



Institute
and Faculty
of Actuaries

Proposals for changes to PC Scheme

Association of Consulting Actuaries Meeting

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On the agenda...

- Background to review
- Objectives
- Summary of Proposals
- Questions and Answers



Key Dates

- 8 April – Consultation opened
- 27 May – First Consultation Meeting Webinar
- 30 June – Second Consultation Meeting Webinar
- 1 July – Consultation closes
- Q4 2021 – Q1 2022 – Implementation of changes



A PC Scheme that is fair and effective

...The PC Scheme sits at the heart of the IFoA's role regulating UK actuaries. It is the means by which IFoA Members are able to take on key UK actuarial roles, influencing decisions that have significant implications for consumers. It is therefore essential, in the public interest, that the PC scheme is **effective** for the consumers that it seeks to protect as well as being **appropriate** and **proportionate for Members**...

Neil Buckley, Chair of Regulation Board

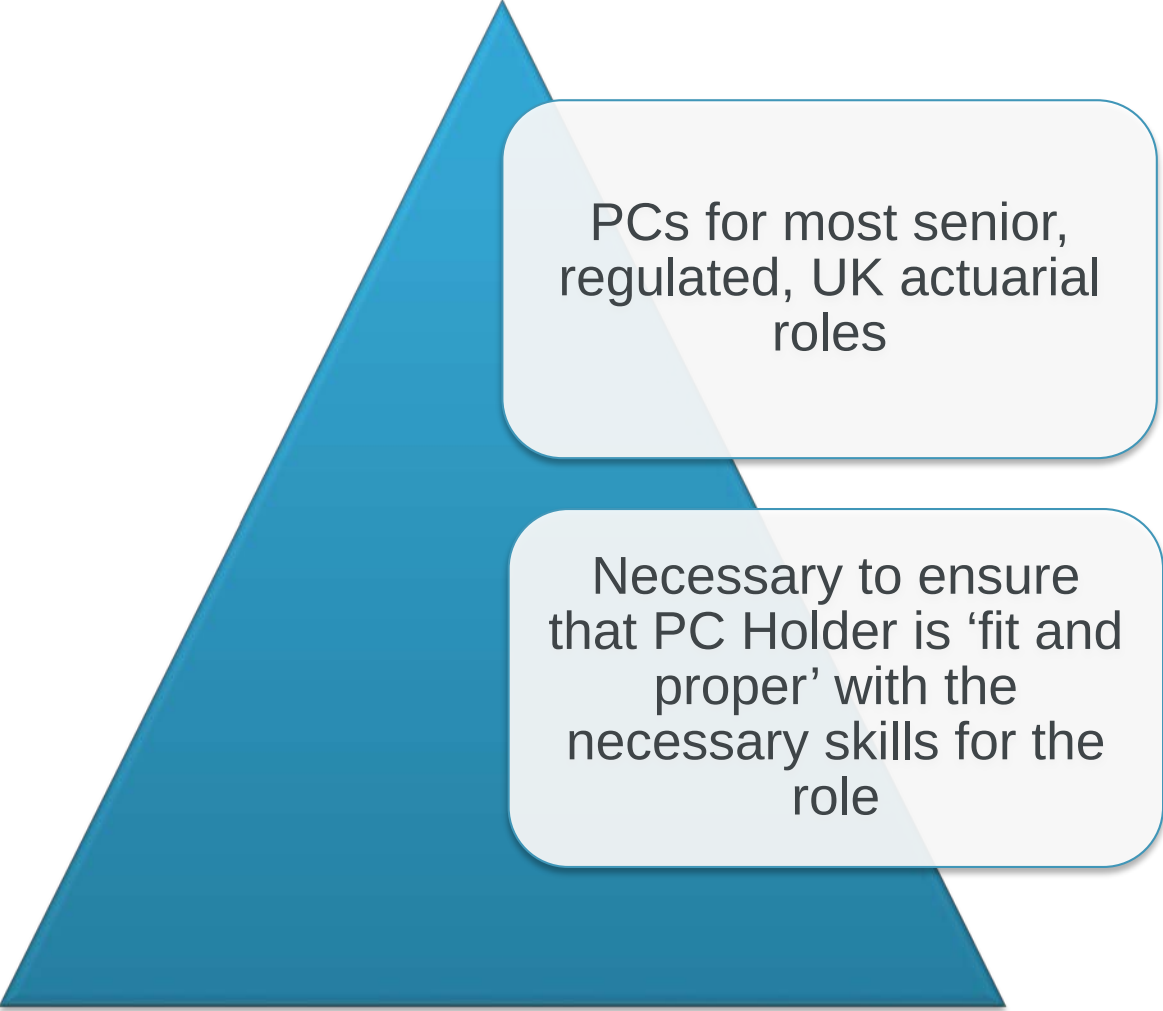


...being a PC Holder brings a mix of recognition, value and responsibility for specialist and senior roles. The proposed changes to the PC Scheme supports the IFoA's commitment to providing value to its members and by **modernising** our key processes so that they remain **effective** but are pragmatic and easier for our members to experience. I also hope that the proposals further demonstrate that we listen to the feedback we get from members as to how the scheme can be improved, as well as to make it more user-friendly.



