



Institute  
and Faculty  
of Actuaries

# Practising Certificates Scheme

## Contents

1. [Overview](#)

**A: Criteria to be awarded a PC**

2. [Introduction](#)

3. [Fellowship](#)

4. [Practice Modules](#)

5. [Recent and relevant experience](#)

6. [Technical Experience Criteria](#)

7. [Validation and Verification of Data](#)

8. [CPD year](#)

9. [Attestation from an existing PC holder](#)

10. [Declarations and disclosures](#)

11. [Identity and Criminal Record Checks](#)

12. [Withdrawal or suspension of PC](#)

13. [Fit and proper and the Disciplinary and Capacity for Membership Schemes](#)

14. [Duration of the PC](#)

**B: The Application process**

15. [Application forms](#)

16. [Timeline to process applications](#)

17. [Renewal applications received after the 21 day processing timeline](#)

18. [Cost of a PC](#)

19. [Appeals process](#)

20. [Communications](#)

**Appendix 1: [Governance of the PC Scheme](#)**

**Appendix 2: [Technical Experience criteria: Chief Actuary](#)**

**Appendix 3: [Technical Experience Criteria: Chief Actuary \(Life, Non-Directive\) and With Profits Actuary](#)**

**Appendix 4: [Technical Experience criteria: Lloyd's](#)**

**Appendix 5: [Technical Experience criteria: Pensions](#)**

**Appendix 6: [FAQs](#)**

# REQUIREMENTS OF THE PRACTISING CERTIFICATES SCHEME

## FROM 1 September 2018 (the 'PC Scheme')

- 1 Overview
- 1.1 There are specific roles identified in legislative, regulatory requirements and/or guidance which are reserved for actuaries, or which are commonly held by actuaries. IFoA members who hold the following roles must hold the relevant Practising Certificate (PC):
  - Scheme Actuary to a pension scheme;
  - Chief Actuary with accountability for the actuarial function under Article 48 of the Directive on Solvency II;
  - Small Insurer Chief Actuary to a life insurance business;
  - Reviewing Actuary, advising the auditor of a life insurance business;
  - Appropriate Actuary to a life insurance business;
  - With-Profits Actuary to a life insurance business; and
  - The Actuary providing an Actuarial Opinion for a Lloyd's Syndicate.
- 1.2 PCs demonstrate that the actuary who holds them is fit and proper and has the necessary skills and experience to be a PC holder and potentially to carry out reserved work, thereby protecting the public interest.
- 1.3 The [Actuaries' Code](#) requires that members ensure they have 'an appropriate level of relevant knowledge and skill' to perform their professional duties competently and with care. The provision and retention of PCs is subject to the [Charter, Bye-Laws, Rules and Regulations](#) of the Institute and Faculty of Actuaries (IFoA).
- 1.4 A public register of PC holders is maintained by the IFoA.
- 1.5 The Regulation Board of the IFoA has delegated authority from the Council of the IFoA to ensure the effective regulation of the IFoA's members. PCs are issued by the Practising Certificates Committee (PCC) under delegated powers and authorities from the Regulation Board. The PC Scheme and the roles for which a PC is required is subject to periodic review to ensure it remains proportionate and fit for purpose. Details on the governance of the PC Scheme are set out in [Appendix 1](#).
- 1.6 This document is effective for all initial or renewal PC applications received on or after 1 September 2018.

### **A. Criteria to be awarded a PC**

#### 2. Introduction

To award a PC, the PCC must be satisfied that the applicant:

- i) is fit and proper to hold a PC; and
- ii) meets the Criteria set down by the IFoA in force at the date of the application.

The following guidance outlines how the PCC will apply the Criteria for applications made from the date this guidance is current and is designed to assist applicants in making full and complete applications in a timely manner. Applicants are requested to read this document carefully before making either an initial or a renewal application.

### 3. Fellowship

The applicant must be a Fellow of the IFoA<sup>1</sup> who qualified by examination or has been admitted under the terms of a Mutual Recognition Agreement (MRA) with another actuarial organisation.

#### A. *General*

Details of the IFoA MRAs with other actuarial bodies can be obtained from the IFoA [website](#).

#### B. *Chief Actuary PC transition arrangement*

For Chief Actuary PCs only, as a transitional arrangement, an applicant who is an Associate, or is a Fellow with less than three years' post qualification experience, may nonetheless apply for a PC (initial or renewal, as appropriate) until 31 December 2018. Providing the applicant meets all the other requirements to hold a PC, a PC will be awarded through the PCC's discretionary powers. In particular, attention is drawn to two specific points

- a) Although the applicant may not have three years' post qualification experience, the applicant is expected to be, and have been for at least three years, operating at the level expected of a Fellow as demonstrated in accordance with paragraphs 5B below; and
- b) Such relevant experience will be counted as post qualification experience during the transition period.

The transition arrangement ceases 1 January 2019. Hence:

- i. All initial applicants for a Chief Actuary PC from 1 January 2019 must be Fellows with at least three years' post qualification experience requirement as set out in paragraph 5.
- ii. Renewal applications from those Chief Actuary PC holders who are Fellows as at 31 December 2018 but have less than three years' post qualification experience at that date (that is, they qualified during the transitional period ending on 31 December 2018), will continue to be able to count their relevant experience operating at the level expected of a Fellow prior to becoming a Fellow towards the three year post qualification experience requirement. This will continue until the PC holder has met the three years' post qualification experience requirement in their own right.
- iii. Further, the term of any existing Chief Actuary PCs will automatically cease on 1 January 2019 where the PC holder has not achieved Fellowship status by that date.

### 4. Practice Modules

All initial applicants who completed the examinations of the IFoA from and including 2005, and all Fellows admitted under the terms of an MRA, are required to have taken and passed the relevant UK Practice Module, unless they have previously completed the relevant IFoA 400 series examination.

Details of the UK Practice Modules (which are multiple choice web-based tests around current UK practice and requirements) can be obtained from the IFoA [website](#).

### 5. Recent and relevant experience

All applicants are required to demonstrate that they have gained sufficient and relevant experience of the Technical Experience Criteria of the work reserved for a certificate holder whilst qualified as a Fellow of the IFoA (or as a full member of another actuarial body if admitted more recently under an MRA).

---

<sup>1</sup> Throughout, the term "Institute and Faculty of Actuaries" includes where relevant either of its two antecedent bodies.

For all PCs, other than Chief Actuary PCs, the applicant must demonstrate to the PCC that the required breadth and depth of technical experience has been gained recently i.e. during a period of:

- at least three years in the last five years, and
- at least three months in the last 18 months.

For Chief Actuary PCs only, the applicant must demonstrate to the PCC:

- breadth in a substantial number of the stated technical areas during a period not exceeding the last 10 years; and
- depth of a number of the technical areas during a period of:
  - at least three years in the last five years, and
  - at least three months in the last 18 months.

It is not necessary for an applicant to demonstrate sufficient experience in each and every year in the last 10 years, and an applicant may demonstrate sufficient experience during a period of less than 10 years.

The required technical experience for all PCs is set out in Appendices 2 to 5.

#### A. *Recent experience*

At least three years in the last five years, and at least three months in the last 18 months.

It is not necessary for the applicant to have gained exposure to all aspects of the relevant technical experience requirements in each and every year (or part year) of the three year period, just that the applicant has demonstrated appropriate consolidated experience of relevant work during a period of at least three years (not necessarily consecutive) in the last five years, and during a period of at least three months (not necessarily consecutive) in the last 18 months.

#### *General*

The PCC will not have regard to whether the applicant has worked part-time versus full-time in the area concerned, nor whether the applicant has worked part of their time in relevant work to which the technical experience criteria relate and part of their time on other activities. The PCC will look at the applicant's experience in terms of what relevant work activities they have done or supported, not how many hours they actually worked in doing or supporting those activities.

If the applicant has been absent from work during the relevant period for whatever reason, they are still required to demonstrate having gained the required experience of relevant work during a period of at least three years in the last five years and during at least three months in the 18 months to the date of application for a certificate<sup>2</sup>. This is, in part, to demonstrate that the applicant is familiar with the latest developments in the field. If the applicant cannot demonstrate relevant technical experience during a period of at least three of the last 18 months, the applicant will likely be asked to resubmit their application when they have gained such relevant technical experience. This could, for example, be up to three months later if the applicant focuses the work they do over that time on relevant work activities.

#### B. *Relevant experience*

As well as being recent, the technical experience gained by the applicant also needs to have been gained providing actuarial advice at an appropriately senior level.

For PC holders actually in reserved roles, this should be straightforward in relation to the work reserved to a reserved role holder given the nature of such work.

---

<sup>2</sup> This applies also to the "during 10 years" breadth of experience requirement for Chief Actuary PCs".

For technical experience gained by:

- a) initial applicants;
- b) members who hold a PC but do not hold any reserved roles; and
- c) members who are reserved role holders and are also providing support to other reserved role holders<sup>3</sup>

the PCC requires the applicant to demonstrate that such technical experience meets the criteria in i) and ii) below, with iii) potentially providing additional valid experience.

- i) The technical experience gained should demonstrate that the applicant has applied their knowledge to:
  - o analyse complex problems in terms of actuarial, economic and financial factors;
  - o integrate the results of such an analysis into a coherent whole;
  - o evaluate critically and interpret the results in a wider context;
  - o draw appropriate conclusions;
  - o make appropriate recommendations; and
  - o draft and deliver that advice to the user.

The PCC requires applicants to demonstrate the utility of the advice given i.e. not just a calculation process but that the actuary has formed conclusions around those calculations, the sensitivity of those calculations to changes in assumptions, and communicated and discussed recommendations to the user on the back of those calculations. The underlying objective may be compliance, risk management and/or economic in nature.

- ii) The applicant should either:
  - a. be responsible to the user for the work underlying the specific technical experience; or
  - b. to have worked closely with the reserved role holder who was responsible. This may include preparing, drafting and delivering advice and recommendations.

The PCC require the applicant to demonstrate the seniority of the level of work that the applicant has done, specifically whether the applicant has:

- o been personally responsible to the user for the advice; or
- o has substantially developed (prepared, drafted etc.) that advice to be signed off by another actuary.

The PCC will also be looking for the applicant to demonstrate that they have delivered or participated substantially in the delivery of that advice, either face to face in meetings or on conference calls, to the user including situations where the advice has been challenged and defended.

In particular, for Chief Actuary PC transitional applications where paragraph 3B above applies, attention is drawn to the requirement in sub clause a) of paragraph 3B.

- iii) For all applicants, the PCC may also have regard to technical experience gained through:
  - peer review work (prior to the introduction of APS X2); or
  - work review or independent review (since the introduction of APS X2).where that work involved critical appraisal of the work of the first actuary.

Review work can support, in part, an application by expanding the breadth/variety of work an applicant may have had experience of. Where an applicant has undertaken review work they should be clear on the scope and deliverables of that work in the application form to enable the PCC to consider if the work is suitable to be deemed relevant technical experience.

---

<sup>3</sup> For example, a PC holder who is appointed as Scheme Actuary to one or more pension schemes may also support other actuaries or scheme actuaries on other pension schemes. An insurance consultant may act as Reviewing Actuary for one insurer and may also support the Chief Actuary of another insurance company. A Lloyd's PC holder may sign opinions for one Syndicate and provide critical review of the work of the signing actuary for another Syndicate.

