



## Regulatory Board

17 May 2023, 10:00-13:30

Meeting held in-person at Staple Inn and virtually via Microsoft Teams

<b>Attending</b>	Ben Kemp, David Broadbent, Edwin Sheaf, Melanie Puri, Mike Smedley, Neil Buckley (Chair), Nicola Williams (from item 5), Oliver Bettis, Simon Martin, Sue Lewis
<b>Apologies</b>	Helen Brown, Mitesh Soni
<b>Executive</b>	Fiona Goddard, Hannah MacLeod, Cargill Sanderson, Neri Narkute, David Gordon, Stephanie Snowden
<b>Guests (to observe)</b>	Christian Paterson (FRC), Sian Burgess (FRC)

Item	Title
1.	<b>Welcome and apologies</b>
	The Chair welcomed all to the meeting and noted that the meeting was not yet quorate. The Chair noted that a quorum was expected to be achieved but that any decisions made by the Board before the arrival of an additional lay member, would require to be ratified following the meeting.
2.	<b>Declaration of Conflicts of Interest</b>
	No conflicts of interest were declared.
3.	<b>Minutes and Actions</b>
3.1	The Board approved the minutes of the Board meeting held on 21 February 2023 <sup>1</sup> .
3.2	The Board approved the minutes of the Board meeting held on 9 March 2023 <sup>2</sup> .
3.3	The action list was noted.
4.	<b>Update from Chair</b>
4.1	The Board noted Paper 4 from the Chair, who invited comments.
4.2	The Board asked for further information concerning the communication referred to at paragraph 5 and the Chair agreed to share the communication with the Board. <b>Actions:</b> <b>Chair to share correspondence referred to in para 5 of the Update with the Board.</b>

<sup>1</sup> This approval was ratified by NW by email following the meeting

<sup>2</sup> This approval was ratified by NW by email following the meeting

Item	Title
<b>5.</b>	<b>Update from the Executive<sup>3</sup></b>
<b>5.1</b>	The Executive introduced the Paper and noted, in relation to paragraph 8, that the FRC had now published for consultation a revised TAS 300 and new TAS 310.
<b>5.2</b>	In relation to paragraph 6, the Chair queried whether the Climate Change guidance would be ready for consideration by the July board, or whether the Board would be happy to consider a draft by email. The Board agreed to consider the draft guidance by email, in the event that it was not ready for consideration by the next board meeting.
<b>FOR DISCUSSION</b>	
<b>6.</b>	<b>Diversity, Equity, and Inclusion</b>
<b>6.1</b>	The Executive summarised Paper 6 and the Board discussed the engagement with the consultation and noted that there were some key themes that arose through the comments to the consultation. The Board then discussed each suggested amendment to the Code, as follows:
<b>6.2</b>	<p><b>Principle 1.1</b></p> <ul style="list-style-type: none"> <li>Discussions took place around the use of the word "fair "and its different meanings in different contexts.</li> <li>It was noted the concerns that some consultees had about the use of the word fair in Principle 1.1 and how it might be interpreted.</li> <li>The Board agreed that the extension of the requirement to show respect to 'everyone' was a valuable addition, and with this in place, the requirement to treat others 'fairly' was not required.</li> <li>The Board agreed to amend principle 1.1 to read: "Members must show respect for everyone."</li> </ul>
<b>6.3</b>	<p><b>Principle 1.2</b></p> <ul style="list-style-type: none"> <li>The Board discussed the definitions of Diversity, Equity and Inclusion.</li> <li>In respect of 'equity' the Board discussed specific examples of equity applied in different realms such as the workplace, public, customer relations, etc. The Board agreed that guidance should be prepared to help members understand the meaning of 'equity' in the context of DEI.</li> <li>In terms of an obligation to encourage DEI, there was a discussion regarding complaints and discipline.</li> <li>The executive explained that the new Discipline Scheme would provide a mechanism to filter out vexatious or unsubstantiated complaints.</li> <li>The Board noted the importance of being understanding of members' concerns but also that the Board should not approach the amendments from an enforcement point of view.</li> <li>It was agreed that there is scope for reasonable disagreement as some members might not necessarily agree with DEI principles. The Board considered that its public interest responsibility required a leadership approach in terms of DEI core values.</li> <li>The Chair invited the Board to vote on whether to include the proposed Principle 1.2 or whether to review DEI wording again. Four Board members voted to review the wording and six Board members voted to amend Principle 1.2 as consulted upon.</li> </ul>

