



Institute
and Faculty
of Actuaries

Call for Views on the Future of Council



Introduction: Council - the Voice of the Membership

"This is our opportunity to reimagine the effective role of our profession's Council"

The Institute and Faculty of Actuaries (IFoA) has been at the heart of our profession for 175 years. The IFoA:

- awards the qualifications that underpin our work;
- represents the profession and its interests externally;
- thinks about the future of our profession in a changing world; it looks after the public interest in having a strong actuarial profession;
- brings together actuaries in professional networks and at events;
- sets professional standards and, for some, it is also a regulator.

The IFoA is also a community where lifelong memories and strong friendships are forged.

The IFoA's responsibility for this shared inheritance is not carried lightly. It is our obligation to ensure that the IFoA is structured and governed for the long term so that the actuaries and the public of tomorrow can benefit from it, as we do today.

The current elected members of Council are working to ensure the IFoA remains relevant and adapts for the future. Late last year, Council approved substantial governance reforms aimed at strengthening the IFoA's resilience, efficiency, and agility.

A key element of these reforms is for us now to define the Council's future roles and responsibilities. Under the new structure, an IFoA Board, composed of actuaries and independent directors, will assume responsibility for the strategy and day-to-day running of the IFoA, aligning with best governance practices. This shift allows Council, as the membership's voice, to find a more visionary role in its consideration of the future development of the profession.

Council is now launching a listening exercise to gather your views. This initiative considers at a fundamental level the purpose and structure of Council, and its relationship with members. It presents a unique opportunity for us to restructure and reimagine Council to better serve the needs of our growing, global membership and navigate a rapidly changing world.

We want to thank all those who have already participated in the online meetings shaping this debate. I also extend my gratitude to fellow members of the Council Working Group and IFoA staff who have dedicated significant time and effort to bring this process to this stage.

We very much look forward to hearing your views.

Peter Tompkins
Chair, Council Working Group

April 2024

Why are we seeking your views?

The purpose of this exercise is to look at the structure and operation of our Council and to ask members of the IFoA what they need from their elected Council. This is part of an effort by the current Council to make sure that the IFoA represents its members effectively and serves the public interest through the application of actuarial expertise to the benefit of society, as entrusted to us by our governing documents including our Royal Charter.

This consultation should be viewed in the context of wider developments within the IFoA. In December 2023, Council reached agreement on revised reform measures, which balanced the need for change and the benefit of more independent involvement with the desire of members to ensure that the IFoA continues to be led by actuaries. The reforms established an IFoA Board consistent with modern governance standards. They focus Council on important questions such as developing a long-term vision for the future of the IFoA and the profession.

This will allow the Executive to run the day-to-day organisation, overseen by a suitably qualified IFoA Board. This IFoA Board will comprise a mix of independent and IFoA member non-executives bringing the experience from high-performing education and membership (or similar) organisations, external perspectives and skills.

This paper asks for your input on three broad themes:

1. The Role and Purpose of Council, how we demonstrate accountability.
2. How Council is structured to best represent the IFoA's membership.
3. How Council engages with members, and how we best communicate with and listen to members.

We will consider the responses we receive in coming up with recommendations for Council's future operation. Where changes to our Byelaws would be needed, these will be put to our membership for approval.

How to Respond and Timelines

You can respond by completing the [Future of Council survey](#)

The deadline for responses is **17 May 2024**.

If you have any queries please contact governance@actuaries.org.uk

Theme 1: The Role of Council

Council is the democratically elected body that represents the IFoA membership. Our Royal Charter states that there shall be a Council *“in which shall be vested the governance and control of the Institute and Faculty of Actuaries and its affairs”* whilst our Regulations set out the broader role of Council and its means of operation.

At its broadest level, Council exists to deliver the objectives of the IFoA. These encompass developing the reputation and recognition of the actuarial profession, promoting high standards of professionalism, administering appropriate qualifications, and furthering the education and professional development of actuaries. The objects also include the consideration of legislation and the administration of a disciplinary scheme.