## 6. Technical Experience Criteria

- 6.1 The Technical Experience Criteria are set by the relevant Boards in consultation with the PCC to reflect expectations of a reserved role holder. They will be updated from time to time.

The technical experience criteria by Practice Area, and Guidance from the PCC as to how the PCC will apply the technical experience criteria, and where the PCC may have discretion around the criteria, are set out in appendices 2-5 for the following certificates:

- [Scheme Actuary Certificate](#)
- [Chief Actuary \(Life\), Chief Actuary \(non-Life without Lloyd's\) and Chief Actuary \(non-Life with Lloyd's\) Certificate](#)
- [Chief Actuary \(Life, Non-Directive\) Certificate](#)
- [With Profits Actuary Certificate \(WPA Certificate\)](#)
- [Lloyd's Syndicate Actuary Certificate](#)

- 6.1.1 Further clarity on the types of Life and non-Life certificates required is below:

- The Chief Actuary for a life insurance company/business will need to obtain a Chief Actuary (Life) Certificate.
- A Chief Actuary for a non-life insurer/business that does not conduct Lloyd's business will need to obtain either a Chief Actuary (non-Life without Lloyd's) Certificate or a Chief Actuary (non-Life with Lloyd's) Certificate.
- A Chief Actuary for a non-life insurer/business that conducts Lloyd's business will need to obtain a Chief Actuary (non-Life with Lloyd's) Certificate.
- The Chief Actuary to a large non-directive insurer will need to obtain either a Chief Actuary (Life) Certificate or a Chief Actuary (Life, Non-Directive) Certificate.
- The Small Insurer Chief Actuary will need to obtain either a Chief Actuary (Life) Certificate or a Chief Actuary (Life, Non-Directive) Certificate.
- The Appropriate Actuary will need to obtain a Chief Actuary (Life, Non-Directive) Certificate.
- The Reviewing Actuary of a Solvency II Firm will need to obtain a Chief Actuary (Life) Certificate and the Reviewing Actuary of any other firm will need to obtain either a Chief Actuary (Life) Certificate or a Chief Actuary (Life, Non-Directive) Certificate.

If an insurer/business conducts a combination of Life, non-Life or non-Life with Lloyd's business then more than one Certificate will need to be obtained. However, where an organisation has a Life focus for their business but may write a very small amount of Non-Life business, or vice versa, it may be considered to be disproportionate to require the Chief Actuary in such an organisation to hold both Chief Actuary (Life) and Chief Actuary (Non-Life) Certificates. Exceptionally, the PCC may use discretion to award one Practising Certificate to cover all of the Chief Actuary's business in such circumstances.

- 6.2 The PCC may, at its discretion, determine that alternative relevant technical experience is an acceptable substitute to reserved work experience. However such experience will only be considered where the applicant can already demonstrate substantive adherence to the technical experience criteria. The PCC will not usually apply its discretion for more than one year and will expect the applicant to demonstrate that they have met the recent and relevant technical criteria in the year following the application of discretion.

- 6.3 Where an applicant does not meet the technical criteria to be awarded a full PC, the PCC may grant a restricted certificate. Examples of where a restricted certificate may be granted include certificates to cover:

- specific types or circumstances of pension schemes (e.g. those being wound up);
- specific types or circumstances of insurance companies or insurance business (e.g. health insurance);
- specific roles (e.g. Chief Actuary (Life) but limited to Reviewing Actuary roles).

7. Validation and Verification of Data

7.1 The PCC, assisted by the IFoA's Membership Team, will seek to validate information presented with an application. In particular:

- that the applicant has met the Category 1 CPD requirements;
- that the applicant has met the Professional Skills Training requirements;
- that the applicant's experience meets the technical criteria.

The PCC may waive either or both of the first two above requirements in exceptional circumstances where it is considered, in the PCC's sole discretion, that the public interest is not served by the refusal of the applicant's PC.

An Identity and Basic Criminal Record Check is required for all initial applications and for all renewal applications every five years. Where an applicant can evidence that he or she has met the PRA or FCA fit and proper requirements within the last five years, then (subject to satisfactory evidence of this being provided with the application), no further checks will be needed until five years after meeting the PRA or FCA requirements.

For initial applications, the PCC may contact the PC holder who signs the attestation. The role of the attester is an important one. Attesters should retain evidence to support the basis of their attestation.

7.2 The IFoA reserve the right to carry out further validation checks on a sample basis.

8. CPD year

8.1 Clause 3.2 of the CPD Scheme states that "The Category 1 CPD year runs for one full year from the relevant date." where the relevant date is "either, the date of the member's application for a PC, whether an initial or renewal application; or selected by the member in accordance with the provisions of the PC Scheme." To be eligible to apply for an initial PC, you must comply with the Category 1 requirements in place at the time of application.

For the purposes of Clause 3.2, compliance with Category 1 CPD may be measured as follows.

Initial Applications	Measured over the year to the date the application for a PC is made
Renewal Applications	<p>Either</p> <ul style="list-style-type: none"> <li>• Measured over the year to the date the application for a PC is made (if an application is made more than three months before the date the renewal certificate is due the application will be treated as if it had been made three months before the date the renewal certificate is due), or</li> <li>• Measured over a 12 month period ending not more than three months before the date the renewal certificate is due. The period under this option will be set by the applicant but must be disclosed to the Membership Team as part of the application process.</li> </ul> <p>In any event:</p> <ol style="list-style-type: none"> <li>1. If the time period CPD was measured over for the previous application overlaps with the time period CPD is measured over in the current application, the same piece of CPD cannot be claimed for both applications; and</li> <li>2. The time period CPD is measured over cannot be greater than a year (i.e. 365 days or 366 in a leap year).</li> </ol>



- 8.2 The Membership Team will verify that the applicant has met the requirements of the CPD Scheme by checking their CPD record over the period in question. It is imperative therefore that the applicant has updated their CPD record on the IFoA's website before submitting their application.
- 8.3 As detailed in the CPD Scheme, Category 1 members must record a meaningful learning outcome for each CPD activity listed in their online CPD record. A learning outcome should include a description of the knowledge and/or skills which the member gained as a result of taking part in the CPD activity. The Membership Team will check that suitable learning outcomes have been maintained.
- 8.4 Applicants who are included in the IFoA's Pilot Scheme for outcomes based CPD should indicate this on their application form.

9. Attestation from an existing PC holder

9.1 A. *General*

The attestation is included as part of the application form for an initial application. It must be completed by a PC holder with the same type of PC as the applicant is applying for, subject to the following additional possibilities:

- A WPA certificate holder may attest an applicant for a Chief Actuary (Life) or a Chief Actuary (Life, Non-Directive) certificate.
- A Chief Actuary (Non-Life) certificate holder (with or without Lloyd's) may attest an applicant for a Chief Actuary (Non-Life) certificate (with or without Lloyd's), i.e. the with or without Lloyd's aspect is disregarded for attestation purposes.

The attester may not report to the applicant.

The attestation is an important part of the overall application process and the role of the PC holder making the attestation (i.e. the attester) is an important one. The attester does so in a personal capacity. The attester is reminded that their conduct in providing the attestation is covered by the Actuaries' Code and the Disciplinary and Capacity for Membership Schemes.

It is not the role of the attester to assess the suitability or the extent of the applicant's technical expertise, as this task falls to the PCC itself. The two key roles of the attester are:

- To satisfy himself/herself that the experience set out on the application form has been accurately and reasonably described, and the attester may wish to discuss the experience with the applicant to ensure that this is the case.
- To confirm that, in the attester's opinion and to the best of the attester's knowledge, the applicant has the self-assurance, influencing skills and ethical standards to behave professionally, exercise sound judgement and meet regulatory requirements when faced with the pressures which may arise in executing the reserved work for which the certificate is required, and that the applicant is a fit, proper and suitable person to hold a practising certificate.

The attester does not have to work on a day-to-day basis with the applicant, nor is the attester accepting responsibility for that applicant's work going forward. However, the attester will need to have or have had reasonable professional contact with the applicant in order to give the second attestation referred above.

If the attester wishes to bring specific points to the attention of the PCC, the attester may do so in the space provided on the attestation form. The PCC will then consider this additional information when reviewing the application.

A PC holder who is asked to make an attestation is recommended to keep a record or audit trail which evidences the reasoning they employed in making that attestation. This is because the PCC may contact the attester to discuss the basis of their attestation and, although the attester is not

responsible for the future actions of the applicant they attested to, a PC holder considered to have made attestations in a reckless fashion may be referred under the Disciplinary and Capacity for Membership Schemes.

If an applicant does not have sufficient professional contact with a PC holder who holds the same type of PC that they are applying for, they should contact the [Membership Team](#) who will work with the applicant to find a suitable alternative.

*B. Additional considerations for initial applications for Chief Actuary PCs*

The attester must not, at the date of the application, be, or have otherwise committed to become, the CEO or CFO of the entity to which the applicant will be the Chief Actuary.

*C. Applicants who let a previous PC lapse*

If a former PC holder who did not renew their PC at the date their previous PC expired subsequently wishes to apply for a new PC, then that application should be made using the relevant renewal application form provided the application is made (with all relevant information provided and complete) within 18 months of the date of expiry of the previous PC. In particular, the applicant will not in these circumstances be required to obtain an attestation from an existing PC holder.

Former PC holders who make an application to hold a PC 18 months or more after the date their previous PC expired, must do so using the initial application form including obtaining an attestation from an existing PC holder.

10. Declarations and disclosures

10.1 Applicants are required to answer a number of questions and make a number of declarations and disclosures focussed on assessing if the applicant is fit and proper to hold a PC and potentially, therefore, to carry out work reserved to a reserved role holder.

The applicant must disclose any and all matters applicable to these questions, declarations and disclosures. If the applicant is unsure whether to disclose something, they are advised to err on the side of transparency and disclose it.

For all PC applications, the applicant must also attest to compliance with [APS X2](#).

10.2 Experience and knowledge to carry out a reserved role

PC holders are reminded of the requirements of the Actuaries' Code. In particular, that a PC holder must ensure they have and maintain an appropriate level of relevant knowledge and skills to carry out a particular reserved role with competence and care and if, for whatever reason, they do not, that they take the necessary steps to obtain that level of relevant knowledge and skills.

10.3 Time and resources

All applicants are required to make a declaration, as part of the application form, that they have the necessary time and resources to carry out work reserved to a PC holder that they expect to do over the 12 months that the PC covers. This declaration demonstrates that the applicant has reflected on their work commitments, as they stand at the date of the application, as and against the time and resources which they have at their disposal to carry out work in the reserved role and plan accordingly.

## 11. Identity and Basic Criminal Record Checks

- 11.1 The IFoA will action Identity and Basic Criminal Record Checks to validate the declarations made by the applicant in the application form. The PCC will use the information from these checks and other information in the application to assess if the applicant is fit and proper to hold a PC. The information may also be used by the Disciplinary and Capacity for Membership Schemes if the PCC refer the applicant under the Disciplinary and Capacity for Membership Schemes, or under the Appeals Process, if the applicant appeals the decision of the PCC.

The information will not be used for any other purpose and access to the files will be strictly controlled in accordance with GDPR.

