



## QAS Sub-Committee meeting

16 June, 10.00 – 13.00

<b>Attending:</b>	Victor Olowe (Chair), Ruth Thomas, Alison Carr, Iain McGrory, Alison Carr (lay), Helen Brown, Douglas Green
<b>Executive Staff:</b>	Katie Wood, Karen Cross, Emma Burns
<b>Apologies:</b>	Tze Leong Chan
<b>Dial in details:</b>	<a href="#">Bluejeans VC</a> [REDACTED]

Item	Title	Action
1.	<b>Welcome, conflicts and minutes</b>	
1.1	[REDACTED] declared an interest in item [REDACTED] because it relates to their firm.	
1.2	<p>The minutes from 25 March 2021 were approved subject to suggested minor amendments. The SC suggested that section 4.2 where there were general comments relating to the new annual return form should be added to the summary rather than in the main minute.</p> <p>The minutes from 29 April 2021 were approved.</p>	
1.3	<p>It was queried whether the discussion around approval of minutes and redactions should be included in the redacted minutes. The SC agreed to be as transparent as possible and only redact sensitive information, on a case by case basis.</p> <p>It was queried whether all annual return discussions should be redacted as organisations may query why their return was not been reviewed by the SC and therefore may think their organisation is being treated differently given that some are now considered by the Executive. The SC suggested that any queries in this regard should be addressed by explaining simply that the Annual Return is going to the SC to obtain their view. It was agreed all annual returns are reviewed using the same process and those with queries are referred to the SC and therefore there is no different treatment of organisations.</p> <p>The SC discussed redaction of the minutes and agreed it is better to record less in the redacted minutes as organisations will have their own detailed feedback. It was pointed out however, that there are some places in the minute where it does not read well as too much information has been redacted.</p>	



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	<p>The SC agreed that only the sensitive information should be redacted on page five rather than the whole paragraph.</p> <p>Subject to the changes discussed, the redacted minutes of 25 March 2021 were approved for publication.</p> <p>[REDACTED] The Chair suggested a review of how [REDACTED] are used at a later date. <b>Action.</b></p> <p>The redacted minutes of 29 April 2021 was approved for publication.</p> <p>The SC suggested that it would be useful to have bullet points summarising the key principles and which information to redact so they have a point of reference. This should include the purpose of the redactions, information about firms [REDACTED] <b>Action.</b></p>	<p>ALL</p> <p>Executive</p>
<b>2.</b>	<b>Standing items</b>	
<b>2.1</b>	<p>The action list was discussed and it was noted that action 349 has the same information repeated 3 times. The SC indicated that the action list is becoming very wordy and unnecessarily repetitive of the minute. The action list should list only the actions as agreed at SC meetings. The SC also suggested that for an action to be closed there needs to be some comment to know why it was closed. The SC agreed that the Executive should look at how to streamline this list. <b>Action.</b></p> <p>A question was raised regarding the target date for the review of the SC's Terms of Reference. The Executive explained that only a reduction in the number of members in relation to quorum in the Terms of Reference will be taken to the Regulatory Board in November 2021.</p> <p>[REDACTED] The SC noted that a subsequent and more substantive review might be necessary as previously discussed after the steer from the Regulatory Board.</p>	Executive
<b>2.2</b>	<p>The strategic action plan was discussed and the SC were interested to know of any progress in relation to the point about increased presence in Africa and Asia. The Executive explained that there were seven separate news items about [REDACTED] accreditation and as a result another organisation is interested in QAS. The Markets Development Team predict that [REDACTED] will be a growth area over coming years.</p>	



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3.	<b>Update from the IFoA Executive</b>	
3.1	<p>The Executive mentioned the QAS annual report for the Regulatory Board which has a deadline of a month's time. The SC noted that the Chair will be involved in the drafting and the SC will have sight of the draft report before it is submitted to the Regulatory Board.</p> <p>The SC queried whether any communication had been received from the organisations who have missed the submission deadline for their annual return. The Executive explained that returns have not yet been received from [REDACTED] or [REDACTED] and that they have been given an extended deadline of [REDACTED] in an attempt to progress matters. The SC noted that these were the same [REDACTED] organisations whose returns were received extremely late for 2020. The SC noted that it is a requirement for accreditation that annual returns are received on time and that continued noncompliance with this requirement will be treated extremely seriously.</p> <p>The SC observed that if organisations are repeatedly late with their return, it might be a signal of a wider culture issue with regard to deadlines on the work they carry out.</p> <p>The Executive agreed it is right to be firm with both [REDACTED] and [REDACTED] and suggested informing the firms that the lateness of their return has been discussed by the SC and that a reason should be provided for the late submission, which would be considered along with the annual return itself.</p> <p>The SC agreed that a strongly worded reminder should be sent to [REDACTED] firms, should the returns not be received by [REDACTED]. The Executive suggested requiring an additional visit when returns are not submitted on time, in the absence of a reasonable excuse or in the event the SC are not satisfied with the return. This visit would be at the organisation's own expense and could be introduced along with any changes arising from the ongoing QAS review. The option that firms with late returns will require an additional visit at the organisations expense, perhaps could be weaved into the ongoing review.</p> <p>The SC noted from the notes of the 1-1 meetings with SQARs, that many firms have decided to stick with general IFoA CPD rather than QAS CPD and queried whether there is an assessment from IFoA on what success looked like for QAS CPD.</p> <p>The Executive explained that in situations where a scheme is optional, it can be difficult to measure success but that consideration would be given to how this could take place.</p>	