Responsibility for some of these activities is delegated, for example to the IFoA Board or the Regulatory Board, whilst other responsibilities are retained by Council. Following the recent governance changes, Council has put in place an updated Terms of Reference for both itself and the new IFoA Board. These are shown in Appendices 2 and 3, together with the Governance Protocol by which the Council and the IFoA Board agreed to operate. These arrangements are to be reviewed after a 2-year transitional period.

Within this governance structure, Council acts as the voice of the members with its primary focus on framing a vision for the IFoA and the broader actuarial profession. Council needs to be able to clearly determine and articulate this vision against which the IFoA Board can deliver, and Council can hold it accountable. In addition, Council plays an important role as a wise, experienced, and informed sounding board able to offer guidance, constructive challenge, and sensible advice to the IFoA Board, the Executive, and others.

Council’s purpose and values

It’s important for Council to test this role. As a UK professional body with global membership, the IFoA has a complex role to fulfil to meet the needs of its diverse membership. The purpose of Council should be reflective of the overall purpose of the IFoA and is currently articulated as

“To be the voice of actuaries, and to support, develop and be the voice of our members.”

This purpose statement seeks to frame the overall goal of Council and what it, and the membership, need that to be. It equally helps to frame the culture and ethos that Council should embody, whilst providing a means for Council to communicate its role to all stakeholders. Council tries to ensure that we fully reflect what members expect of us and, to that end, wishes to understand what members think of the current statement.

To support this purpose, Council has also defined a set of values:

- **Member-focused:** We put members at the heart of everything we do.
- **Action-oriented:** We work hard, we work smart, and we take pride in getting things done, valuing action over perfection.
- **Forward- and outward-looking:** We're always looking to be bold and improve, innovate, and take the next step.
- **Team-driven:** We work in partnership, advancing together as one IFoA.

Council seeks to embody these values in the way that it works in the discharge of its responsibilities. It's also important to Council that these values are demonstrated to the membership.

Question

1. Do the current purpose statement and values properly reflect the role you expect Council to fulfil?
2. Do these four values cover what you would expect of Council and what would you add or change?

Setting vision

Council expects that one of its primary roles will be to frame a vision for the IFoA, and for the broader actuarial profession and it is important to draw a distinction between vision and strategy. We set out below where Council sees this separation of responsibilities.

<p>Vision for the Profession and the IFoA</p>	<ul style="list-style-type: none"> • Council is responsible for the vision for both the actuarial profession and for the IFoA as an organisation • The IFoA is one of the largest actuarial membership organisations, but there is a large number of others globally (the International Actuarial Association has 73 full members plus 26 associate members) • Our vision for the profession and the future role of actuaries will be determined in collaboration with other actuarial organisations and stakeholders • Vision for the profession includes considering the domains that actuaries will work in, the skillsets needed for those domains and what actuaries will need to learn to achieve in these areas. • The vision includes aspirations for how Council would like to see the IFoA and the actuarial profession positioned over 10-15 years into the future • Council should be seen to represent both current and future memberships.
<p>IFoA Strategy</p>	<ul style="list-style-type: none"> • Set by the IFoA Board, guided by the vision set by Council • Series of actions that will be prioritised by the IFoA Executive to deliver the vision, reporting to the IFoA Board • Setting out key strategic deliverables and milestones against which progress can be assessed. • Considers resource availability, budget spend, investment etc.

	<ul style="list-style-type: none"> Needs periodic review for progress and adjustment in light of experience
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Council expects to focus on exploring the way in which the profession is or could be developing in response to both local and global changes, the changing roles for and requirements of actuaries, and how the IFoA can evolve to support its members in future. Capturing and articulating vision serves to set an appropriate direction for the IFoA Board whilst the Board is then tasked to work with the Executive to develop and implement a strategy to deliver the vision.