Identity and Basic Criminal record checks will apply:

- automatically to each initial applicant; and
- to all renewal applicants every five years. PC holders will be advised 12 weeks in advance of their renewal date if an Identity and Basic Criminal Record Check will be carried out as part of their application that year.

Once the checks have been carried out, they will normally be refreshed on a five year cycle.

- 11.2 The IFoA will not otherwise conduct an Identity and Basic Criminal Record Check where the applicant has demonstrated that they meet the PRA's or FCA's fit and proper requirements. This may include, in due course, evidence that the applicant has undergone regular criminal checks since the date their PC was first awarded and, if they have not, that they participate in the IFoA's checks every five years.

## 12. Withdrawal or suspension of PC

- 12.1 The PCC reserves the right at its discretion to withdraw or suspend a PC holder's certificate and in taking this decision may have regard to relevant information obtained by the IFoA in the exercise of its regulatory functions. Such information would ordinarily be such as to raise material concern as to the quality of a member's work. Such decision will be supported by written reasons and will only be taken after giving the PC holder in question opportunity to present and/or explain their perspective.

Additionally, the PCC may otherwise not renew or grant a PC if it considers that this is necessary in the furtherance of the public interest. In such circumstances, the PCC will communicate to the applicant its reasoning, and what actions the member should take in order to address the situation.

If a PC holder or applicant does not accept the PCC's decision in either of the above situations, or indeed on any other aspect of an application, such as whether the applicant meets the technical experience criteria, the applicant may take the matter to [appeal](#) (see section 19 of this document).

If the Disciplinary and Capacity for Membership Schemes determines that a PC is to be suspended for a period of time, or that a PC holder may not apply or reapply for a PC for a period of time, then the PCC will comply with that finding.

## 13. Fit and Proper and the Disciplinary and Capacity for Membership Schemes

- 13.1 In considering whether an applicant is fit and proper to hold a PC, the PCC will take into account any adverse Disciplinary Tribunal finding, court or regulatory authority judgment or other adverse finding against the applicant. In doing so, the PCC recognises that its role is not to 'punish' but to make appropriate judgements whether an applicant is fit and proper to hold a PC in the light of the IFoA's public interest role.

For the avoidance of doubt, the PCC will not take into account the existence of any disciplinary proceedings against a PC applicant or PC holder (if it becomes aware of such proceedings) unless

and until any adverse disciplinary finding emerges. If an adverse disciplinary finding emerges, the PCC may in the circumstances of the case and the other information available, nevertheless be satisfied that the actuary is still a suitable person to hold a PC despite the adverse disciplinary finding (unless, as referred to in section 12 above, it is a specific finding of the disciplinary process that the PC is withdrawn or suspended).

If the PCC identify information, at any time, through an Identity and Basic Criminal Record Check or otherwise, which appears to contradict any of the information presented or declarations made by the applicant in their application, or made by the attester to an initial application, then in the first instance the applicant, or the attester, will be asked to explain the apparent anomaly. This could include information presented that seems incorrect (e.g. the applicant claimed experience that they did not have or the attester attested that the applicant had experience that they did not have) or incomplete (e.g. the applicant did not disclose a prior offence).

If the PCC consider that the application contains false declarations, or where the member is acting in a capacity for which a PC is required but the member does not hold a PC at the time, the PCC may refer the matter under the terms of the IFoA's Disciplinary and Capacity for Membership Schemes.

If an applicant does not accept the PCC's decision on fit and proper, or indeed on any other aspect of the application, such as whether the applicant meets the technical experience criteria, the applicant may take the matter to [appeal](#) (see section 19 of this document).

14. Duration of the PC

- 14.1 Unless withdrawn or suspended for any reason referred to above in this document, each PC lasts for a fixed period of 12 months from the date it is granted. Extensions are not permitted, and it is the responsibility of the PC holder to apply for a renewal certificate comfortably in advance of the date the current certificate expires. Where a PC has previously been granted using discretion, it will be particularly important that the renewal application is submitted in good time to allow consideration of the experience by the PCC.

**B. The application process**

15. Application forms

The application forms are contained on the IFoA's [website](#).

Completed forms should be returned to

The Membership Team  
Institute and Faculty of Actuaries  
Level 2 Exchange Crescent  
7 Conference Square  
Edinburgh  
EH3 8RA

Email: [practising.certs@actuaries.org.uk](mailto:practising.certs@actuaries.org.uk)

Applications must be typed and can be made by post or email (pdf). The application must be on the correct form, signed and the information provided clearly legible. Applications will be returned otherwise.

16. Timeline to process applications

- 16.1 All **renewal** applicants are encouraged to make their applications as soon as possible. A 21 day turnaround is expected once all required information has been provided. The 21 days is measured from the date the complete application is received by the Membership Team.

Where the PCC has concerns about whether the applicant meets the criteria, further investigation and discussion with the applicant may be necessary.

- 16.2 A renewal applicant who wishes to renew their PC concurrent with the date of expiry of their current PC must do so by the renewal date. If they do not, even by one day, the current PC expires and the member will not be able to act as a reserved role holder until a new PC is granted. PCs cannot be backdated. All PC holders are reminded that they must, under the relevant [actuarial professional standards](#), hold a current PC relevant to their role. If a renewal application is not processed before the expiry date of a current certificate, the member will be required to resign any appointments held until a certificate can be granted.
- 16.3 For renewal applications where an Identity and Basic Criminal record check will be made that year, the renewal will not be delayed in order to complete the check. However, if the check identifies that the application for a PC may not have been correctly presented, the PCC may refer the matter under the Disciplinary and Capacity for Membership Schemes (see 11 above).
- 16.4 For **initial applicants**, in addition to the same checks that apply to a renewal applicant, an Identity and Basic Criminal Record Check will be made before a PC is granted. The PCC expect that applications which involve an Identity and Basic Criminal Record Check will take up to 30 days to process, which includes time to review and discuss with the applicant any findings identified in the check. Applicants will appreciate that this timeline is not wholly in the IFoA's control and no commitments can be made as to the actual date a PC will be granted (assuming a PC is granted). Initial applicants should ensure that they make their application well in advance of any date when they wish to take up an appointment that requires a PC.

17. Renewal applications received after the 21 day processing timeline

- 17.1 If a renewal application is received after the 21 day processing deadline and the renewal is requested to be effective on the date the current PC expires, then the PCC will try to fast track the application. However there is no guarantee that the application will be processed in time, particularly if the application is incomplete, contains errors or further information or clarification is needed to ascertain whether the applicant has met the criteria. **The PC holder makes a late application at their own risk**, and the PC holder is responsible for making the necessary professional arrangements if their PC expires before the new PC is granted (if it is granted).

**An administrative surcharge of 25% of the cost of a PC will be incurred by any renewal applicant whose application is received less than 21 days before the renewal date and who wants their new certificate to run concurrently from the date of expiry of the current certificate.** Any certificate renewed will not be issued until the administrative surcharge has been paid in full.

- 17.2 For practical reasons associated with the work cycle of actuaries signing Actuarial Opinions for a Lloyd's syndicate, a **Lloyd's PC** applies to calendar year-end opinions due within one year of the date of issue of the PC. Applicants for a PC to provide an Actuarial Opinion for a Lloyd's Syndicate must make their application to the PCC on or by:

- i) 25 October for a renewal application; and
- ii) 14 October for an initial application.

Applications made after the 25 October will carry an administrative surcharge of 25% of the current fee, and such late applications are still made at the applicant's own risk.

If an application is received after 15 November of the calendar year-end to which the opinion relates it would not normally be accepted unless the PCC considers in its sole discretion that the application arises for reason of an unexpected emergency.

- 17.3 If an existing PC holder applies to renew a certificate and the application is received less than 21 days before the renewal date but the PC holder does not require that the new certificate runs concurrently from the date of expiry of the current certificate (see clause 16.2) then no administrative surcharge will be applied.

## 18. Cost of a PC

- 18.1 The current cost of any PC is £890. This will be reviewed by Council annually with any increase applying from 1 September.

Payment can be made by credit card (by telephone or online), cheque and also by BACS, as indicated on the application form.

Certificates will not be issued before full payment is made.

If a member applies at the same time for any two or more certificates, the cost will be £890 for all certificates. Otherwise the cost will be £890 for each certificate applied for.

## 19. Appeals Process

- 19.1 An applicant who has had their application (initial or renewal) for a PC turned down by the PCC, or where the PCC has withdrawn or suspended a PC (other than following a direction from an adverse disciplinary finding), has the right to take the matter to [appeal](#) under the IFoA's Practising Certificates regime appeals process.

It is hoped that the applicant can in the first instance find reason to accept the PCC's decision, after supply of all information requested by the PCC. The PCC will provide written reasons for the refusal of every application for any withdrawal/suspension.

Before entering the appeals process, the applicant may first want to speak with either the Chair or the Secretary of the PCC to better understand the reasons that the application has been refused or the PC withdrawn/suspended. If the applicant believes that there are grounds for appeal then they should contact the [Judicial Committee's Secretary](#) at the IFoA in writing within 30 days from the date the application was refused (or the PC withdrawn/suspended) to enact the IFoA's appeals process. A body will be formed to hear the appeal within the terms of the PC Scheme independent of the PCC, with no overlap of membership with the PCC.

## 20. Communications

- 20.1 Communications with PC holders and applicants will normally be by email. You are reminded of your obligation to keep your email address up to date and monitor your email regularly.

If you wish to contact the Membership Team please do so on 0131 240 1325 or email [practising.certs@actuaries.org.uk](mailto:practising.certs@actuaries.org.uk).

## Appendix 1

### GOVERNANCE OF THE PC SCHEME

- A.1 The PC Scheme provides a method of indication to users of actuarial services that PC holders act in the public interest in demonstration that the actuary is fit and proper and has the necessary skills and experiences to be a PC holder and potentially to carry out reserved work.

The PC Scheme is set by Regulation Board under delegated authority from Council of the IFoA. A PC is issued by the IFoA in accordance with the PC Scheme.

- A.2 Practising Certificates Committee

The PC Scheme is operated on a day to day basis by the Practising Certificates Committee (PCC) under delegated authority and powers by Regulation Board. The PCC reports to Regulation Board.

The PCC comprises four Panels, one each for Pensions, Life, non-Life and Lloyd's, which consider PC applications. The work of the PCC, and the staff at the IFoA which supports it, is subject to regular review and oversight by a lay member of the PCC and by the Regulation Board.

The IFoA is a small profession and the PCC recognise the potential for biases or conflicts of interest to arise, or to be perceived to arise, in the course of its work. This is managed by ensuring each Panel is comprised of members who have different work backgrounds and experiences and work for different employers. Where a Panel member has personal knowledge of the applicant, as a close friend or a work colleague or otherwise works for the same organisation or an organisation in the same group of companies, then the Panel member will disclose this. If the Panel member's background knowledge of the applicant is such that a conflict of interest may exist, or be perceived to exist, the Panel member will absent themselves from a decision whether the applicant be awarded a PC or not. The PCC Chair will assist panel members in considering potential conflicts of interest where necessary.

If you would be interested in becoming a member of one of the Panels please contact the Membership Team at the IFoA.

- A.3 Awarding a Practising Certificate

In awarding a PC, the PCC assesses whether an applicant has satisfied the criteria set down in the PC Scheme to hold a PC. The PC Scheme acts in the public interest to provide assurance that actuaries in reserved roles, carrying out reserved work, have met the criteria set down by Regulation Board to carry out those roles.

