ASSOCIATION OF
aca
CONSULTING ACTUARIES

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Dear Sirs

Consultation Paper - Revised CPD Scheme Proposals

The Association of Consulting Actuaries (ACA) welcomes the opportunity to respond to the Consultation paper issued in March 2010. Members of the ACA provide advice to thousands of pension schemes, including most of the country's largest schemes.

Members of the Association are all qualified actuaries, mainly Fellows of the Faculty and Institute of Actuaries. All actuarial advice given by our members to clients is subject to the Actuaries' Code. ACA members include the scheme actuaries to schemes covering the majority of members of defined benefit pension schemes.

The ACA is the representative body for consulting actuaries, whilst the Faculty and Institute of Actuaries are the professional bodies.

In general, we support the proposals, although it is worth commenting that in particular the changes are unlikely to affect a significant number of our members. Addressing the specific questions you ask, these are our responses.

1. *Do you agree with the new definition of Category 2?*

   We support the definition changes and the simplification here.

2. *Should we include five hours of private reading within the minimum fifteen hours requirement for Category 2?*

   We think it would be appropriate to include an allowance of private reading, although we would suggest that as this forms part of the minimum requirement that it is relevant to the work to be undertaken by the individual.

3. *Do you agree that, as an alternative to the CPD requirements detailed in the attached Scheme, members should have an option of complying with the Scheme by completing 30 hours private reading?*

   We would not in general support the complete replacement of the CPD requirements by the alternative of private reading. However we do believe that within limits the balance between private reading and attendance at events would be a satisfactory alternative.

4. *Do you agree with the suggestion of offering a scale with a balance between private reading and attendance at events?*

   As indicated in our response to question 3, we would support this.

5. *If you agree with the proposal in Question 4, do you consider that there should be a limit of, say, twenty hours, which can be claimed by private reading?*

   Yes we would suggest there is a limit on the amount of private reading. We are ambivalent as to whether that limit should be 20 hours or a lesser total but would not support a higher total.

6. *What are your views with regard to the 'pro rata' arrangements for those Category 2 actuaries working for only part of the year?*

   We would support some pro-rata arrangement for people only working for part of the year. However whether this should be in direct proportion to the part of the year or a higher proportion is open to debate since the purpose is to ensure continuous professional development.

We have no further comments

If you have any queries or wish clarification on any aspect of our submission please do not hesitate to contact us.

Yours faithfully

Phil Wadsworth MA FFA
Chairman
Consulting Practice Committee
Association of Consulting Actuaries