We believe Council should develop this vision by drawing on the knowledge and experience of its own members and their workplaces. However, in order to ensure that the view is not restricted to current and historic actuarial employment, Council will also seek expert input from potential future areas of employment and areas of technical development with the potential to impact on the profession (eg AI).

Having developed its forward-looking view of the profession, Council will identify areas (eg curriculum development) where IFoA would need to change in order to align with the view to retain its position as a premier membership body that can attract the best members of the global actuarial community. Council's role would, however, be limited to identifying "what" needs to change, without defining the "how".

In developing its strategy for the organisation, the Board would take account of and, in the vast majority of cases, incorporate the areas for change/development identified by Council. However, the Board will also need to take other factors into account when developing its strategy. These will include but not be limited to membership feedback, technical developments that could improve service delivery, labour market developments, member market developments, budgetary and other resource pressures, and legal requirements.

Council will take assurance that the Board's Strategy adequately addresses the changes required to support the vision and also takes proper account of issues raised by the membership. Due to the competing pressures and resource limitations that have influenced the creation of the Strategy, Council will not have the right of veto over the strategy as a whole but will have the reasonable right to request that the areas relating to the support of its view of the future profession or support to the membership be re-visited.

Question

3. Do you agree that Council should set the vision for the IFoA?

Council's relationship with the IFoA Board

With the recent Governance Reforms, it is important to be clear how Council will properly interact with the IFoA Board and the associated committees which report to it. A key consideration is how Council should be consulted and informed by the Board and reporting committees. This could be in a similar way in which the Regulatory Board should consult with Council on major matters which may also be going to member consultation.

To understand how the operation of the profession is likely to proceed in the future, the table below looks at the Council, the Board to whom it has delegated responsibilities and the Executive staff according to whether they are Responsible, Accountable, Consulted, or Informed.

	Council	Board	Executive
Vision	Accountable/ Responsible	Consulted	Consulted
Strategy	Consulted	Accountable	Responsible
Business Plan	Informed	Accountable	Responsible

Ultimately, Council is responsible under the Charter, even when activity is delegated, but from day to day, the Board and Executive will be taking on those responsibilities. Council as the voice of the member needs to know fully what is happening within the IFoA, which is why a clear flow of information is needed to inform Council members of matters of relevance to them and the members.

Reflecting this, Council has put in place a Governance Protocol which sets out the initial working relationship between itself and the IFoA Board. Key aspects of this protocol, which is set out in full in Appendix 4, are that the IFoA Board will:

- Report to Council on all business-critical decisions made by the Board, the risks facing the IFoA/wider profession and any other matters which the Board considers relevant to enable Council to fulfil its oversight role.
- Inform Council suitably in advance of any major notification to members to ensure that Council is aware of such matters.
- Consult with Council where, in the professional judgement of IFoA Board members, a decision or action proposed to be taken is or is likely to be regarded as controversial or have a significant financial impact or impact on members or increase to reputational risk.

The IFoA Board will consider in its deliberations when it is appropriate to consult, either with the Council or with the broader membership. For some things, changes to categories of membership or subscription fee levels, the Byelaws stipulate where Council needs to make decisions. For others, some discretion is necessary.

Reporting and dialogue between the IFoA Board and Council should enable Council to satisfy itself that the power delegated by it is being used appropriately and within the parameters which it was given by Council.

Council aims to ensure that there is appropriate reporting and scrutiny as the IFoA Board is established, that Council is less focused on day-to-day matters which do not require the deliberation of so many elected members and that Council will be able to bring its diversity of experience and outlook more productively to future discussions when shorn of day-to-day responsibility for operational oversight.

Question

4. Whilst Council will work to ensure that it exercises the appropriate oversight of the IFoA Board and develop its own practices as the IFoA Board is established, how would you like to see Council demonstrate/report on the execution of its oversight responsibilities and ensure that members' interests are being served?