In awarding a PC, the PCC is not making a statement as to whether the applicant is competent to carry out a particular reserved role e.g. be appointed as the Scheme Actuary to the ABC Pension Scheme, the Chief Actuary for XYZ Insurance Company, or sign opinions for Lloyd's Syndicate Z. A PC is awarded to an individual - not to a particular role. The appointment (or re-appointment) of a PC holder to a particular reserved role is a matter for the relevant parties (the trustees of the pension scheme, the directors of the insurance company, in some circumstances the PRA and FCA, the managing agent of a Lloyd's syndicate etc.) having made their own enquiries of the capability and suitability of the experience of the PC holder for that particular appointment. PC holders are reminded that under clause 2.2 of the Actuaries' Code they should not put themselves forward for roles they do not consider they have the competence to fulfil.

#### A.4 Ongoing Review of the PC Scheme

The PC Scheme is subject to review from time to time to ensure it remains proportionate and fit for purpose.

Changes will not be made without appropriate notice. Normally, the PCC would expect to provide at least three months' notice but there may be circumstances where a change is not significant or is significant but needs to be made in a tighter timeline e.g. regulatory change. A longer period will apply if the nature of the change would have a significant adverse impact on PC holders. Widespread or fundamental changes would be put to a formal Consultation process.

Notice will be provided through newsletters, emails or letters, as appropriate, as well as on the IFoA's website. All changes will be version controlled and a log of changes made will be maintained on the IFoA's website.

Changes require approval from the relevant parties as summarised in the chart below:

Changes to	Accountable party
The PC Scheme itself	Regulation Board
Guidance on the technical experience criteria (Appendices)	PCC in consultation with the relevant Practice Board(s)
Administration procedures including application forms	PCC

#### A.5 Contacting the Practising Certificates Committee

If you wish to contact the Chair or Secretary of the PCC, please contact the Membership Team in the first instance on 0131 240 1325 or email [practising.certs@actuaries.org.uk](mailto:practising.certs@actuaries.org.uk).



## Appendix 2

### Technical Experience Criteria: Chief Actuary

1. For a Chief Actuary (Life) or a Chief Actuary (non-Life without Lloyd's) Certificate: Applicants are required to demonstrate that they have a sufficient breadth and depth of recent work experience within Life or non-Life insurance, as applicable, to enable them to fulfil the requirements of the Chief Actuary role for Life or non-Life insurance, as applicable, for a PRA regulated entity as detailed in Article 48 of the Directive on Solvency II.

The breadth of experience should include experience in a substantial number of the technical areas below:

- considering appropriate bases and methodologies for valuing the assets and liabilities of insurers;
- considering the appropriateness of pricing bases for insurance contracts;
- considering appropriate reinsurance arrangements for insurers;
- measuring, managing and mitigating issues and risks to which an insurer is exposed;
- assessing the requirements for capital for insurers; and
- analysing the matching of assets and liabilities and advising on investment strategy (Life PC only)

during a period not exceeding the last 10 years.

The depth of experience should include recent and relevant experience, post qualification, in a number of the technical areas below:

- considering appropriate bases and methodologies for valuing the assets and liabilities of insurers;
- considering the appropriateness of pricing bases for insurance contracts;
- considering appropriate reinsurance arrangements for insurers;
- measuring, managing and mitigating issues and risks to which an insurer is exposed;
- assessing the requirements for capital for insurers ;and
- analysing the matching of assets and liabilities and advising on investment strategy (Life PC only)

during a period of at least three out of the last five years, and at least three months in the last 18 months.

2. For a Chief Actuary (non-Life with Lloyd's) Certificate: in addition to meeting the requirements in 1 above, applicants must have had a material period of relevant experience of working in Lloyd's or the London market during the last five years.
3. The PCC may, at its discretion, determine that alternative relevant technical experience can be used to support any gaps in the experience set out in 1 above.

## Guidance on application of Technical Experience criteria: Chief Actuary

The PCC will look to apply the technical experience criteria as follows. Discretion may be applied in the areas noted.

Applicants should read the guidance below in conjunction with the criteria and in particular criterion 5 on recent and relevant experience. Example experience sections of the application forms can be found on the [website](#).

Criterion	Guidance
1	<p>Under the PRA Senior Manager regime the Chief Actuary has responsibility for the actuarial function which covers the areas listed in Article 48 of the Solvency II Directive. The technical experience criteria identify the areas relevant for application for a Chief Actuary (Life) or Chief Actuary (non-Life without Lloyd's) Certificate. For a Chief Actuary (non-Life with Lloyd's) Certificate, both the technical experience criteria in 1 and 2 must be met.</p> <p>Applicants should demonstrate on the application form that they have gained:</p> <p>a) Breadth of experience in a substantial number of the technical criteria set out in 1 during a period not exceeding the last 10 years.</p> <p>Breadth of experience will be considered to be sufficient if the applicant has a general understanding of the technical areas such that they are able to review or critique actuarial work put to the Chief Actuary by others.</p> <p>Examples of breadth of experience may include the applicant's contribution to key deliverables in past roles or assignments and how those deliverables relate to the technical criteria. Such as:</p> <ul style="list-style-type: none"> <li>• for a Life actuary, producing or signing off premium pricing decisions, or for a non-Life actuary, recommending a technical price to an underwriter</li> <li>• review of actuarial work produced by others.</li> </ul> <p>The experience will need to be gained in a period not exceeding the last 10 years but it is not necessary for an applicant to demonstrate sufficient experience in each and every year in the last 10 years.</p> <p>The sufficient breadth requirement is a rolling test and will need to be met at each renewal. Experience in the role of a Chief Actuary would be considered towards meeting the rolling requirement where the applicant demonstrates that they have carried out review or critique as part of the Chief Actuary role across a substantial number of the technical areas.</p> <p>and</p> <p>b) Recent deep experience in a number of the technical criteria.</p> <p>Depth of experience will be considered to be sufficient if the candidate has developed a detailed understanding of the area concerned, and has maintained and applied that understanding in practical situations in the period concerned. Reviewing the work of others may not qualify as sufficiently deep; that would depend upon the level of detail involved. Also, understanding technical detail will not be sufficient if the applicant cannot demonstrate the ability to communicate the wider context of the work to both users and other team members.</p> <p>The PCC do not expect an applicant to have gained recent deep experience in a large number of the technical areas. Life Board, GI Board and the PCC normally would expect an applicant to demonstrate recent deep experience of at least two of the technical areas set out in Criterion 1 during a three year period.</p>

	<p>It is important to include on the application form:</p> <ul style="list-style-type: none"> <li>▪ description of the work undertaken and the applicant's role in producing the deliverable of that work (for example: overseeing the calculation of the capital requirements including impact of stressed conditions; producing the Board report on capital requirements vs undertaking the calculation of the market risk component to feed into the report on capital requirements; providing an opinion on adequacy of reinsurance arrangements; setting pricing bases)</li> <li>▪ the responsibilities undertaken (role on, or in making recommendations to, relevant decision making bodies, committees or Boards; whether work was carried out by the applicant direct or the applicant reviewed the work carried out by others and whether this differed by task, class, geography or volume of business as appropriate)</li> <li>▪ any regulatory/statutory role undertaken and/or direct interaction with the FCA or PRA.</li> </ul> <p>The PCC is looking for breadth/variety of experience in the application of advice in the relevant technical areas as well as depth of technical knowledge.</p> <p>Experience can be provided as an actuary internal to the company and its life or non-life business, as an external consultant or as a Reviewing Actuary advising the audit partner. It is sufficient for the applicant to demonstrate their role in recommending and communicating the advice themselves, or in support of, the Chief Actuary, a Small Insurer Chief Actuary, Reviewing Actuary or Appropriate Actuary.</p>
2	<p>For a Chief Actuary (non-Life with Lloyd's) PC, in addition to meeting the technical criteria in Criterion 1, all applicants must have had a material period of relevant experience of working in Lloyd's or the London market during the last five years. For this purpose, a period of between 6 and 12 months would normally be considered sufficient provided the member gained that experience carrying out relevant actuarial work at a senior level.</p>
3	<p>If applicants do not meet the recent and relevant technical experience criteria set out in Criterion 1 above, they need to demonstrate to the PCC that the gaps in their experience are covered by alternative relevant technical experience that the PCC may determine to be equivalent.</p> <p>In particular, the PCC may in special circumstances accept knowledge and experience gained from work done in areas other than those listed as equivalent. Similarly it may accept that recent deep experience over a shorter timeframe than three in the last five years is equivalent to what would normally accrue over three years. This could come in a number of forms:</p> <p>For example, the applicant hasn't met the recent deep experience requirements of the criteria but has otherwise developed and delivered advice that meets those requirements during the last five years that a PC holder would otherwise be expected to demonstrate. Examples might include:</p> <ul style="list-style-type: none"> <li>▪ the applicant does not have sufficient relevant technical experience with a PRA regulated entity but can demonstrate equivalent experience in similarly regulated non-UK jurisdictions;</li> <li>▪ the applicant has considerable longer term relevant experience but more recently has only been involved in work that doesn't involve duties reserved for the actuarial function under the Directive.</li> </ul> <p>This list is not meant to be exhaustive; rather it is designed to illustrate the discretion delegated to the PCC by the Regulation Board. It should however be noted that that the PCC will not usually apply its discretion for more than one year and will expect the applicant to demonstrate that they have met the recent and relevant technical criteria in the year following the application of discretion.</p> <p>In addition, the PCC will apply its discretion during a transitional period ending on 31 December 2018 in favour of an applicant who meets all the criteria for a Chief Actuary PC other than the specific instance where the applicant is i) an Associate or ii) a Fellow with less than three years' post qualification experience, but who for</p>

	at least three years has been operating at the level of a Fellow in terms of the nature and seniority of their relevant experience as demonstrated in accordance with paragraph 4B of the PC Scheme.
--	--

## Appendix 3

### Technical Experience Criteria: Chief Actuary (Life, Non-Directive) and With Profits Actuary

1. For a Chief Actuary (Life, Non-Directive) Certificate: Applicants are required to demonstrate that they have gained recent experience in a number of the technical areas below:
  - advising on appropriate methodologies and assumptions for valuing assets and technical provisions;
  - advising on the requirements for capital and the determination of capital requirements;
  - advising on the measurement, management and mitigation of issues and risks to which a life insurer is exposed, including through use of reinsurance;
  - advising on the appropriate pricing basis for long-term insurance contracts;
  - analysing the matching of assets and liabilities and advising on investment strategy.
  
2. For a With Profits Actuary (WPA) Certificate: All applicants are required to demonstrate recent experience in a number of the technical areas below relating to with-profits business:
  - advising on the management and mitigation of issues and risks, and commenting on the appropriateness of the measurement basis, that may affect the development of the with-profits fund or the interests of the with-profits policyholders;
  - analysing, and advising on, appropriate ways of determining bonus distribution policy and of achieving equity between different groups of with-profits policyholders;
  - advising on the fair treatment of policyholders and compliance with, and recommending changes to, the PPFM;
  - advising on bases for calculating surrender values and the terms for other policy alterations in so far as they may affect the interests of with-profits policyholders;
  - understanding the derivation of the SCR and the technical provision results, and advising on whether the valuation of with-profits business within these is consistent with the PPFM.
  