<sup>3</sup> NW in attendance from this item

Item	Title
6.4	<p><b>Principle 1.3</b></p> <ul style="list-style-type: none"> <li>The Board agreed that the phrase “behaviour that may amount to” adds little to the requirement, and that guidance could explain further the expectation on members as regards their behaviour. It was agreed that the proposed principle 1.3 should be included in the changes but that the words “behaviour that may amount to” should be deleted.</li> </ul>
6.5	<p><b>Principle 5.2</b></p> <ul style="list-style-type: none"> <li>It was noted that some respondents had concerns about the word “excluded” and that it could be made clearer by saying members should speak up if “excluded unfairly” instead. The Board agreed that there was value in qualifying this requirement and discussed various alternative phrases.</li> <li>The Board considered whether the reference to unfairness should remain if the requirement to treat others fairly (Principle 1.1) was not to be included. It was agreed that the requirement to speak up should include a reference to unfair treatment.</li> <li>The Board concluded that the requirement should be stated as “members should speak up if others are treated unfairly or excluded unreasonably”.</li> </ul>
6.6	<p><u>Approvals</u></p> <p>The Board approved the revisions to the Actuaries’ Code, as consulted upon, subject to the amendments noted above in respect to Principles 1.2, 1.4 and 5.2.</p> <p>The Board agreed that the Executive would provide a draft implementation plan by email for the Board to consider, and that the plan should include an outline of proposals for communicating and implementing the agreed changes.</p> <p><b>Actions:</b></p> <ul style="list-style-type: none"> <li><b>HM to prepare and circulate draft communications/implementation plan for approval.</b></li> </ul>
<b>BREAK</b>	
<b>7.</b>	<b>Minor Amendments to Actuaries’ Code</b>
7.1	<p>The Executive summarised the paper to the Board and members discussed the responses to the consultation.</p> <p>In particular, [REDACTED], the Board discussed that whilst bankruptcy would have been caught by the breadth of the discipline scheme provisions previously, it would be a departure to include it purposefully. It would also raise the question as to whether bankruptcy/insolvency should be reported on applying to be a member of the IFoA.</p> <p>The Board noted that this matter had been discussed previously and agreed that this point should be considered in more detail in the future, and a principles-based approach taken to decide whether bankruptcy ought to trigger regulatory action.</p> <p>The Board approved the amendments as consulted upon, and noted that these would be effective from 1 August, to align with the date of commencement of the new Disciplinary Scheme.</p>
7.2	<p>The Board agreed that guidance would be developed to help members understand their obligations under the new Principle.</p>

Item	Title
8.	<b>Practising Certificate Scheme review – Reviewing Actuaries</b>
8.1	<p>The Executive introduced Paper 8 and asked the Board to decide upon the Practising Certificate requirements for the role of Reviewing Actuary, noting previous Board discussions on the matter.</p> <p>It was noted that there had been 8 applications received under the new scheme from PC holders who previously held a PC restricted to Reviewing Actuary roles only, and that all applicants had obtained a full PC. It was noted, however, that half of those applicants were required to submit additional information and participate in a telephone call with the Practising Certificates Committee before a conclusion could be reached.</p> <p>The Board discussed whether the requirement for Reviewing Actuaries to obtain a PC should be removed; or whether a specific Reviewing Actuary PC should be developed.</p> <p>The Board decided that, in the absence of any specific public interest concerns regarding the role and with the role no longer meeting the IFoA criteria for when a PC is required, the requirement for Reviewing Actuaries to hold a PC should be removed. The Board approved a consultation on the revision of APS L1 to reflect the removal of this requirement.</p> <p><b>Actions:</b></p> <ul style="list-style-type: none"> <li>• <b>The Executive to finalise material for consultation, to be circulated to the Board by email.</b></li> </ul>
9.	<b>Revised TAS 100</b>
9.1	<p>The Executive summarised Paper 9 and asked the Board to approve the withdrawal of the IFoA's guidance on TAS 100 in light of the publication of the FRC's revised TAS 100 and guidance, to come into effect on 1 July.</p> <p>The Chair noted that there was ongoing engagement with the FRC concerning the existing Memorandum of Understanding between the IFoA and the FRC, and that it was essential to continue to engage in this way.</p> <p>The Board noted that the FRC has responsibility for technical standards and that it therefore falls to the FRC to produce the appropriate guidance. The IFoA has a duty to regulate in the public interest and will ensure that it raises any future concerns about any gap in the guidance available.</p> <p>The Board agreed to the withdrawal of the IFoA's guidance on the existing TAS 100.</p> <p><b>Actions:</b></p> <ul style="list-style-type: none"> <li>• <b>The Executive to continue to liaise with the FRC regarding the Memorandum of Understanding and the ongoing engagement with the IFoA</b></li> <li>• <b>The Executive to communicate to Members the decision to withdraw the IFoA TAS 100 guidance on 30 June.</b></li> </ul>