Serving the public interest

One area of focus for Council lies in our responsibility to serve the public interest. This can arise both through ensuring that there is trust and confidence in the work of actuaries, but also as thought leaders in the fields within which we operate. We've seen examples of this in recent years within mortality research through the Covid pandemic, and in addressing climate change.

Assisting in public understanding of issues can help promote the reputation of our profession. However, members may have very different opinions on a subject. Council should take members' views into account when engaging in public conversation, especially where this relates to a matter of policy where the profession may be seeking to shed light on an issue.

Questions

5. How should the IFoA use the experience of members to engage in areas of public policy?
6. To what extent do you think Council should be involved in the IFoA's positioning on matters of public debate?
7. Members in different regions of the world may have different priorities. How should Council best reflect these different priorities?

Theme 2: Representing members

The composition of Council is a key element of this discussion as we want to make sure members are effectively represented by an efficient and effective Council which is an appropriate size and is built of representatives who fully understand and embrace their role on Council. To this end we are looking to hear thoughts from members on the size of Council and whether there is a place for constituency representatives covering a geographical region or a practice area.

Size of Council

At present Council consists of 30 members. There has been a great deal of discussion on the size of Council, with shrinking the Council and increasing the size as options alongside a potential to break Council up further into specific sub-groups to focus on specific areas.

There are arguments for a smaller Council (which could work more effectively) or a larger Council (which could bring in more diverse views). Discussion on the size of Council needs to be in the context of agreement on the purpose of Council in the future. We would however welcome any thoughts on the current size.

A smaller group might make more effective decisions but might have a less extensive set of actuarial experience. But a larger Council would increase travel and accommodation costs, which ought to be kept proportionate to our membership numbers and revenue. As a global body, we have members located in many places and the cost of travel and accommodation to a physical meeting can be significant. A larger Council can also bring a much slower decision-making process engaged in consulting more people.

To give some context in this area it might be helpful to consider Council sizes for other organisations and in Appendix 6 we set out some examples, including for the major actuarial organisations around the world.

Questions

8. Do you have any suggestions on the appropriate size of Council?

Council constituencies

Since the merger of the two actuarial bodies in 2010, Council has 30 elected seats, divided into two constituencies: the General and Scottish constituencies. Members of the IFoA belong only to one constituency at any time. At the time of the merger Faculty of Actuaries members were allocated to the Scottish Constituency unless they chose otherwise.

New members who qualify or wish to switch to the Scottish Constituency can elect to do so provided they live and/or work in Scotland. Members of the Scottish Constituency can also elect to leave and join the General Constituency at any time. In practice, the membership of the Scottish constituency is not aligned with the qualified members living and working in Scotland. As of 31 December 2023, we had 2048 Scottish constituency members of whom 874 are in Scotland whilst there are also 681 General Constituency members based in Scotland.

At present, 6 out of 30 Council members are elected via the Scottish Constituency. This arrangement will change in 2025 when the Scottish Constituency will have seats on Council proportionate to its voting membership.

Whilst this is the only division which currently directly impacts the election of members to Council and thus member representation, other divisions could be created that would allow the composition of Council to be more directly reflective of the underlying IFoA membership. For example, constituencies could be established to provide regional representation or to ensure that the membership is reflective of the industries within which they work.

A single constituency offers simplicity and ensures that all members have equal opportunity to stand for Council. Alternative approaches may create more proportionate representation but equally increase complexity and would require members to assign themselves to a single geography, or domain. This may not be possible for all members.

Question

9. Should Council be elected via a single constituency, or would you like to see other constituencies created in future? If the latter, on what basis would it be appropriate to create constituencies?

Regional Boards

The Scottish Constituency was part of the arrangements developed to give effect to the merger of the Faculty and the Institute in 2010. The Scottish Board was established at the same time to have oversight of issues in Scotland, consisting of Scottish Constituency Council members and other Scottish members.

A development for the profession could be to establish regional Boards with specific reference to coordinating issues for their country or region and reporting to the IFoA Board and/or Council. These could be established independently of whether those regions provided constituency representatives on the Council.