3. The PCC may, at its discretion, determine that alternative relevant technical experience can be used to support any gaps in the experience set out in 1 or 2 above.

## Guidance on application of Technical Experience criteria: Chief Actuary (Life, Non-Directive) and With Profits Actuary

The PCC will look to apply the technical experience criteria as follows. Discretion may be applied in the areas noted.

Applicants should read the guidance below in conjunction with the criteria and in particular Criterion 5 on recent and relevant experience. Example experience sections of the application forms can be found on the [website](#).

Criterion	Guidance
1	<p>Life Insurance actuaries are involved in many aspects of the underlying business. The technical experience in Criterion 1 identify the areas relevant for application for a Chief Actuary (Life, Non-Directive) Certificate.</p> <p>Applicants should demonstrate on the application form that they have gained recent experience in a number of these relevant areas.</p> <p>The PCC do not expect an applicant with deep knowledge of a subject area to have gained recent experience in a large number of these areas. Life Board and the PCC normally would expect an applicant to demonstrate recent deep experience of at least two of the technical areas in Criterion 1 during a three year period.</p> <p>It is important to include on the application form:</p> <ul style="list-style-type: none"> <li>▪ description of the role(s) the applicant undertook (for example overseeing the whole Individual Capital Assessment (ICA) including impact of stressed conditions, and producing the Board report vs undertaking the calculation of the market risk component to feed into an overall ICA report);</li> <li>▪ the responsibilities of the role(s) undertaken (especially to outline the work the applicant was directly responsible for and the communication thereof to the relevant Board or committee);</li> <li>▪ description of the types/classes/volumes of business covered;</li> <li>▪ any regulatory/statutory role undertaken and/or direct interaction with the FCA or PRA.</li> </ul> <p>The PCC is looking for breadth/variety of experience in the application of advice in the relevant technical areas as well as depth of technical knowledge.</p> <p>Experience can be provided as an actuary internal to the company/its life business, as an external consultant or as the Reviewing Actuary advising the audit partner. It is sufficient for the applicant to demonstrate their role in drawing up and communicating the advice in support of a Small Insurer Chief Actuary, Reviewing Actuary or Appropriate Actuary.</p>
2	<p>The technical experience in Criterion 2 identify the areas relevant for application for a WPA Certificate. Applicants should demonstrate on the application form that they have gained recent experience in a number of these relevant areas.</p> <p>Life Board and the PCC normally would expect an applicant to demonstrate recent deep experience of most of the technical areas noted in two during a three year period.</p> <p>It is important to include on the application form:</p> <ul style="list-style-type: none"> <li>▪ description of the role(s) the applicant undertook (for example contributing towards the determination of asset shares; advising on run off plans for the with-profits business or advising on the use of the free estate; consideration of management actions that might be incorporated in capital projections, particularly in stressed scenarios);</li> <li>▪ the responsibilities of the role(s) undertaken (especially to outline the work the applicant was directly responsible for and the communication thereof);</li> <li>▪ description of the types/classes/volumes of business covered;</li> </ul>

	<ul style="list-style-type: none"> <li>▪ any regulatory/statutory role undertaken and/or direct interaction with the FCA or PRA.</li> </ul> <p>The PCC is looking for breadth/variety of experience in the application of advice in the relevant technical areas as well as depth of technical knowledge.</p> <p>Experience can be provided as an actuary internal to the company/its life business or as an external consultant. It is sufficient for the applicant to demonstrate their role in drawing up and communicating the advice in support of a With-Profits Actuary or Appropriate Actuary acting in relation to with-profits business.</p> <p>It should be noted that an applicant with little or no with-profits experience should not expect to be awarded a WPA Certificate just because the life insurance business they work for has a small with-profits business and it is operationally convenient for that business if the applicant is awarded a WPA Certificate. A WPA Certificate will only be awarded to those applicants who demonstrate the required experience of relevant technical areas.</p>
3	<p>If applicants do not meet the recent and relevant technical experience criteria set out in 1 or 2, above, they need to demonstrate to the PCC that the gaps in their experience are covered by alternative relevant technical experience that the PCC may determine to be equivalent.</p> <p>In particular, the PCC may in special circumstances accept knowledge and experience gained from work done in areas other than those listed as equivalent. Similarly it may accept that recent deep experience over a shorter timeframe than three in the last five years is equivalent to what would normally accrue over three years. This could come in a number of forms:</p> <p>For example, the applicant hasn't met the recent deep experience requirements of the criteria but has otherwise developed and delivered advice that meets those requirements during the last five years that a PC holder would otherwise be expected to demonstrate. Examples might include:</p> <ul style="list-style-type: none"> <li>▪ the applicant does not have sufficient relevant technical experience in a UK Life insurance market but can demonstrate equivalent in similarly regulated non-UK jurisdictions;</li> <li>▪ the applicant has considerable longer term relevant experience but more recently has been involved in work that doesn't involve WPA duties.</li> </ul> <p>This list is not meant to be exhaustive; rather it is designed to illustrate the discretion delegated to the PCC by the Regulation Board. It should however be noted that the PCC will not usually apply its discretion for more than one year and will expect the applicant to demonstrate that they have met the recent and relevant technical criteria in the year following the application of discretion.</p>

## Appendix 4

### Technical Experience Criteria: Lloyd's

1. All applicants are required to be working in the field of general insurance providing actuarial work:
  - this should include at least one of the following core actuarial functions: reserving, pricing, capital setting or reinsurance (purchasing or pricing);
  - this should include significant exposure to the Lloyd's or London Market over that period.
2. Further, the applicant should normally have carried out reserving work for a Lloyd's Syndicate or the Corporation of Lloyd's within the last 18 months that involved: carrying out calculation of claim and premium projections, taking responsibility for selections of key assumptions and methodologies used in the calculation, presenting results to senior management, and responding to challenge from senior management.
3. The PCC may, at its discretion, determine that alternative relevant technical experience can be used to support any gaps in the experience set out in 1 or 2 above.

### Guidance on application of Technical Experience criteria: Lloyd's

The PCC will look to apply the technical experience criteria as follows. Discretion may be applied in the areas noted.

Applicants should read the guidance below in conjunction with the criteria and in particular Criterion 5 on recent and relevant experience. Example experience sections of the application forms can be found on the [website](#).

Criterion	Guidance
1.	<p>General Insurance actuaries are involved in many aspects of the underlying business. There are four areas the General Insurance Board and PCC see as core actuarial functions:</p> <ul style="list-style-type: none"> <li>- Reserving</li> <li>- Pricing</li> <li>- Capital setting</li> <li>- Reinsurance (purchasing or pricing)</li> </ul> <p>Applicants should demonstrate on the application form that they have gained experience in at least one of these areas.</p> <p>It is important to include on the application form:</p> <ul style="list-style-type: none"> <li>▪ description of the role(s) the applicant undertook (for example design and running models assessing capital needs vs undertaking the calculation of market risk to feed into those models);</li> <li>▪ the responsibilities of the role(s) undertaken (especially to outline the work the applicant was directly responsible for and the communication thereof);</li> <li>▪ description of the types/classes/volumes of business covered;</li> <li>▪ any regulatory/statutory role undertaken and/or direct interaction with either the PRA or Lloyd's.</li> </ul> <p>The PCC is looking for breadth/variety of experience in the application of advice in the core technical areas as well as technical knowledge.</p> <p>Experience can be provided as an actuary internal to the company/syndicate or as an external consultant. It is sufficient for the applicant to demonstrate their role in drawing up and communicating the advice in support of a reserved role holder.</p>



2.	<p>The experience expressed on the application form must include reserving work over the last year, where 'reserving' is the estimation of quantum and timing of:</p> <ul style="list-style-type: none"> <li>(a) future gross claim payments and reinsurance recoveries (and costs associated with the claim payments and reinsurance recoveries) and, where appropriate,</li> <li>(b) future premium income and reinsurance premium outgo (and costs associated with these cash flow items).</li> </ul>
1 & 2	<p>Lloyd's and London Market business tends to demonstrate different characteristics to other General Insurance areas and as such the PCC is looking for the applicant to demonstrate significant recent exposure to Lloyd's and London Market business.</p> <p>Lloyd's itself is unique with characteristics and/or requirements that differ to the wider London Market and as such the PCC is looking for the applicant to have gained some experience relating to at least one or more syndicates or the Corporation of Lloyd's over the last 18 months to demonstrate an up to date understanding of the Lloyd's environment.</p>
3.	<p>If applicants do not meet the recent and relevant technical experience criteria set out in Criterion 1, above, they need to demonstrate to the PCC that the gaps in their experience are covered by alternative relevant technical experience that the PCC may determine to be equivalent.</p> <p>In particular, the PCC may in special circumstances accept knowledge and experience gained from work done other than those listed as equivalent. Similarly it may accept that recent deep experience over a shorter timeframe than three in the last five years is equivalent to what would normally accrue over three years. This could come in a number of forms. This could come in a number of forms:</p> <p>For example, the applicant hasn't met the recent deep experience requirements of the criteria but has otherwise developed and delivered advice that meets those requirements during the last five years that a PC holder would otherwise be expected to demonstrate. Examples might include:</p> <ul style="list-style-type: none"> <li>▪ the applicant has met the 18 month reserving experience at Lloyd's requirement but does not have sufficient relevant technical experience in the London or Lloyd's market, but can demonstrate equivalent experience of having provided reserving opinions in non-Lloyd's jurisdictions;</li> <li>▪ the applicant has considerable longer term relevant experience acting as a syndicate actuary, providing opinions, but more recently has not undertaken reserving work as they have been advising syndicates on capital issues.</li> </ul> <p>This list is not meant to be exhaustive; rather it is designed to illustrate the discretion delegated to the PCC by the Regulation Board. It should however be noted that the PCC will not usually apply its discretion for more than one year and will expect the applicant to demonstrate that they have met the recent and relevant technical criteria in the year following the application of discretion.</p>

## Appendix 5

### Technical Experience Criteria: Pensions

1. All applicants must have recent experience of **both** of the following:
  - Providing funding advice to trustees of defined benefit pension schemes;
  - Advising trustees on setting and calculating cash equivalents.
2. Together with recent experience of **some** of the following:
  - Acting as a Scheme Actuary to one or more pension schemes and complying with [APS P1](#);
  - Providing advice to trustees, and liaising with other professional advisers, the Pensions Regulator and the Pension Protection Fund in providing that advice, in some of the other aspects of reserved work (see further below);
  - Analysing the issues affecting the risks undertaken by a pension scheme, including working with other professional advisers, in advising the trustees how the trustees can manage and mitigate those risks.
3. The PCC may, at its discretion, determine that alternative relevant technical experience can be used to support any gaps in the experience set out in 1 or 2 above.

### Guidance on application of Technical Experience criteria: Pensions

The PCC will look to apply the technical experience criteria as follows. Discretion may be applied in the areas noted.

Applicants should read the guidance below in conjunction with the criteria and in particular Criterion 5 on recent and relevant experience. Example experience sections of the application forms can be found on the [website](#).