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	<p>The SC observed that the process detailed in section 8.1 of the update, relating to the SC reviewing decisions taken by the Executive, could become too drawn out should the SC be invited to choose examples at random to be reviewed at its next meeting. It was noted that while such decisions had been delegated to the Executive, for quality reasons it was desirable for the SC to review the Executive decisions in a timely manner. The SC therefore decided that the Chair would pick the returns which required review, and that these would be chosen from a list detailing the size of firms, their location and their proposed rating. The returns would then be reviewed at the next quarterly meeting.</p> <p>The SC decided to spot check [REDACTED] and {REDACTED} at its next meeting.</p>	
<b>4.</b>	<b>Annual Returns</b>	
	<p><b><u>Summary</u></b></p> <p><b>The SC discussed three annual returns in total, all of which were approved with no request for further information.</b></p> <p><b>The SC did request that permission be asked from one organisation to publish their best practice examples and positive feedback be given to another for such a good annual return.</b></p>	
<b>4.1</b>	<p>[REDACTED] annual return was discussed. The SC considered this to be an excellent return. There was mention in the form of a non-retaliation policy and disciplinary policy, which some members would be interested to have sight of if the firm was willing to provide copies of them. The Executive explained that notwithstanding the excellent content of the return, the organisation had [REDACTED] one BPR is still open.</p> <p>The SC noted that in relation to speaking up, it was surprising that there was only a 23% response rate to their survey, although it was noted that this was an increase in participation. The SC noted that there were some strong examples in the Development and Training section of the return as well as the Conflicts of Interest section (in particular in relation to partner investments).</p> <p>The SC were also impressed with the additional information and examples detailed by the firm in section 7 of the annual return form. It was noted in particular that the firm has put in place action plans around equality and diversity and family friendly policies.</p> <p>[REDACTED].</p> <p>The SC noted the [REDACTED] annual return as satisfactory [REDACTED] with the request to give the organisation feedback on its return and ask for</p>	



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	permission to publish the best practice examples (at least with the SC only) as set out above. <b>Action.</b>	Executive
4.2	<p>[REDACTED] annual return was discussed. [REDACTED] it seemed there was not much activity or progress in the last year. It was noted that much of the information provided was non-specific and theoretical in nature in that it related to plans for the future rather than actions taken over the past year. The SC therefore encouraged the firm to carry out cold file reviews over the coming period, to reflect on lessons learned during the past year of working and to carry out additional quality testing. <b>Action.</b></p> <p>The SC noted the organisation's return as satisfactory [REDACTED]. [[REDACTED]left the meeting 11.27]</p>	Executive
4.3	<p>[REDACTED] annual return was discussed. The SC were impressed with the speaking up and quality assurance sections of the form, which had some excellent examples of activities that have taken place. The SC was pleased to note that all of the SQARs at the firm had the opportunity to contribute to the content of the return.</p> <p>The SC noted that several strong examples had been provided in section 7 of the form, in particular those relating to diversity &amp; inclusion, climate change and professional ethics.</p> <p>[REDACTED]</p> <p>The SC noted the annual return as satisfactory [REDACTED] and it was requested the Executive provide positive feedback as set out above. <b>Action.</b></p>	Executive
	<b>Break</b>	
5.	<b>Applications</b>	
	<b><u>Summary</u></b>	
	<b>The SC discussed one new application for accreditation. This application was approved and it was suggested a pilot buddy system be put in place for the SQARs of this newly accredited organisation, as part of the QAS review.</b>	
	<p>[[REDACTED] joined the meeting 11.33]</p> <p>5.1 [REDACTED] application for accreditation was discussed.</p> <p>The SC noted that the form refers to attachments that are not included in the meeting pack and it was suggested that a summary of attachments would be helpful in the future.</p> <p>The Chair requested that going forward, attachments are to be added to the meeting pack as appendices even if they are not essential to be read. <b>Action.</b></p>	Executive