The Scottish Board could be a model for others to follow with Regional Boards taking responsibility for assisting in the provision of professional conferences and other events, supporting the community of actuaries within the region and responding in areas of policy and consultation specific to matters of relevance to actuaries within the region.

Question

10. Do you see merit in establishing regional or country-specific Boards and if so, how do you believe they should interact with Council?

Opinions would be welcome, especially from those with experience of such arrangements in other organisations.

Student Members

One constituency not currently represented on Council is student members. There could be scope for consideration being given as to whether these members, who make up the future of the profession, should be granted some representation as either observers or even voting members on Council. Observers could be arranged without changing the byelaws, but student membership of the governing body would need amendment to the byelaws.

This is a common feature in academic organisations where the insight of those subject to the education and qualification processes can be helpful in debating the development of those in future. It can also help focus the governing body on one of the most significant areas of responsibility of the profession for the future. On the other hand, there can be a lack of continuity as student members tend to have a higher turnover of their membership as they cease to be students.

Some of the other actuarial associations around the world reserve at a minimum a place for a member who on election has qualified in recent years. This might encourage more recent qualifiers to put themselves forward.

Questions

11. Do you think student members should be given any representation on Council?
12. Could a student representative body instead be established with links to Council to provide student member input?
13. Should there be places restricted on Council to recent qualifiers (eg up to 5 years)?

Co-opted members

There is a provision in the IFoA Charter for Council to co-opt members, either to fill casual vacancies or to add up to three additional Council members. Since 2010, Council has only once chosen to co-opt a member and the individual was subsequently elected.

Co-opting members may be appropriate if there were specific issues Council needed to deal with and it was deemed not to possess the necessary expertise among its elected members. For example, one area where Council has recently been underrepresented is from the world of academic actuarial work. Co-opting members to Council with an educational background could be useful at a time of major assessment of the skills and domains of the next generation of actuaries.

As the issues Council seeks to address become more complex or specialist in nature, it may be appropriate to co-opt members more regularly. However, if used too frequently, members may feel that Council is not democratically accountable.

Question

14. Do you have any views on how and when members should be co-opted onto Council, or do you consider the current position to be sufficiently flexible?

Theme 3: Engaging with members

Council needs to proactively engage with members to properly understand their expectations, concerns, and thoughts for the IFoA and the actuarial profession. Recent engagement webinars have offered one channel for dialogue and sessions held at conferences are another. But what would be a useful way for Council to engage with our members?

Council meetings

The division of responsibilities between Council and the IFoA Board is likely to see Council meetings being reshaped to allow a greater focus on long-term vision and member representation. Areas where Council may be expected to spend more time in the development and evolution of vision include:

- Direction to the Board – new ideas; deep dives into regular topics
- Potential areas for exploration – consulting on ideas from Practice Boards
- IFoA position papers – perhaps from bodies reporting to Council – should Council own these or provide just a framework for others to develop?

In addition, to fulfil its oversight role, Council will need to remain informed on issues such as the examination system, regulatory activity, and market developments across different geographies without being involved in the management of these activities.

Members should expect to be able to see information on the work of the Council, including minutes of its meetings. Whilst meeting minutes are already published once approved, there may also be a case for agendas for meetings being published for members to be able to feed in their views relating to subjects being discussed, albeit with the need for transparency being balanced with the need for confidentiality.

Question

15. To what extent should Council meeting agendas and other papers be shared with members?

Council led events

Some membership bodies extend their engagement with members to a member conference at which ideas on policy and vision can be explored with the wider membership. This could take the form of a more open Council meeting and be undertaken on a regular but infrequent basis.

Question

16. Do you see value in Council leading an occasional conference/open meeting where ideas around policy and vision can be aired and debated? If so, how frequently would you think it might be appropriate to hold such an event?