The term 'reserved work' means work reserved for a reserved work holder. When assessing the relevant experience of an applicant for a Scheme Actuary PC, the PCC will have regard to the list of reserved work items as set out in the former APS P2. The list is adopted into this guidance and set out in the Annex to this guidance.

Criterion	Guidance
1.	<p>Advice to trustees on funding and setting cash equivalent transfer values are core reserved type work for a Scheme Actuary. The PCC in consultation with the Pension Board expect that all PC holders to have a material amount of relevant experience in both these areas.</p> <p>Applicants should demonstrate on the application form their experience in these areas and, for funding advice, whether that experience addressed matters such as:</p> <ul style="list-style-type: none"><li>▪ the impact of the sponsor covenant (but not the assessment of the strength of the sponsor covenant itself), investment strategy and other factors on funding advice given, or</li><li>▪ preparing and communicating funding advice to the trustees, or,</li><li>▪ preparing or certifying schedules of contributions.</li></ul> <p>The PCC is looking for breadth/variety of experience in the application of funding and cash equivalent advice to trustees as well as technical knowledge in these areas. Breadth/variety of experience may arise from work across a number of schemes or from work on one or more large schemes with particularly broad or challenging issues.</p> <p>This experience need not be founded as (or solely as) a Scheme Actuary of one or more pension schemes. It is sufficient for the applicant to demonstrate their role in</p>

	<p>drawing up and communicating the advice in support of one or more Scheme Actuaries.</p> <p>A relevant consideration is the quantum of Scheme Actuary or Scheme Actuary related work that a PC applicant (either initial or renewal) is undertaking. The PCC will normally regard exposure to four schemes to be the minimum requirement, but this could reduce to two or potentially even one if these schemes are very large and require a significant amount of work in the reserved role areas.</p>
2.	<p>The additional areas of reserved type work the PCC is looking for the applicant to demonstrate include some of:</p> <ul style="list-style-type: none"> <li>▪ bulk transfers, section 67, PPF measures, advice in relation to debt on the employer regulations and winding up;</li> <li>▪ or any other reserved work listed in this guidance.</li> </ul>
3	<p>If applicants do not meet the recent and relevant technical criteria set out in Criterion 1, above, they need to demonstrate to the PCC that the gaps in their experience are covered by alternative relevant technical experience that the PCC may determine to be equivalent.</p> <p>In particular, the PCC may in special circumstances accept knowledge and experience gained from work done for parties other than trustees of private sector pension schemes – for example, where the applicant has changed career from another field of pensions work into reserved work for trustees. This could come in a number of forms, for example:</p> <ul style="list-style-type: none"> <li>▪ the applicant hasn't met the recent deep experience requirements of the criteria but has otherwise developed and delivered advice that meets those requirements during the last five years that a PC holder would otherwise be expected to demonstrate;</li> <li>▪ the applicant has experience of the technical criteria but in a capacity other than reserved work for trustees. In this respect, the PCC may have regard to public sector reserving work, corporate pensions advisory or other work in relation to matters reserved to a reserved role holder. However, such experience will only be considered where the applicant can already demonstrate substantive adherence to the technical experience criteria for work reserved to a reserved role holder.</li> </ul> <p>This list is not meant to be exhaustive; rather it is designed to illustrate the discretion delegated to the PCC by the Regulation Board. It should however be noted that the PCC will not usually apply its discretion for more than one year and will expect the applicant to demonstrate that they have met the recent and relevant technical criteria in the year following the application of discretion.</p>

## **Annex: Reserved work in relation to Scheme Actuary PC applications**

The following work is a comprehensive list of the work considered to fall within the ambit of 'reserved work' for the purposes of Scheme Actuary PC applications.

### **A Bulk transfers without consent**

*Section 73 of the Pension Schemes Act 1993 and Regulation 12(3) of The Occupational Pension Schemes (Preservation of Benefit) Regulations 1991 (SI 1991/167)*

- A1 The certificate required under Regulation 12(3)
- A2 In connection with the certificate in A1, drawing the trustees' attention to any other matters as required by paragraph 4.4 of **APS P1**

### **B Cash equivalent transfer values and cash transfer sums**

*The Occupational Pension Schemes (Transfer Values) Regulations 1996 (SI 1996/1847)*

*The Occupational Pension Schemes (Early Leavers: Cash Transfer Sums and Contribution Refunds) Regulations 2006 (SI 2006/33)*

- B1 Advice to trustees on economic, financial and demographic assumptions
- B2 Provision of an insufficiency report (including taking certain decisions in relation to the calculations, such as the sub-division of liabilities)

### **C Contracting-out**

*Section 12A of the Pension Schemes Act 1993 and The Occupational Pension Schemes (Contracting-out) Regulations 1996 (SI 1996/1172)*

- C1 Reference scheme test certificate under Regulation 6(3)(b)
- C2 Scheme rule change confirmation under Regulation 42(2)(b)
- C3 In connection with the certificate in C1 or the confirmation in C2, drawing the trustees' attention to any other matters as required by paragraph 4.4 of **APS P1**

### **D Employer debt**

*Sections 75 and 75A of the Pensions Act 1995 and the Occupational Pension Schemes (Employer Debt) Regulations 2005 (SI 2005/678)*

- D1 Provision of the certificates set out in Schedules 1, 1C and 1D of the above Regulations

### **E GMP conversion**

*Section 24C of the Pension Schemes Act 1993 and Regulation 69A of the Occupational Pension Schemes (Contracting-out) Regulations 1996 (SI 1996/1172)*

- E1 Providing advice on appropriate assumptions to test actuarial equivalence
- E2 The calculation of pre and post conversion benefits and the provision of the actuarial certificate confirming actuarial equivalence

### **F Modification of subsisting rights**

*Section 67C of the Pensions Act 1995 and Regulation 5 of The Occupational Pension Schemes (Modification of Schemes) Regulations 2006 (SI 2006/759)*

- F1 Providing the actuarial equivalence statement

F2 In connection with the statement in F1, drawing the trustees' attention to any other matters as required by paragraph 4.4 of **APS P1**

## **G Payment of surplus to the employer in an ongoing scheme**

*Section 37 of the Pensions Act 1995 and The Occupational Pension Schemes (Payments to Employer) Regulations 2006 (SI 2006/802)*

G1 The calculation and certification of liabilities

## **H Pension Protection Fund**

*Sections 143, 152, 158 and 179 of the Pensions Act 2004  
The Pension Protection Fund (Valuation) Regulations 2005 (SI 2005/672)*

H1 PPF levy – Section 179 valuations, actuarial certification of deficit reduction contributions, block transfer certification, confirmation in relation to planned deficit reduction contributions when seeking acceptance of a type C (ii) Contingent Asset.

H2 PPF entry – Section 143 valuations or funding estimates for funding determinations by the PPF under Section 143(2)(a), Section 152 valuations or funding estimates for funding assessments by the PPF under Section 152, Section 158 (closed scheme) valuations.

## **I Scheme funding**

*Part 3 of the Pensions Act 2004 and The Occupational Pension Schemes (Scheme Funding) Regulations 2005 (SI 2005/3377)*

I1 Actuarial valuations subject to Part 3 or revisions to funding documentation between valuations, including provision of advice on:

- methods and assumptions;
- preparing or revising the statement of funding principles;
- preparing or revising a recovery plan;
- preparing or revising a schedule of contributions; and
- modification of future accrual.

I2 Setting the assumptions and methodology for the solvency estimate and delivering this estimate

I3 Producing the formal written report of the actuarial valuation required by Section 224

I4 Certification of the technical provisions

I5 Certification of the schedule of contributions

I6 Producing the annual actuarial report

## **J Winding-up**

*Section 73 of the Pensions Act 1995 and The Occupational Pension Schemes (Winding Up) Regulations 1996 (SI 1996/3126) and The Occupational Pension Schemes (Winding Up etc.) Regulations 2005 (SI 2005/706)*

*Regulation 18 of The Occupational Pension Schemes (Scheme Funding) Regulations 2005 (SI 2005/3377)*

J1 The calculation and certification of liabilities of different categories of member to determine how assets must be apportioned

J2 The actuary's annual estimate of solvency required for a scheme that started to wind up on or after 30 December 2005

## Appendix 6

### Frequently Asked Questions (FAQs)

This FAQ list is being provided within the PC Scheme document, so that members can access all information relevant to the PC Scheme in a single document. These FAQs do not, however, form part of the PC Scheme itself, and in the event of any inconsistency, the PC Scheme itself will be regarded as definitive.

#### A. CRITERIA

**1. How can actuaries working in small firms or as a sole practitioner have their claims to experience signed off by an existing PC holder?**

There is no requirement that the PC holder making the declaration must be a member of the same firm as the initial applicant. The applicant may approach any existing PC holder and that PC holder will need to take a view on the experience and general suitability of character of the applicant including for example by enquiry of other PC holders or senior actuaries with whom the applicant has worked.

The new form of the attestation by an existing PC holder is also more narrowly defined, in terms of the attester satisfying himself or herself that the experience on the application form is fairly described. See also FAQ B16 below.

If you do not have sufficient professional contact with a PC holder who holds the same type of PC that you are applying for, please contact the [Membership Team](#) who will work with you to find a suitable alternative.

**2. How can I assess today whether I have sufficient time and resources to undertake reserved role work?**

It is recognised that it may be difficult for an applicant to identify in advance all of the activities they may be asked or required to carry out in the next 12 months. By balancing conservatism in the acceptance of (additional) reserved roles with contingency planning for disruptions to the expected matching of work and resources, the applicant ought to feel sufficiently able to make the required declaration.

**3. I passed my Fellowship exams in the September sitting. Does that mean I can apply for a Practising Certificate three years from that date providing I am meeting all other criteria?**

No, an application will only be considered three years after your transfer to Fellow has been completed.

Please see section 3B of the PC Scheme for the transition arrangement for Chief Actuary certificate applications made before 1 January 2019.

**4. What type of technical experience is considered to be relevant for a PC?**

As well as being recent, the technical experience gained by the applicant also needs to have been gained providing actuarial advice at an appropriately senior level. Section 5B of the PC Scheme describes relevant technical experience in more detail.

**5. Can the PCC be clearer as to what type of work review or independent peer review (APS X2) or other peer review work would count as relevant technical experience?**

In practice, review work can cover a variety of scenarios only some of which the PCC may consider as relevant experience for an applicant.

At one end of the spectrum, review work could describe acting as a sounding board for a piece of work and involve discussions only of high level principles. At the other end of the spectrum, review work could involve a formal (or even statutory) technical review of work undertaken by another actuary on which the reviewer would produce a formal opinion.

The PCC would normally not consider the first example to be relevant technical experience but may consider the second to be.

It is not possible to set a clear rule when there are different practices around review work in the market. Where an applicant has undertaken review work they should be clear on the scope and deliverables of that work in the application form to enable the PCC to consider if the work is suitable to be deemed relevant technical experience.

**6. Would peer review work under APS P2 (prior to 1 July 2015) or work review and independent peer review under APS X2 (from 1 July 2015) count as relevant experience to be awarded a Scheme Actuary PC?**

Peer review work under APS P2, and both work review and independent peer review under APS X2, would be considered by the PCC as a contribution towards meeting the required recent and relevant technical experience criteria but would not in itself be sufficient to be awarded a PC.

