Place  
Brighton  
TN1 4DW

19 February 2016

Dear Mr Broadhurst

**Draft Prosecution Policy – Consultation document**

I refer to your consultation paper.

I am responding on behalf of the Institute and Faculty of Actuaries (IFoA) as the Chair of the Disciplinary Board which is charged with overseeing the management and operation of the IFoA's Disciplinary Scheme.

In answer to your consultation questions below, your paper does read as a helpful and clear policy statement and comes across as fair, reasonable and proportionate recognising the interests of justice and the protection of the public at large. These principles, which the IFoA's Disciplinary Scheme also aspire to, are encapsulated for us in our overarching regulatory strategy of the IFoA, being "*to regulate members in such a way as to assure public trust.*"

I have recently taken the role of Chair of the Disciplinary Board and welcome this opportunity for the IFoA's Disciplinary Board to engage further with the Pensions Regulator. The Board is currently looking at ways to improve our own confidence in our case number levels, and I am supportive of any initiatives that seek to improve the exchange of information between fellow regulators and awareness of issues such as those captured by s28(1)PA95 (acting as auditor or actuary of trust scheme while ineligible).

I would welcome the opportunity for further personal dialogue with you to discuss matters of common interest.

Yours sincerely

**Keith Oliver**  
Chair of the Disciplinary Board

**CONSULTATION QUESTIONS REFERRED TO:**

1. Does the policy clearly explain our approach to prosecution?
2. Is our approach fair, reasonable and proportionate?