In recent years, Council members have been encouraged to attend the major professional in-person conferences to meet with members throughout those events. This includes the regional conferences held in various parts of the world and the major technical conferences where there have been Council-led sessions to supplement other activity. In addition, Council has recently hosted webinars with members to communicate governance and other changes.

To develop its interaction with members, Council could develop a more formal programme of events although these need to strike a balance between communicating when there is something to say and facilitating greater dialogue with members, for example, via networking events.

Question

17. Would you welcome more frequent Council-led events and what format would such events best take?

Practice Boards

Practice Boards are domain-based communities. These are groups of actuaries who have oversight of activity in major areas of actuarial practice or interest. Currently, the Practice Boards cover Finance and Investment, General Insurance, Health and Care, Life, Pensions, Risk Management and Sustainability. Practice Boards can be added to from time to time as areas of work change. For example, the Sustainability Board was added in 2014, recognising the growing role of actuaries across sustainability issues.

Practice Boards are an important part of our volunteer effort, acting as a centre of expertise in addition to feeding into the development of education, arranging of continuous professional development and responding to public consultations relevant to their area of work. The Practice Boards also offer a conduit for engagement with members, particularly those directly within the community.

The Practice Boards report to the IFoA Board through the Practice Boards Committee and interact with Council through a representative from Council being appointed to each Practice Board. This provides an indirect channel for Council engagement with and feedback from members.

Council's view is that this relationship could be developed, and we are seeking input on how this could be improved, particularly from those who have served or who currently serve on any of the Practice Boards.

Question

18. How could Council best work with Practice Boards to improve member engagement? Are the current arrangements with a Council member on each Board effective or could they be improved? What changes to Practice Board representation might be sensible?

Council now has as one of its main purposes its vision for the future of the IFoA and the profession. To do so, it is intended that Practice Boards will report on issues within their domain and the ways in which the IFoA might engage with them. However, this would require Council to be more directive on its requirements of the Boards.

Further, whilst Council contains members whose work relates to different practice areas, it is generally considered a good outcome if those elected do provide some level of representation and experience in as wide a range of areas as possible, to inform debates fully. There is already provision for up to three members of Council to be coopted where appropriate to fill gaps which might be identified in experience which Council would find of value.

Question

19. How can Council effectively draw on the domain expertise of the Practice Boards to develop its vision for the Profession? Should Council have more direct representation from or engagement with Practice Boards and should it be more demanding that the Boards report on their work?

Demonstrating accountability

Council recognises that it needs to demonstrate that it remains accountable to its members and is effectively discharging its responsibilities. The various forms of engagement set out above would provide various opportunities for members to pose questions of Council members, but is this sufficient and could more be done?

Most Boards and Committees produce an annual review of their activities over each 12 months, demonstrating the progress that has been made against the objectives they have set. This is something that Council could consider alongside a clearer statement of the objectives for the year ahead. Council could also consider more informal reporting on the progress being made, for example, through blogs or commentary from Council members throughout the year.

Question

20. What would be the most appropriate mechanisms for Council to demonstrate accountability to members?

List of Questions

Role of Council

1. Do the current purpose statement and values properly reflect the role you expect Council to fulfil?
2. Do these four values cover what you would expect of Council and what would you add or change?
3. Do you agree that Council should set the vision for the IFoA?
4. Whilst Council will work to ensure that it exercises the appropriate oversight of the IFoA Board and develop its own practices as the IFoA Board is established, how would you like to see Council demonstrate/report on the execution of its oversight responsibilities and ensure that members' interests are being served?
5. How should the IFoA use the experience of members to engage in areas of public policy?
6. To what extent do you think Council should be involved in the IFoA's positioning on matters of public debate?
7. Members in different regions of the world may have different priorities. How should Council best reflect these different priorities?