**7. I am about to go on a career break for a few months and I am concerned what I need to do when I return to work to be able to have my PC renewed at the next renewal date?**

You will need to demonstrate at least three months relevant technical experience in the 18 months to your application date. This could be before or after (or both) the career break (providing the period(s) fall within 18 months of the application date). It is important therefore to work with your employer to plan a program of reserved type work to support renewal of your certificate.

**8. I am going on maternity leave, and my renewal date will be when I am away. Can I renew as at my usual renewal date? Can I send in my application early (just before I go on maternity leave)?**

Subject to meeting the relevant CPD requirements, you can make your application at your usual renewal date or submit your application early. See section 8.1 of the Scheme sets out the process but in short you can make your application three months before the date your renewal certificate is due: if you submit your application earlier than that it will be treated as if it had been made three months before the date the renewal certificate is due.

**9. The PC Scheme says that I need to demonstrate having delivered or participated substantially in the delivery of advice to the user. Can you expand on what is required?**

Delivering advice to the user is part of the professional 'backbone' expected of PC holders, not just in terms of developed communication skills but also in the actuary explaining and reviewing or defending their advice to challenge as appropriate. The applicant needs to state clearly what experience they have had over the last year in delivering advice to users. Please highlight specific examples of the applicant's role in delivering advice. See 5B of the PC Scheme for further information.

It is important therefore that new applicants for a PC, and renewal applicants who may have had little recent client facing experience, work with their employers to build up that experience in support of their PC application.

**10. What can I do to demonstrate that I have kept up to date with developments whilst on a career break?**

If you can show that you have kept up to date with technical and business issues, for example through emails, telephone calls or physical visits to the office, then the PCC may consider this sufficient to demonstrate that you remain familiar with latest developments. The PCC will be guided by the clear effort you have made to keep up to date whilst on a career break.

Of course you will need to meet the relevant CPD requirements over your chosen CPD period up to the date of your next application.

If you are absent from work for more than three consecutive months, you may apply for a partial exemption from the requirements of the CPD Scheme. Please see section 11.1.1 of the [CPD Scheme](#) for further information

**11. I did not renew my PC at the last renewal date but now want to re-apply, do I complete a renewal or an initial application?**

You can renew your PC within 18 months of your certificate expiring by completing the renewal application. After this period you will have to complete an initial application including obtaining an attestation by another PC holder to your application.

**B. VERIFICATION AND VALIDATION OF INFORMATION IN THE APPLICATION**

**1. Can I send my CPD records separately to the Membership Team?**

CPD records must be i) up to date at the date the application is made, and ii) submitted through the online system on the IFoA's website. Applications will be rejected otherwise.

All members taking part in the outcomes focused CPD pilot should refer to the Senior Quality Assurance Representative within their organisation for guidance.

**2. My renewal date is 15 October. Last year I made my application on 20 August and this year I am making it at the last possible date of 26 September. Can I count CPD between 20 August last year and 26 September this year for this application?**

CPD is counted either i) over the year to the date of application or ii) over a fixed period in the year as declared by the applicant, subject in either case to no CPD being counted twice in successive applications. A year is 365 days (366 in a leap year).

If the applicant is using method i), CPD between 27 September last year and 26 September this year would be counted. Any CPD actioned during the 37 days between 20 August and 26 September last year would not count towards the category 1 CPD requirement.

Under method i), the applicant needs to time the date of their application to ensure they have covered the category 1 CPD requirements.



- 3. My renewal date is 10 March. I am making my renewal application late this year on 15 March and accept I will have to pay an administrative surcharge. Can I count CPD between 16 March last year and 15 March this year for this application, or do I have to count CPD over the year to 10 March?**

Firstly, the PC expired on 10 March. The actuary is responsible for making the necessary professional arrangements under the Actuaries' Code if their PC expires before the new PC is granted (if it is granted). In particular, if the actuary were a Scheme Actuary appointed to one or more pension schemes they would have had to resign those appointments effective 11 March. Secondly, because the PC expired the actuary could not now be making a renewal application running concurrently with their previous PC. The administrative surcharge would not apply therefore. The actuary will need to re-apply for a PC.

Finally, if as part of the re-application process (because the previous certificate has expired), the applicant applies to measure their CPD over the year to the date of application, then in this example CPD would be counted over the year to 15 March.

- 4. I selected a fixed period (ending 31 January) previously to measure my CPD over. My renewal date is 10 March. I haven't managed to complete 30 hours CPD over the fixed period ending 31 January but have just attended a full day seminar which means that if I now change my fixed period to today's date (10 February) I would have completed 30 hours CPD this year. Is this in accordance with the PC Scheme?**

The applicant would need to change the fixed year period to run to 10 February to qualify. Please note that a year means 365 days (366 in a leap year) counted back from the chosen fixed year period date (10 February in this case). In particular, any CPD hours actioned between 1 February and 9 February last year will not be counted for this application.

- 5. Can I change the CPD year measurement period more than once through my career?**

Yes. But not more than once before the next renewal is due.

- 6. If I am identified for an audit of CPD records, is this likely to hold up my renewal application?**

A random sample of renewal applicants are audited for CPD compliance each month in conjunction with the PC renewal. This is to verify the CPD you have recorded through the website in support of your PC application. The process will be carried out as quickly and efficiently as possible. If you cannot provide evidence to verify your CPD records, this will result in renewal of your certificate being delayed until such time that it can be verified that you are meeting the CPD requirement.

- 7. What happens if the Identity and Basic Criminal Record Check provider doesn't have a record on an applicant or the record they do have is not up to date?**

The provider is expected to be able to access historic and current data on the vast majority of applicants. Where such data may not exist, or only partially exist, for example where the applicant has been overseas for a significant period, the PCC will consider the data available but in the process reserve the right to consider other data that may come to its attention in the future which would verify the declarations made by the applicant.

**8. What information does an Identity and Basic Criminal Record Check contain?**

An Identity and Basic Criminal Record Check identifies actions successfully taken against the individual such as any convictions or findings against the applicant from a court or like body.

It does not report actions taken but which were not successful, e.g. if an individual were found not guilty of an offence.

**9. Will I need to provide additional information for the IFoA to carry out an Identity and Basic Criminal Record Check?**

Yes. The IFoA uses a third party provider – currently Experian - to carry out the Identity and Basic Criminal Record Check. In order for Experian to carry out such a check applicants will have to provide certain information, please see [here](#) for further information. The cost of carrying out the check is included in the fee for a Practising Certificate.

Please note that all initial applications will need to provide the required information to carry out the n Identity and Basic Criminal Record Check at the same time as making their application for a Practising Certificate.

The Membership Team will inform renewal applicants 12 weeks in advance of their renewal date if a criminal record check will be carried out as part of their application that year. However, although the applicant will need to provide all the required information to carry out the checks ahead of their renewal date, the actual check itself can be carried out after the renewal date. Renewal will not be delayed because of the time needed to carry out criminal record checks.

If you have any queries regarding how your data may be used or retained by third parties such as Experian please contact the Membership Team.

**10. What will the IFoA do with the Identity and Basic Criminal Record Check?**

The IFoA will action Identity and Basic Criminal Record Checks to validate the declarations made by the applicant in the application form. The information from criminal record checks and other information in the application will be used to assess if the applicant is fit and proper to hold a PC. The information may also be used by the Disciplinary and Capacity for Membership Schemes if the PCC refers the applicant under the Disciplinary and Capacity for Membership Schemes or under the Appeals Process if the applicant appeals the decision of the PCC.

The information will not be used for any other purpose and access to the files will be strictly controlled in accordance with GDPR.

**11. What does fit and proper mean?**

Fit and proper is a requirement that many professions require of their members. In particular, the FCA and PRA have regard to whether an actuary working in certain insurance roles is fit and proper to carry out that role. The IFoA looks in a similar way at whether an actuary is fit and proper to carry out a reserved role.

The PCC needs to be satisfied, based on the evidence of the information declared by applicants and the results of checks on that information carried out by the PCC that the applicant is in particular:

- honest and trustworthy;
- willing to comply with regulatory requirements; and
- able responsibly to manage financial affairs for themselves

and that there is no evident risk that granting the applicant a practising certificate will diminish the public's confidence in the IFoA.

**12. How will the PCC view minor transgressions disclosed by applicants as part of the declarations made in the application process?**

The PCC will adopt a similar common sense approach to that of the FCA and PRA in not regarding minor transgressions disclosed as part of the application process as being significant to the application process.

The PCC, however, expects applicants to disclose all relevant matters as part of the application process even if those matters may seem minor to the applicant. If the PCC as part of its review of the application identifies matters not disclosed by the applicant, the PCC may refer the matter under the Disciplinary and Capacity for Membership Schemes.

**13. I have previously disclosed to the IFoA that I had a prior offence. Do I need to record the details at each renewal of my practising certificate?**

No. It is sufficient to note on the application form "see previous declaration" to assist the Membership Team in processing your application efficiently.

**14. What happens if the information or declarations presented with an application are or may be incomplete or incorrect?**

The PCC will not issue the certificate (initial or renewal) until they are satisfied that the application is properly made.

**15. I am Scheme Actuary Certificate holder who supports a large number of schemes. I am confident that I have the time and resources to act proactively in relation to those schemes in accordance with APS P1 and have signed the attestation to that effect. I heard that the PCC have contacted other SAC applicants who support large numbers of schemes to understand better the basis of their attestations on time and resources to carry out reserved work. Will the PCC contact me and what information will I need to provide?**

10.3 of the PC Scheme states that;

"All applicants are required to make a declaration that they consider they will have the time and resources required to carry out any reserved activities they have been, or expect to be, commissioned to do in the next 12 months"

and applicants are asked to sign an attestation to that effect

"I certify that I will manage my workload in order to have the time and resources required to carry out any reserved activities I am commissioned to do in the next 12 months"

On reviewing the application, there may be reason to seek clarification from the member on a number of items in the application. Most usually this would be about the technical experience stated in the member's application or their CPD record. However there may be reason from the application to seek clarification on other points too. If, for example, the application noted that the member supported a large number of pension schemes – or perhaps a smaller number of large schemes or the applicant had significant management duties in addition to their scheme portfolio – it is possible that the PCC may want to understand better the level of activity that the portfolio of schemes represents and how the applicant manages that work. This would usually be addressed by a conversation by a Panel member with the applicant.

The PCC would have regard to the portfolio of schemes the applicant supports whether the applicant acts as the Scheme Actuary to some or all of those schemes or in support of the Scheme Actuary to a scheme.

The same principles would apply to the PCC's review of applications for other types of certificate should there be reason from the details in the application form to contact the member.

**16. I have been asked to attest to the initial application for a Practising Certificate of another member. The PC Scheme says I should retain evidence to support my attestation. What sort of evidence is the Practising Certificates Committee looking for?**

Should there be any questions arising regarding the relevant experience and suitability of the applicant, the PCC may contact the attester to discuss it. Similarly, although PC holders are not responsible for the future actions of anyone they attest to, a PC holder considered to have attested to an application in a reckless fashion may be referred under the IFoA's Disciplinary and Capacity for Membership Schemes.

It is important therefore that a PC holder who is asked to attest to an application for a PC, can evidence their reasoning that the applicant met the suitability requirements that the PC holder is attesting to. The evidence should be retained for a period of years.

