



Disciplinary Board

18 June 2019, Time: 10:30-15:00

Holborn Gate, London

Attending:	Stephen Redmond (lay member and Chair) (SR) Athene Heynes (lay member) (AH) Velia Soames (lay member) (VS) Gordon Sharp (actuary member) (GS) George Russell (actuary member) (GR) Kevin Doerr (actuary member) (KD) Simon Martin (actuary member) (SM) Simon O'Regan (actuary member) (SO) Jim Webber (actuary member) (JW)
Apologies:	None
Executive Staff:	Kirsten Mavor, Secretary to Board (KM) Suzie Lyons, Head of Legal Services (SL) Michael Scott, Head of Disciplinary Investigations (MS) Julia Wanless, Judicial Committee Secretary (JSW, via video-conferencing (vc)) Emma Gilpin (EG) (item 3 via vc) Sarah Borthwick, Case Manager (SB) (item 10 via vc) Sarah Holman, Marketing Leader (SH) (items 12 and 13) Catherine Mouat, Disciplinary Investigations Coordinator (CM) (note taking, via vc)

Item	Title	Action
	Welcome, apologies and conflict check <p>The Chair opened the meeting and welcomed the Board Members. SR introduced VS and confirmed that VS had recently been appointed as a lay member to the Board.</p> <p>All Board Members were in attendance and there were no apologies.</p> <p>All Board Members were asked to raise any conflicts arising from the agenda. GR advised that he had previously raised conflicts in relation to two cases referred to in the Case Update Report at item 8. It was agreed that he would leave the meeting if the particular cases were discussed.</p>	
1.	Introductions <p>The Board and Executive introduced themselves to VS and provided a brief summary of their background. VS provided a summary of her employment background as a solicitor and also the different regulators she has worked with. VS advised that she was looking forward to utilising her skills and knowledge from different regulators in this new role and she was also looking forward to working with the Board Members and the Executive team.</p>	

Item	Title	Action
2.	<p>Chair's Update</p> <p>The Chair updated the Board on the work he had been carrying out since the last meeting. This included a variety of induction activities and routine work on behalf of the Board as follows: -</p> <ul style="list-style-type: none"> • Meeting with key members of the IFoA's Executive as part of his induction. SR has visited all three IFoA offices, Edinburgh, Oxford and London. • Meeting with key people (UK based) within the disciplinary process and also the outgoing Chair of the Regulation Board and the Chair of the Disciplinary Appointments Committee (DAC). It was agreed that the new Chair of the DAC, once in role, should be invited to attend an upcoming Board Meeting. • Taking part in a professional skills webinar as a member of the panel. This webinar engaged with IFoA members on the 'speaking up' principle of the new Actuaries' Code and also contained key messages about the IFoA's disciplinary process. SL thanked SR for agreeing to take part in this webinar so early in his appointment noting that feedback so far was very positive reaching an audience of over 900 members (the webinar continues to be available for online viewing for members). Lay Board Members were reminded of the actuary member resources, including this professional skills event, and other regulatory resources available on the IFoA's website. KM to assist if any lay members have difficulty accessing this information. • Being involved in the recruitment of the Scheme Review Working Party and attending his first meeting as a member of the Working Party. • Along with two other Board Members, observing a Disciplinary Tribunal Hearing to gain an understanding of how the IFoA hearings operate. <p>SR considers that his induction has been a useful exercise in establishing a working relationship with key people which he will develop further during his term as Chair.</p>	KM
3.	<p>Regulation Update</p> <p>EG attended the meeting to provide an update on the Kingman Review. EG advised that an IFoA Steering Group was leading on the issue and was in discussion with HM Treasury.</p> <p>The Board discussed how the Kingman Review could impact on the 'public interest' cases which are currently handled by the FRC. It was agreed that the Executive should consider how these types of cases should be dealt with post Kingman and the Board asked the Executive to carry out a review of the operational and resourcing implications.</p> <p>EG advised that she would keep the Disciplinary Board updated and she was happy to attend future meetings.</p>	MS
4.	<p>Update on FRC Oversight and Governance</p> <p>For the benefit of new Board Members, SL provided an explanation of the FRC annual oversight cycle and key outputs, the public Annual Report Actuarial Appendix, private oversight report and, this year, a private regulatory governance report. SL hoped to be in a position to provide the FRC's reports at this board meeting but they are outstanding. These will be provided when available.</p>	