Representing Members

8. Do you have any suggestions on the appropriate size of Council?
9. Should Council be elected via a single constituency, or would you like to see other constituencies created in future? If the latter, on what basis would it be appropriate to create constituencies?
10. Do you see merit in establishing regional or country-specific Boards and if so, how do you believe they should interact with Council?
11. Do you think student members should be given any representation on Council?
12. Could a student representative body instead be established with links to Council to provide student member input?
13. Should there be places restricted on Council to recent qualifiers (eg up to 5 years)?
14. Do you have any views on how and when members should be co-opted onto Council, or, do you consider the current position to be sufficiently flexible?

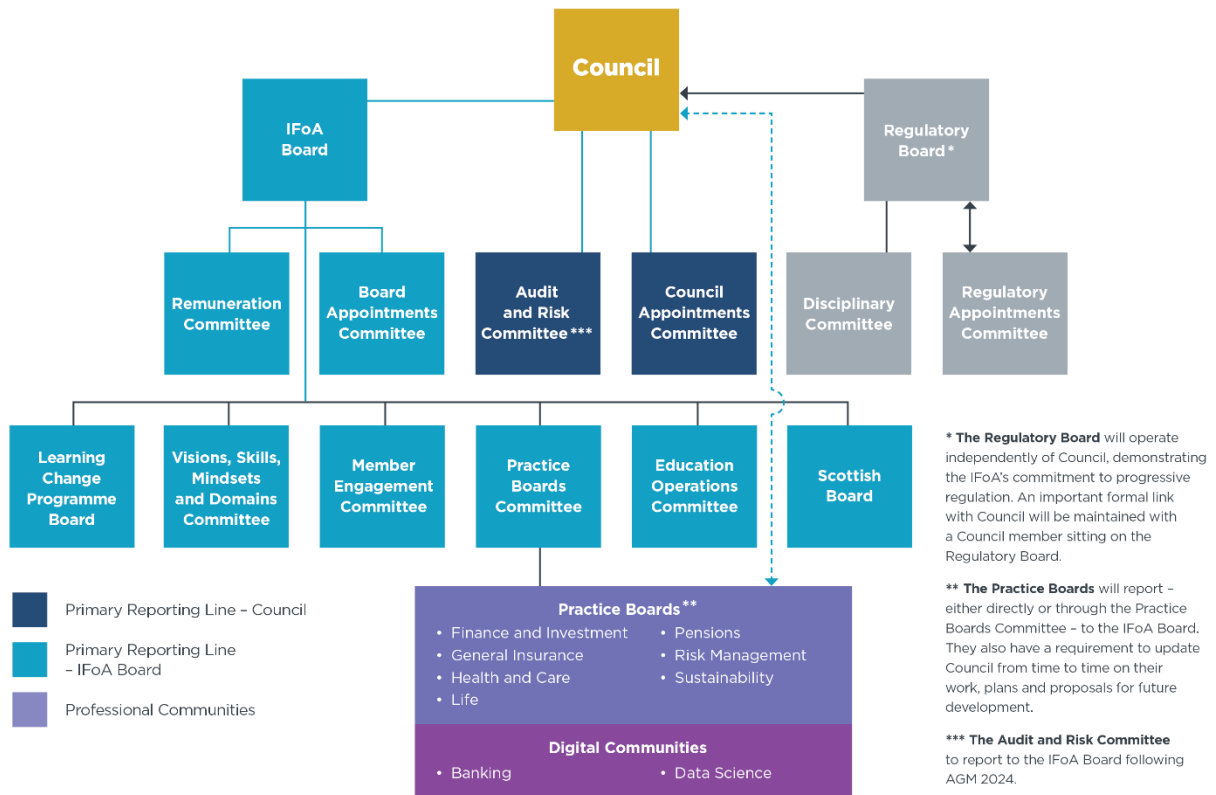
Engaging with Members

15. To what extent should Council meeting agendas and other papers be shared with members?
16. Do you see value in Council leading an occasional conference/open meeting where ideas around policy and vision can be aired and debated? If so, how frequently would you think it might be appropriate to hold such an event?
17. Would you welcome more frequent Council-led events and what format would such events best take?
18. How could Council best work with Practice Boards to improve member engagement? Are the current arrangements with a Council member on each Board effective or could they be improved? What changes to Practice Board representation might be sensible?