If a PC holder has concerns that an applicant does not have the relevant experience or suitability to attest to an applicant's relevant experience and suitability, the PC holder should make enquiries until they are satisfied. The attester should document the steps that he or she has taken to satisfy him or herself that the applicant meets the conditions set out on the attestation form. That is:

- the attester has reviewed and discussed the experience set out in the application with the applicant and is satisfied that the examples of work provided have been accurately and reasonably described; and
- in their opinion and to the best of their knowledge, the applicant has the self-assurance, influencing skills and ethical standards to behave professionally, exercise sound judgement and meet regulatory requirements when faced with the pressures which may arise in executing the reserved work for which the certificate is required, and that the applicant is a fit, proper and suitable person to hold a practising certificate.

17. **I have already met the PRA or FCA's approved person tests. Do I still need to provide documentation for the IFoA's Identity and Basic Criminal Record Check? What kind of evidence should I send with my PC application to confirm I have met the PRA or FCA's approved person tests?**

A copy of the confirmation you have received from the PRA/FCA will be sufficient to evidence this. You will not be required to undergo the IFoA's Identity and Basic Criminal Record Check process.

Going forward, the IFoA may require evidence that you have undergone regular checks since the date your PC was first awarded. If you have not, you may be asked to participate in the IFoA's checks every five years.

## **C. APPLICATION PROCESS**

1. **Can I fill the application form in electronically?**

The application forms are in Word format.

All forms must be typed. Handwritten forms are no longer accepted unless there are exceptional circumstances.

2. **Can I change the application form?**

Applicants may not change the wording or layout of the forms. Nor are photocopies of pages from previous submissions acceptable. Any forms incorrectly submitted will be rejected and returned to the applicant to be filled out correctly, even if this may cause the renewal to be late.

3. **I've sent my renewal application to the Membership Team but my firm's finance department haven't paid the application fee yet through BACS. I'm sure they will pay soon so can my application start to be processed now please?**

The IFoA appreciate that some employers prefer to make payment on behalf of the applicant by BACS, however it is the responsibility of the applicant to ensure that the payment for their application is made. Certificates will not be issued until full payment has been received.

A practising certificate is given to the individual not to their employer. Although the IFoA will accept payment in a number of forms (credit card (by phone only), cheque, BACS), the onus is on the applicant to ensure payment is included with the application. In particular, if paying through BACS please make sure that your ARN is used as a reference with the payment and leave at least four working days in total for the payment to be made by your employer and then for it to be allocated by the IFoA to your application using the ARN.

If the applicant thinks that there may be a risk that their employer will not make payment on their behalf promptly for whatever reason, the applicant can check with their employer if the applicant can pay by credit card and claim the payment back through expenses or some other mechanism.

4. **If I require two practising certificates, do I have to pay the fee twice?**

If you apply for any two or more certificates at the same time, then you only need to pay the fee once.

## D. TECHNICAL EXPERIENCE CRITERIA

### 1. How will the PCC decide if my experience is relevant?

The work the applicant has done and the job/role the applicant currently fulfils and previous jobs/roles they have fulfilled help shape the PCC's judgement of the applicant's experience against the technical experience criteria. Being a benchmark, the criteria themselves are independent of the role(s) that the applicant has fulfilled. But, in making its decision, the PCC will map the applicant's experience against the criteria.

### 2. The guidance on the technical criteria says that the PCC is looking for evidence of variety and breadth of experience. I am a pensions actuary who works on a small number of large schemes (as opposed to a large number of small schemes). How can I demonstrate variety and breadth of experience?

Variety and breadth of experience relates to the relevant technical experience gained by the applicant through the work that they have done. Large schemes may give rise to a range of work in different areas of the technical experience. Additionally, the applicant may support the Scheme Actuary on other schemes and might be able to supplement their relevant experience through critical peer review, advice on non UK registered pension schemes, or research work.

### 3. If I have alternative experience that I wish to be considered when making my application can I include this on the form?

Yes. Any alternative experience that you wish to be considered by the PCC should be included in part B of the application form, if you believe that your alternative experience justifies consideration by the Practising Certificates Committee in support of your application.

### 4. I am a Scheme Actuary Certificate holder and support the Scheme Actuary to three pension schemes. I also carry out corporate pension advisory work including a number of year end accounting valuations. Where on the form do I record corporate pension accounting work in support of my application?

Corporate pension advisory work, including corporate accounting work, are not examples of reserved work. However, the applicant can include them, and examples of any other non-reserved work carried out, in Part B of the experience section of the application form if the applicant can demonstrate them as alternative experience to reserved work. This would necessitate drawing appropriate parallels between the alternative experience and reserved work.

The principle of including non-reserved work in Part B of the experience section of the application form, drawing parallels between that work and reserved work, applies equally to Life and Lloyds' applicants.

### 5. I have an up to date CV. Can I attach that instead of completing the recent experience section of the application form?

No. The forms are the mechanism whereby the PCC make a fair and consistent judgement on whether the applicant has demonstrated that the criteria are met. It is fine to attach a separate sheet with the required experience details in the required format but it is not for the PCC to seek to extract the relevant bits of information from a document prepared for a different purpose like a CV. The application forms need to be completed in full.

**6. I am a Scheme Actuary Certificate holder who now specialises in winding up and PPF assessment work. Will I meet the technical experience criteria at my renewal date?**

PC holders who go on to specialise in particular areas, including career changes into related or other fields, may not be able to demonstrate the breadth/variety of relevant technical experience over three out of the five last years to continue to be awarded a PC at a subsequent renewal date.

Looking at the particular example mentioned in this question, it is recognised that pension schemes undergoing winding up require a Scheme Actuary and actuaries supporting schemes undergoing winding up carry out many aspects of reserved work for those schemes. However, with the passage of time, the nature of reserved work for schemes in wind up reduces.

An actuary specialising in winding up may have a portfolio of schemes at different stages in the winding up process such that he or she may be able to continue to meet the criteria for a PC. They will not, as a matter of course, be refused a certificate or renewal certificate but will have to demonstrate that their experience is of a level and nature which justifies the award of a certificate. However, when a Scheme Actuary is seeking to renew their PC only to enable them to continue to undertake winding up work for schemes they are the Scheme Actuary to, the PCC would expect to issue a restricted certificate for schemes in wind up only. Actuaries in this position would be required to rebuild their experience before being able to renew a full Scheme Actuary PC with the intention of undertaking any other actuarial work to which it applied.

Actuaries who specialise in PPF assessment work are unlikely to be able to demonstrate, on the basis of that PPF work only, the breadth/variety of relevant technical experience to be awarded a full Scheme Actuary PC.

**7. What certificate(s) must an Appropriate Actuary hold in relation to a firm carrying out with-profits business?**

The table below summarises the certificates that must be held under the PC Scheme

	Chief Actuary (Life, Non-Directive)	WPA
Non with-profits business only	Yes	No
Both non and with-profits business	Yes	Yes
With-profits business only**	Yes	Yes

\*\* because the Appropriate Actuary de facto acts as both the Small Insurer Chief Actuary and the WPA.

**8. If the Chief Actuary function is being carried out by more than one person, do they each have to hold a relevant Chief Actuary certificate?**

The Chief Actuary function may on occasion be performed by more than one person (such as in a job share situation). It is understood that it may be permissible for different individuals to be responsible for discrete parts of the required work. In such circumstances, each member who is fulfilling part of the Chief Actuary role, and approved as such by the PRA, will need to hold a relevant Chief Actuary certificate.

**9. I am considering becoming the Chief Actuary to XYX insurance company which writes both Life and non-Life business. Do I need both a Chief Actuary ((Life) and Chief Actuary (non-Life with or without Lloyd's) Certificate?**

Yes, as a general statement you will need to obtain both a Chief Actuary (Life) PC and a Chief Actuary (non-Life with or without Lloyd's) PC if you are responsible for both areas of the business.

Some organisations may have a Life focus for their business but may write a very small amount of non-Life business, or vice versa. It may be considered to be disproportionate to require the Chief Actuary in such an organisation to hold two practising certificates. Exceptionally, the PCC may grant a full Chief Actuary (Life) PC with a restriction to cover the small amount of Life business in such circumstances. If you would like to explore this option, please contact the [Membership Team](#) at the earliest opportunity to discuss.

**10. What PC is required for an IFoA member to be Chief Actuary to a firm carrying out Life business at Lloyd's?**

An IFoA member fulfilling a Chief Actuary role for a non-Life Syndicate at Lloyd's will be required to hold a Chief Actuary (Non-Life with Lloyd's) Certificate. In the case of a Chief Actuary to a firm which only has a Life Syndicate at Lloyd's, either the Chief Actuary (Non-Life with Lloyd's) or a Chief Actuary (Life) Certificate would be sufficient to act as the Chief Actuary.

**11. How do I demonstrate meeting the breadth of experience requirement during the last 10 years for a Chief Actuary PC?**

It is not necessary to have a detailed understanding of each of the technical areas nor to have worked in all of those areas. You will be considered to have a sufficient breadth of recent work experience if you have a general understanding of the technical areas such that you are able to review or critique work put to you, as Chief Actuary, by others.

The experience will need to be gained in a period not more than 10 years before your application (i.e. the experience should not be over 10 years old). It will not be necessary for you to demonstrate sufficient experience in each and every year in the last 10 years.

**12. I am considering taking up the position of Chief Actuary to XYZ insurance company, but do not have three years' post qualification experience. Does this mean that I cannot apply for a Chief Actuary PC?**

An Associate, or a Fellow with less than three years' post qualification experience, may apply for a Chief Actuary PC between 1 July 2015 and 31 December 2018. Providing you meet all the other requirements to hold a PC, and in particular that you have been working for at least three years at the level expected of a Fellow, a Chief Actuary PC will be awarded through the PCC's discretionary powers.

**13. Does the requirement to hold a Chief Actuary PC apply to actuaries based outside the UK?**

The requirement to hold a Chief Actuary PC applies to IFoA members, wherever located, holding Chief Actuary roles for undertakings regulated by the PRA.



- 14. The guidance on the technical criteria for a Chief Actuary (non-Life with Lloyd's) Certificate notes that a period of between six and 12 months would normally be considered sufficient to meet the material relevant Lloyd's experience test provided the member gained that experience carrying out relevant actuarial work at a senior level. Can you provide some examples of such relevant actuarial work please?**

The PCC will look at each application on its merits. Below are some examples of the type of experience that the PCC would expect to be sufficient to meet the criterion and some which, on balance, likely will not.

Likely to be sufficient:

- I have been chief actuary at XYZ Managing Agent for the last 10 years.
- Prior to being chief actuary at ABC composite, I acted as head of reserving at Lloyd's managing agent EFG between 2007 – 2011.
- At DEF consultancy, I provided SAO reports for the following syndicates at year-end 2012, 2013 and 2014.
- I have been head of pricing at UVW Europe for the last four years, this is a part of the larger UVW Group. 75% of the European entity business is Lloyd's and London Market generated.

Unlikely to be sufficient:

- I have no direct Lloyd's or London market experience but have been chief actuary at YYY, a large personal lines insurer.
- At JJJ consultancy, I have peer reviewed a small London Market reserve review in 2012 covering £5m of marine business for one syndicate.
- I have not worked in the Lloyd's Market for 9 years but prior to that was chief actuary as UUU Managing Agent for 5 years.