Item	Title
<b>10.</b>	<b>Public Interest issues relating to IFoA Qualifications</b>
<b>10.1</b>	<p>The Executive noted that a new Protocol had been approved by Management Board, for the provision of relevant oversight information from the Education Operations Committee (EOC) to the Regulatory Board. This protocol is aimed at ensuring that the Board receives the appropriate information required to provide oversight of the examinations and admissions framework.</p> <p>The Board noted that the EOC is up and running and has been on an interim basis for a year and Management Board has confirmed its permanence.</p> <p>Members of the Board requested an information session on the education framework to help inform the Board and support it in its oversight responsibilities. The Chair noted that this was an outstanding action which was proving a challenge to fulfil but which had not been overlooked.</p> <p>The Board noted that the Board of Examiners' report would be available to discuss at the July meeting, and that any queries arising from this could be raised at that time.</p> <p><b>Actions:</b></p> <ul style="list-style-type: none"> <li>• <b>To request from the Engagement and Learning Group a short report on examinations, following the appeals process.</b></li> <li>• <b>To continue to try to arrange an education information session for the Board.</b></li> </ul>
<b>11.</b>	<b>AMS recommendations update</b>
<b>11.1</b>	<p>The Executive provided an update on previous thematic reviews which contained a series of recommendations and confirmed that the first two reviews carried out should now be considered closed.</p> <p>The Executive confirmed that the Pensions review survey results were positive and that the AMS team had no concerns as to practice in this area.</p> <p>The Data Science review is now being commenced and the Executive is meeting with colleagues from the FRC and GAD to discuss.</p> <p>The Board noted the contents of Paper 11 and agreed with the recommendations.</p>
<b>12.</b>	<b>FRC consultation on TAS 400</b>
<b>12.1</b>	<p>The Executive introduced Paper 12 and noted that the IFoA's current guidance covers both TAS 400 and APS Z1. There are ongoing discussions with the FRC and the Board will be updated as this progresses.</p>
<b>12.2</b>	<p>In discussion, the Board also noted that the FRC has recently published a consultation on a revised TAS 300 (Pensions) and new TAS 310 (Collective Money Purchase Schemes). It was agreed that the response to the TAS 300/310 consultation would be approved by the Board at its July meeting, with input sought from the Practice Boards.</p> <p>The Board noted that it had not received advanced sight of the new TAS 300 and that the FRC had indicated that its governance does not allow the openness for sharing. It was noted that the IFoA shares new material with the FRC before consultation and that it is felt important to continue to do so, in the spirit of collaboration.</p>
<b>FOR NOTING ONLY</b>	
<b>13.</b>	<b>Professional Support Service Annual Report</b>
<b>13.1</b>	<p>The report was noted without comment.</p>

Item	Title
<b>14.</b>	<b>Designated Professional Body Board Annual Report</b>
14.1	The report was noted without comment.
<b>15.</b>	<b>Standing Items</b>
15.1	It was noted there is no Learning Change Programme update available.
15.2	It was noted that the AMS team had taken on responsibility for the horizon-scanning document and that a substantive discussion on the register would be scheduled for a future meeting.
15.3	The Forward Agenda was noted without comment.
15.4	The Forward Agenda was noted without comment.
<b>16.</b>	<b>AOB</b>
16.1	There was no further business
<b>17.</b>	<b>Dates of Future Meetings</b>
	25 July 2023 - (1000-1330) Virtual
	20 September 2023 (Strategy Day) – in person, venue TBC
	21 November 2023 - (1000-1330) Virtual
	14 February 2024 - (1000-1330) Virtual