

Institute and Faculty of Actuaries **Regulatory Board**

Subject	Update on the Quality Assurance Scheme (QAS)
Meeting date	July 2023
Previous Steer/Approval	This is an annual noting report
International issues considered?	Yes
Author	Katie Wood, Quality Assurance Scheme Manager Victor Olowe, Chair, QAS Committee
Reviewer	Fiona Goddard, Interim Head of Regulatory Policy
Purpose	Noting

A: Executive summary

1. This noting report provides the annual update to the Regulatory Board from the Chair of the Quality Assurance Scheme (QAS) Committee (the Committee) and the IFoA Executive (the Executive) on overall progress of QAS and a summary of its activities during the last year of operation of the scheme.

B: Introduction

2. This report to the Regulatory Board follows the Committee's last annual report to the Board noted on 5 July 2022. All data and information in this report is correct as of 30 June 2023 and contains information for the period 1 July 2022 to 30 June 2023.

C: Information

3. As at 30 June 2023 there were 39 QAS accreditations. Further information on these accreditations is set out in sections **Appendix 1**.
4. There has been a reduction in the number of accreditations over the past 12 months because of the number of mergers involving QAS accredited organisations. [REDACTED]
5. The focus for the past year has been on the re-accreditation of the first accredited organisations, the embedding of the refreshed QAS, in particular the first Specialist Review, which focused on the newly introduced Diversity, Equity and Inclusion (DEI) Sub-outcome. Please see section 12 for more information on the review.
6. The FRC carried out an oversight visit of the QAS in November and December 2022. Details of its findings are in section 13.
7. Three applications for accreditation were received during the period covered by this report, two based in the UK and one in India. The QAS Committee approved these applications at its June and July 2023 meetings and the accreditations will go live in July and August.
8. The coverage of the QAS CPD Scheme remains at 15 organisations, covering approximately 1,200 members.

9. Update on accreditations

- 9.1 Of the 39 accredited organisations, 30 are based in the UK and the others are in South East Asia, the Middle East and Africa.
- 9.2 All re-accreditations are complete, [REDACTED]
- 9.3 Organisations are not asked to identify with any particular category or 'type' of actuarial employer. However, the IFoA has attempted to apply a broad categorisation for internal purposes to help the IFoA and key stakeholders understand the coverage of the QAS across different sectors and services. The breakdown of accredited organisations by type is included in **Appendix 1**.

10. Annual returns process

- 10.1 QAS accredited organisations are required to submit an Annual Return within 28 days of the anniversary of their accreditation date. If the Annual Return is broadly aligned to a previous review by the Committee, and falls within set criteria, the Executive will analyse the return rather than the Committee. The Executive will then provide feedback to the organisation. The Executive is also able to approve the removal of a SQAR (Senior Quality Assurance Representative) and the addition of a SQAR (who is not the lead SQAR). The appointment of lead SQAR is reserved to the Committee.
- 10.2 The Committee will review any returns which do not fit the criteria specified for the Executive, sample the Executive's analysis to ensure it is appropriate and also provide feedback to the Executive.
- 10.3 To date, no significant issues have come to light following the Committee's review of the Executive's analysis.
- 10.4 It would appear from the Committee's review of Annual Returns that the quality of information provided has improved following the refresh of the QAS in April 2022.
- 10.5 The Committee reviews and notes organisations' Annual Returns and provides feedback where appropriate.
- 10.6 A best practice report is produced each year, based on practices identified during the Committee's and Executive's review of the Annual Returns. The examples of best practice are anonymised in the report.
- 10.7 The latest best practice report is attached as **Appendices 2 and 2a**.
- 10.8 [REDACTED]
- 10.9 [REDACTED]

11. SQAR Forums

- 11.1 The SQAR Forums continue to take place online, in the morning to ensure that representatives from each of the geographical locations can participate, taking into account the time zones.
- 11.2 The following SQAR Forums and events have taken place during the period covered by this report:
- 12 September 2022 - ARGAs and Actuarial Regulation (speakers from the IFoA)

- 15 March 2023 - Cold File Reviews (hosted by ICAEW)
- 30 May 2023 - Development and Training Specialist Review (hosted by the Specialist Reviewer)

12. **Specialist Review on Diversity, Equity and Inclusion (DEI)**

- 12.1 The first Specialist Review of the DEI QAS Sub-outcome concluded at the end of March 2023.
- 12.2 All QAS accredited organisations took part in the review and received an individual report highlighting areas of good practice and identifying recommendations for both meeting the QAS requirements and going above and beyond them. Engagement with the Specialist Review is expected but not mandatory.
- 12.3 An overall report was also produced, providing base data on the Sub-outcome and anonymised best practice examples.
- 12.4 A summary of key findings is included as **Appendix 3**.
- 12.5 There will be future SQAR Forums focusing on DEI to ensure that the sub-outcome remains a substantive part of the QAS.

13. **FRC Oversight visit**

- 13.1 The FRC carried out an oversight visit on the QAS during November and December 2022.
- 13.2 The visit involved the sharing of various items of documentation, interviews with the QAS Manager and observation of a QAS Committee meeting.
- 13.3 [REDACTED].

14. **Annual Report from ICAEW**

- 14.1 The ICAEW (which carried out all of the QAS assessment visits) has prepared its most recent annual report of the assessment activities. The report contains a summary of the visits carried out during 2022 including best practice findings and details of the specific work undertaken on behalf of the IFoA.
- 14.2 A copy of the report is included as **Appendix 4**.
- 14.3 The QAS Committee discussed the report at its June 2023 meeting during which the following observations were made:
- The Committee found ICAEW's annual report to be valuable, insightful, comprehensive and interesting
 - ICAEW has responded positively to feedback from the previous annual report

15. **Committee matters (membership and meetings)**

The QAS Committee membership currently consists of:

- 3 Lay members: Victor Olowe (Lay Chair), Helen Brown and Alison Carr.
- 3 Actuary members: Scott Cameron, Sophie Dignan, Alison Carr¹

- 15.2 [REDACTED]

¹ There are two QAS Committee members, both named Alison Carr.

15.3 Recruitment for one additional lay member and one additional actuary member is underway.

16. **IFoA Executive team**

[REDACTED]

D: Conclusions

The Regulatory Board members are asked to note this report.

E: Appendices

- **Appendix 1** QAS Accredited organisations (with relevant additional information)
- **Appendix 2** Good practice report 2022
- **Appendix 2a** Appendix to good practice report, containing examples
- **Appendix 3** DEI Specialist Review key findings
- **Appendix 4** ICAEW Annual Report 2022