Item	Title	Action
5.	<p>Minutes</p> <p>The Board approved the draft minute of the meeting of 17 March 2019 and noted that the minute will be published in full.</p>	
6.	<p>Action List</p> <p>The Board noted the Action List and the oral updates from the Executive staff. The Executive confirmed that all of actions from the last Board meeting were now complete with papers being presented at items 9, 11, 12 and 15.</p> <p>The Board confirmed that it was satisfied with the action list.</p>	
7.	<p>2019 Objectives</p> <p>The Board noted the cover paper, project plan (Board priorities) and traffic light report. KM provided specific updates on the following:</p> <ul style="list-style-type: none"> (a) The main project for 2019 is the Scheme Review. The Working Party has now been established and a full paper updating the Board is included in the papers. (b) The project plan has been updated to include the communications programme. SH from the Communications Team will be attending the meeting to discuss the communication week and future opportunities for engagement with members. (c) To fulfil the Board's objective of improving its ability to monitor the effectiveness of the Scheme, formalised feedback is now being sought from the person who referred the allegation and the Respondent. This is in addition to feedback from panel members and legal advisers. A paper collating the output of this feedback will be presented at the September meeting. (d) As part of the Board's commitment to review its own effectiveness, a paper on appraising individual board members and the Board as a collective is included in the papers. (e) A proposal for the panel members' training programme is included in the papers. 	
8.	<p>Case Update Report</p> <p>MS presented the Case Update Report. For the benefit of the new attendees, MS explained that the purpose of the Case Update Report is to provide the Board with information to enable it to carry out its function of monitoring the disciplinary process. The Case Update Report provides details about the number and progress of investigations and also reports on the post investigation stage.</p> <p>MS provided an update on cases at the investigation stage explaining that, since the last Board Meeting on 27 March 2019, 18 new allegations had been received. Sixteen were made by the one individual and all relate to the same subject matter.</p> <p>The Board discussed the timescales for the investigations and agreed that MS should keep an eye on the level of cases referred and resourcing. MS reported that the recent recruitment campaign for Investigation Actuaries was unsuccessful. It was agreed that the Executive should be proactive in recruiting for Investigation Actuaries and Board Members attending events should also try and encourage members to apply for these positions. JSW to feed back to DAC on Board request for additional Investigation Actuary resource.</p>	<p style="text-align: right;">JSW</p>

Item	Title	Action
	<p>MS advised that two cases had been considered at the Adjudication Panel stage in the reporting period and two Tribunals had been held. MS advised that a final decision on costs was awaited for one of the Tribunal decisions. The Board had confirmed that they had accessed and reviewed the relevant determinations.</p> <p>JSW advised the Board that a new approach to setting adjudication panels dates was currently being trialled. Panels will be scheduled on a quarterly basis and panel members will be given ample notice of their appointment to a panel. This should make the appointment process more efficient. The Board agreed with this pilot and asked the Executive to extend the trial to 18 months which could be terminated early if unsuccessful.</p> <p>The Board considered the feedback from the panel members and legal advisers. No further actions were identified.</p> <p>It was noted that there were no referrals to the independent examiner during this reporting period.</p>	<p>JSW</p>
<p>9.</p>	<p>Costs Guidance</p> <p>MS presented his paper on the IFoA's approach to recovering costs. This paper followed on from the Board's desire to ensure that all panels clearly address the issue and provide full reasoning in determinations (see related item 16). MS advised that the Costs Guidance Policy had been reviewed and some suggested amendments have been included in the paper.</p> <p>The Board considered the proposed changes put forward by the Executive and discussed different approaches that could be taken to cost recovery. The Board did not consider that it had enough information before it to approve the proposal and it would like further information from the Executive before reaching a decision. It was agreed that an analysis of the last two years should be provided to the Board setting out the costs, what was recovered and the reasons given for the amount of recovery, if any. It was further agreed that this matter should be considered again at the September meeting.</p>	<p>MS</p>