Stephen Mann, IFoA CEO

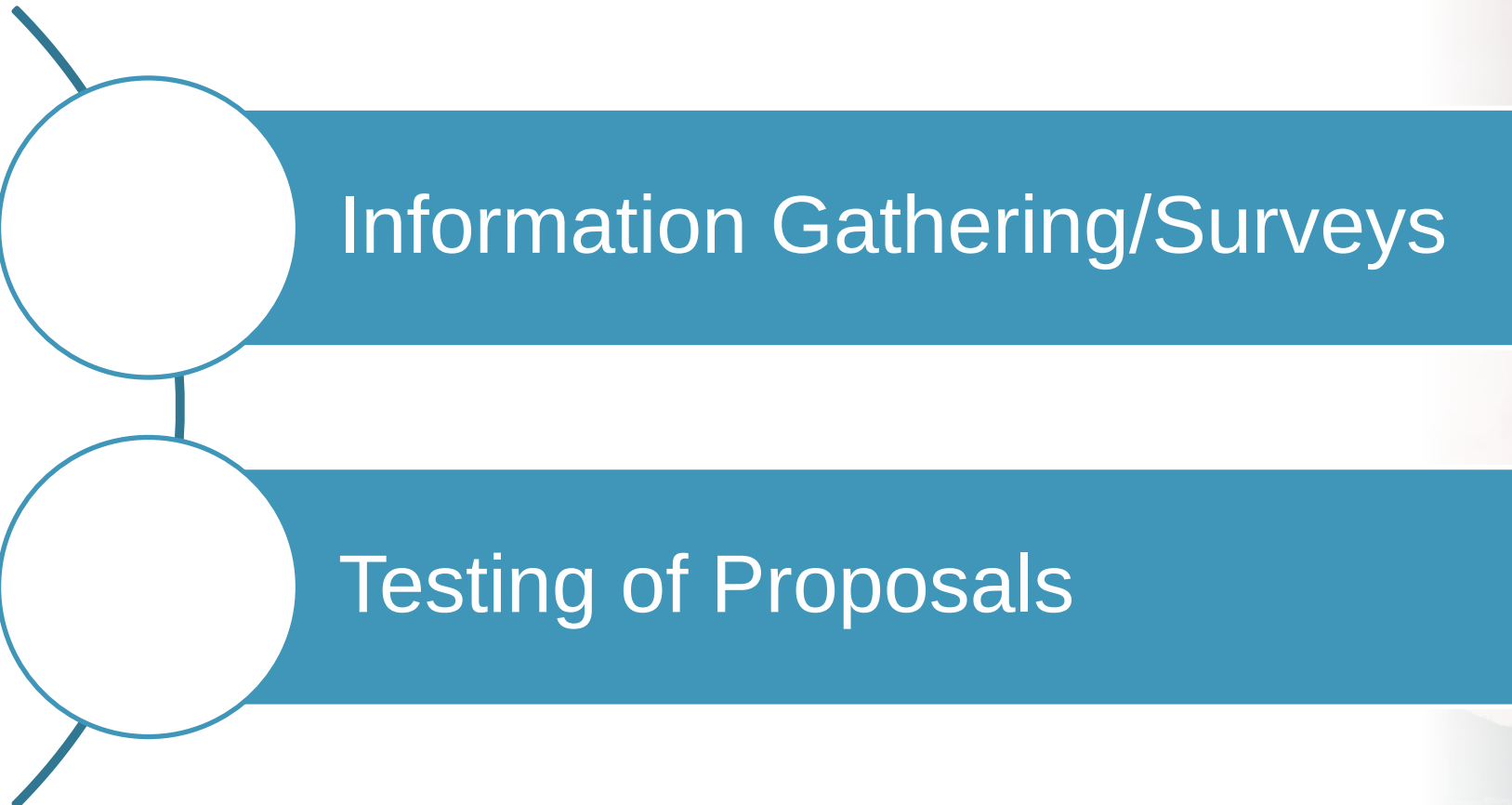
Requirements for a PC



PCs for most senior,
regulated, UK actuarial
roles

Necessary to ensure
that PC Holder is 'fit and
proper' with the
necessary skills for the
role