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	<p>After some discussion, the SC agreed that the application form should be amended so that organisations provide a summary of pertinent information relating to the outcomes in the form as well as submitting separate documents. It was also suggested that a front page summary should be introduced, to be completed by the organisation summarising its application. This should take place at the same time as the Handbook is reviewed, following the conclusion of the QAS Review. <b>Action.</b></p>	Executive
	<p>The SC noted that this application was the first from [REDACTED] and that it was therefore an accreditation, which should receive additional publicity to raise the profile of the QAS amongst [REDACTED] and hopefully to encourage additional interest. <b>Action</b></p>	Executive
	<p>The SC approved [REDACTED] application for its Actuarial Function to be QAS accredited. The SC also approved the proposed SQARs. The SC suggested that a SQAR mentoring or buddy programme could be implemented as part of the QAS review. <b>Action</b></p>	Executive
<b>6.</b>	<b>Change of SQAR</b>	
	<b><u>Summary</u></b>	
	<b>Three organisations made applications to their SQAR arrangements. All of which were approved.</b>	
	<b>6.1</b> The SC approved [REDACTED] change of SQAR request.	
	<b>6.2</b> The SC approved [REDACTED] change of SQAR request.	
	<b>6.3</b> The SC approved [REDACTED] change of SQAR request.	
<b>7.</b>	<b>ICAEW April 2021 Report</b>	
	<p><b>7.1</b> The SC noted the report received from ICAEW and discussed its content. The SC noted that firms have been feeding back that one of the key benefits to organisations of QAS accreditation is the sharing of best practice. The SC therefore requested that the Executive request permission from ICAEW to share anonymised best practice findings with SQARs. <b>Action.</b></p>	Executive
	<p>The SC discussed further the purpose of the report. It noted that it contains little detail due to the low number of accreditations and monitoring visits carried out over the past year. The SC requested that future reports contain any recommendations by ICAEW in relation to the QAS generally as well as any macro analysis in relation to areas for general improvement or increased regulatory work. <b>Action.</b></p>	Executive



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8.	<b>AOB</b>	
8.1	<p>The Chair informed the SC that some concerns were raised from the Regulatory Board in relation to the process followed by the SC and ICAEW when assessing applications [REDACTED].</p> <p>There was a concern regarding the accreditation of firms from countries with a higher risk in relation to the AM best rating agency, which rates risk by country and rates [REDACTED] as risk tier 5, the highest risk score it gives.</p> <p>The SC noted that the Board had been advised that the criteria and processes used in accrediting overseas organisations is the same as for UK organisations and that this is because the pilot which took place in 2018 concluded that doing so was appropriate. The Chair mentioned that this approach was reinforced in a recent meeting with the Chair of the Regulatory Board, which was attended by [REDACTED]. The Chair reminded the SC that the assessment process is the same for all applicants, as are the outcomes, but suggested that this might be something to revisit at the SC meeting in September 2021 as part of the QAS review. <b>Action</b></p> <p>A SC member explained that the IFoA previously attempted to resolve the issues of minimal knowledge of overseas organisations by adding international members to the SC. However that member stated they were not convinced that the situation came to a satisfactory conclusion even though it was agreed that the IFoA's Markets Development Team would provide a briefing to inform consideration of overseas applications at future meetings as appropriate.</p> <p>The Chair reminded the SC that a decision was taken at the SC meeting which took place in January 2019 in relation to the process for the assessment of overseas applications for accreditation.</p> <p>The SC also discussed the possibility that the QAS logo could be misused by any QAS organisation when its use is not monitored either in the UK or in a non-UK context. It was agreed that it would be disproportionate to monitor the use of the logo in UK and non-UK countries differently. It was noted that the current process relates to the Participation Agreement including a clause on the use of the QAS mark. It was also noted that there is no evidence of current misuse of the QAS mark and therefore imperative to maintain an evidenced based approach.</p> <p>The Chair welcomed the SC's thoughts on this issue and requested they be shared at the next quarterly meeting in September 2021. <b>Action</b></p> <p>The SC noted that two actuary members of the SC come to the end of their terms in September 2021, but there has been no sign yet of the vacancies having been advertised. The Executive informed the SC that they are working</p>	<p>Executive</p> <p>ALL</p>



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	<p>on the recruitment campaign and that [REDACTED] has agreed to be part of the interview panel to ensure that there is an actuary present.</p> <p>It was mentioned that three SC members are unable to attend the next meeting on 19 July 2021. The SC agreed that the meeting date should be left as it currently is, as there is a possibility this meeting will be cancelled if there is nothing to bring back to the committee.</p> <p><i>[[REDACTED] left the meeting 12.31].</i></p> <p>The SC requested for the Executive to circulate minutes of 30 January 2019 and provide some overall information from other parts of the IFoA on the approach to similar matters relating to non-UK actuaries/organisations. <b>Action.</b></p>	Executive
	<p><b>Next Meetings:</b></p> <ul style="list-style-type: none"><li><b>19 July 2021 – Conference call</b></li><li><b>23 September 2021 – Quarterly Meeting</b></li><li><b>18 October 2021 –Conference call</b></li><li><b>06 December 2021 – Quarterly Meeting</b></li></ul>	