Item	Title	Action
10	<p>Scheme Review</p> <p>SB advised that after a successful recruitment campaign, the Scheme Review Working Party had been established. The background of the members of the Working Party was provided to the Board and it was agreed that the mix of lay and actuary members will provide particularly valuable contributions given their wide ranging experience.</p> <p>The first meeting of the Working Party was held on 4 June. At this meeting the Working Party approved the Terms of Reference and reported on their consideration of the preparatory research together with the analysis of the last five years disciplinary cases. The Board asked for a copy of the analysis to be provided via the usual secured data sharing platform.</p> <p>The Working Party was aware that the outcome of stakeholder research may have an impact on the preliminary views reached. The Board also noted the list of stakeholders the Working Party intends to engage with at this stage.</p> <p>The Board expressed its gratitude to the Working Party and in particular, SB for the amount of work undertaken so far and the progress made.</p> <p>The Working Party will provide high level recommendations to the Board at its September meeting. It was agreed that the Chair of the Working Party should be asked to attend the September meeting.</p>	<p>SB</p> <p>SB</p>
11	<p>Training Programme for Panel Members</p> <p>KM presented this paper and referred to the Board's commitment to provide annual training to all panel members. The proposed training is in addition to the training day that is held every second year which is also attended by Investigation Actuaries and Legal Advisers.</p> <p>KM advised that the Board's approval was sought on the proposed approach to training and the identified topics. JSW confirmed that the training topics has been identified after engagement with the Conveners. KM also advised that the recommendations of the Determinations Review Sub Committee had been fed into this proposed training programme.</p> <p>The proposed approach of developing a training bank recognises the diverse locations of panel members and their typical portfolio working commitments elsewhere. It is the Executive's recommendation that establishing a training bank of material is the most effective way of delivering training to panel members. Details of what is proposed are included at paper 11.2. KM confirmed that panel members would be required to complete a self-declaration confirming they had completed the training.</p> <p>The Board discussed and approved the proposed approach to training and roll out. The Board also approved the list of suggested training topics which include (i) unconscious bias (ii) the distinction between integrity and dishonesty (iii) a skills session on how to be an effective panel member and (iv) the new Actuaries' Code and Guidance. It was noted by the Board that the training material would be made available to panel members in Q3 and Q4.</p>	

Item	Title	Action
12	<p>Communications Week</p> <p>SH provided the Board with a summary of the effectiveness of the disciplinary communications campaign which was held in March 2019 to support publication of the Board's 2018 Annual Report in February 2019. This reflects growing Board support for improved communication and engagement with members on a regular basis. SH advised the Board that the campaign was more successful than was expected and the format of blogs worked well. SR recommended that the blog format should be adopted going forward. SR also recommended that the key to increasing engagement was to put messages out at regular intervals. It would also be helpful for disciplinary communications to tie in with other relevant regulatory projects.</p> <p>KM thanked both SH and the board members who provided a blog for contributing to the success of this campaign. The Board will continue to offer support and ideas to any communications programme.</p>	
13	<p>Member Value Proposition (MVP)</p> <p>SH provided a brief overview and information segment to the Board on the concept of MVP. By way of background, SH explained that an IFoA Council survey was carried out to try and assess what IFoA's members' value. This survey formed part of the Council led engagement programme.</p> <p>SH provided a summary of the key findings from the survey. It was of particular note that one of the most valued IFoA roles was regulating members and setting standards and codes of conducts to assure public trust and support business innovation.</p> <p>It was noted that MVP will inform the IFoA's strategic planning and it is something that the Board should take into account when setting its own objectives and strategy.</p>	
14	<p>Board Appraisal</p> <p>SR presented the paper on current practices for the appraisal system for Board Members individually and as a collective, together with recommendations for future adoption. SR advised that a more formalised 360 degree approach would be taken to individual board member's appraisal. The Board agreed with the proposals with regard to individual appraisals.</p> <p>The Board noted that it was important that it separately appraised its own effectiveness in terms of the Board's remit and terms of reference. It was agreed that a 'board self-assessment' survey would be a useful tool to ensure a more formalised approach to evaluating the Board's effectiveness. The Board agreed to adopt this approach but considered the survey should be simplified. It was agreed that a more simplified version would be made available to the Board. The Board agreed with the overall approach to collective appraisal, subject to a more simplified survey being adopted. This will be separate to the Board's Annual Report which fulfils the distinct function within the Board's Terms of Reference to provide more detailed assessment data to the Disciplinary Appointments Committee.</p>	SR/SL