Background to review



Information Gathering/Surveys

The diagram consists of two white circles, each with a blue outline, connected by a vertical line. Each circle has a short blue line extending from its top-left and bottom-left edges, resembling a speech bubble tail. The top circle is connected to a blue horizontal bar containing the text 'Information Gathering/Surveys'. The bottom circle is connected to a similar blue horizontal bar containing the text 'Testing of Proposals'.

Testing of Proposals

Objectives of the Proposed Changes

Fair

Effective

User-friendly



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**Practising Certificates
Scheme**

Less Focus on Annual Renewals

- Greater focus on initial PC applications
- Annual renewals becoming a 'lighter touch' process
- Fuller renewals required every three years

Impact:

- More proportionate and risk based approach
- Continuing to protect the public interest of PC roles



Competency-based criteria

- Replace the current technical experience criteria for reserved roles with a competency-based criteria.
- Focus on wider range of skills required for different PC roles including leadership and professionalism.
- Technical competence would still be core skill that would need to be demonstrated.
- Competencies would be set out in competency/skill frameworks for the different PCs.

Impact

- PC process is more fair and inclusive.
- More effective measure of an applicant's ability to carry out a PC role.



Wider methods to assess competence

- Interviews and/or discussions with certain applicants.
- Carried out occasionally to understand more about the applicant and the information provided.
- There could be option to use this method if more helpful for an applicant to explain how they meet the competencies at a meeting rather than on a form.

Change the attestation requirement

- The current attestation requirement, which is required from an existing PC Holder, may be difficult to meet for some potential applicants.
- It is therefore proposed to either:
 - remove the attestation requirement entirely; or
 - Retain the requirement but broaden it so that it is obtained from an appropriate individual such as an actuary (not necessarily a PC Holder); or non-actuary; or employer.



UK Practice Module for new PC applications

- The new online UK Practice Module (UKPM) will be required to be completed in the two years before applying for a PC. This will include Members who qualified prior to 2005.
- This will ensure that new applicants have a sound grounding in relevant UK practice and regulation.
- More information on the new UKPM will be published shortly.



More emphasis and support on the pathway to becoming a PC Holder

- More support and raise awareness of the path to becoming a PC Holder at an earlier stage of an actuary's career which could be achieved through the following options:
 - Relevant and specific CPD;
 - Campaigns to promote awareness;
 - Mentoring;
 - CPD Reflective Practice Discussions.



Changes to Additional CPD requirements for PC Holders

- Replace or complement the current additional 15 hour CPD requirements with specific mandatory CPD for PC Holders such as specific events, completion of specifically designed online modules; or
- Produce more relevant but optional CPD opportunities and content such as events, toolkits and materials.
- There are no changes proposed to the CPD exemption for PC Holders within the scope of the Quality Assurance Scheme (QAS) CPD Scheme.



More support for PC Holders

- The IFoA proposes to enhance support for PC Holders which could be achieved through the following options:
 - Enhanced CPD opportunities tailored to PC Holders e.g. new developments in relevant areas; new products; regulatory changes; new techniques; areas of risk/concern.
 - More regular relevant learning materials.
 - Access to support on specific issues.
 - Mentoring system introduced or integrated into the existing 'Appropriate Persons' Pool system.
 - Reflective Practice Discussions to identify areas of development and to encourage continues learning.



General Improvements of Processes

- Improvements to the governance of the PC Scheme to ensure it is as transparent and open as possible:
 - Increased transparency of decision making;
 - Further steps to preserve confidentiality including the introduction of anonymity in the process;
 - Improved appeals process;
 - Improvements to the diversity of the Practising Certificates Committee (PCC) Panels; and
 - Diversity monitoring activities.



Possible Integration of PC Scheme with QAS organisations

- There are no specific proposals at this stage of how the integration might be given effect however it could be:
 - A reduced frequency of renewals for PC Holders within a QAS organisation;
 - The QAS organisation having a prescribed, but limited, role in the assessment and recommendation of individuals to take on PC roles.
- Any such integration would be subject to IFoA assessment of the processes and procedures in place to ensure suitable individuals are appointed to PC roles. The IFoA would also reserve the ability to decide suitability.



Your Questions...

- Please use Zoom to submit questions





Thank you



Questions

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