Item	Title	Action
15	<p>Education and Retraining Sanctions</p> <p>JW presented this paper which follows on from feedback provided by the Convener of the Adjudication Panels at the December Board Meeting asking for additional support and guidance from the Board to panels who are considering the application of this sanction.</p> <p>The Board noted that only one of these types of sanctions had been imposed in the last five years. JW put forward a new approach where the Respondent would proactively take responsibility for the preparation of a training proposal and compete a training log/reflective statement once the training was complete. The Head of Legal Services would oversee the management of this process. The Board considered this alternative approach and agreed that it should be implemented. It was agreed that the Indicative Sanctions Guidance Note and the Guidance on Sanctions will need to be updated and provided to the Board, for approval. The Executive is also to provide the Board with a process note setting out how the Executive management of the process would operate. The Board asked that the drafts should be returned to it for final approval before implementation.</p>	KM/JSW
16.	<p>Report from Determinations Review Sub-Committee</p> <p>GS presented this item as Chair of the Sub-Committee and confirmed that eight determinations had been reviewed at the second meeting. The Sub-Committee usually reviews all decisions from the previous six months. One additional determination was placed before the Sub-Committee at the request of the President of the IFoA. Having reviewed the determination, no substantive issues or concerns within the remit of this Sub-Committee were identified and it was agreed that no further actions were appropriate. It was agreed that SR would confirm the position to the President.</p> <p>Following on from a recommendation of the Sub-Committee, the Board noted with approval that training on reasoning for costs and sanctions had been fed into the training programme which had been approved at agenda item 11.</p> <p>The Board agreed with the Sub-Committees recommendations regarding feedback to the relevant Conveners and Chairs. The Board was also satisfied that the upcoming training should assist in improving the level of reasoning in relation to costs/sanctions.</p> <p>It was noted that the next meeting of the Determination Review Sub Committee will be in November and a report will be provided to the Board for its December meeting.</p>	SR/KM
17.	<p>Disciplinary Appointments Committee update</p> <p>JSW presented the paper and directed the Board's attention to the following: -</p> <ul style="list-style-type: none"> • A new actuary member has been recently appointed to the disciplinary pool and a lay member to the Disciplinary Board. • Diversity training was delivered to the DAC following their meeting on 5 June 2019. This forms part of the DAC's continuing effort to ensure that the diversity of appointments to the Disciplinary pool is increased. • A new Chair of the DAC will be appointed as the current Chair's term finishes in September. An actuary member of the DAC is currently also being recruited for. <p>The Board confirmed to JSW that this paper provided a useful update.</p>	

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18.	AOB MS referred to the SSDT consultation response that was circulated recently. The Board confirmed that it was happy with the content and the submission of this response. KM reminded all Board Members to complete the Register of Interests that has been circulated.	
19.	Management Board updates for Chairs The Board noted that there was no update on this occasion.	
20.	Regulation Board update for Chairs The Board noted the updates from the March 2019 meeting.	
21.	Lifelong Learning Board Update The Board noted this update.	
22.	Board Remit The Board noted its own terms of reference	
23.	Schedule of term times The Board noted that this information had been included in the papers for the first time. The upcoming retirements of two actuary Board Members in 2020 were noted. There being no further business the meeting closed at 15:10.	

Dates of next meetings: 26 Sept, 19 Nov (strategy day) and 11 Dec.