19. How can Council effectively draw on the domain expertise of the Practice Boards to develop its vision for the Profession? Should Council have more direct representation from or engagement with Practice Boards and should it be more demanding that the Boards report on their work?
20. What would be the most appropriate mechanisms for Council to demonstrate accountability to members?

Appendix 1: IFoA Governance Structure

Following the governance changes, the reporting lines from April 2024 are as follows:



Appendix 2: Council Terms of Reference

The current Terms of Reference for Council were adopted by Council on 7 March 2024.

Purpose

To be the elected representative forum for the membership of the IFoA. Accountable to its members, the Council sets the vision for the IFoA and wider profession and acts as the voice of the profession, gathering opinions and making recommendations to the IFoA Board. The Council has the ability to counsel, advise and warn the Board.

Key responsibilities, on behalf of the IFoA membership

- To set the vision for the profession and IFoA.
- To ratify the appointment and renewal of the IFoA Board members (other than the President or Chief Executive), including the Chair.
- In exceptional circumstances, to elect to remove the IFoA Board Chair or the entire IFoA Board (other than the President or Chief Executive).
- If necessary, to terminate an IFoA Board member's position (including Chair but other than President or Chief Executive) on recommendation from the IFoA Board.
- To approve Honorary Fellows and IFoA medal awards.
- To consider and make recommendations on the future of the profession and to support the Board in its considerations of and decisions regarding strategy.
- To advise and make recommendations to the Board on thought leadership, the membership experience, education, and lifelong learning, and on the future of the actuarial profession.
- To act as an ambassadorial forum, commissioning ideas for the engagement of the profession with the wider world.
- To elect a President from within the IFoA's membership, to serve for a period of two years.

Membership

Council shall comprise 30 Fellows or Associates who shall be elected by vote of the members of the constituency of which they are a member, plus up to 3 co-opted Council members. The quorum for meetings of the Council is 10 members of Council.

Appendix 3: IFoA Board Terms of Reference

Purpose

The Board enjoys full delegated authority (in accordance with the Governance Protocol set out in Annex 2) to run the affairs of the IFoA. In accordance with the vision set by Council, the Board is responsible for the overall leadership of the IFoA, setting its strategy, values and standards and holding the Executive to account for the operation of the organisation. The Board oversees the work of many committees and fora of the IFoA and consults regularly with the IFoA Council in order to receive its advice and counsel.

Key responsibilities, on behalf of the IFoA membership

- Setting the strategy of the IFoA, together with the strategic objectives in accordance with the vision set by Council
- Approving the annual report and financial statements
- Approving resolutions in line with these ToRs and proposing resolutions to be put to the IFoA Council at a General Meeting
- Maintaining an effective governance framework
- Approving the corporate plan and budget
- Agreeing the IFoA's risk framework and risk appetite, and monitoring the principal risks facing the IFoA
- Reviewing the IFoA's performance and oversight of its operations, ensuring that there is competent and prudent management, effective planning, the maintenance of internal controls and compliance with all statutory and regulatory obligations
- Ensuring satisfactory communications with the IFoA Council, general membership and key stakeholders, receiving and having regard to the Council's counsel and advice by means of regular dialogue
- Maintaining a system of boards/committees responsible for Remuneration and Board appointment matters, within published delegations
- An appointment committee established for making appointments to the IFoA Board shall lead the process for appointments, ensure plans are in place for orderly succession to both the IFoA Board (excluding the President) and senior management positions, and oversee the development of a diverse pipeline for succession and recognising the principles of equality and diversity
- With the exception of the ex-officio appointments (President and Chief Executive), board members will be chosen by an appointments committee established for making appointments to the IFoA Board, and subject to ratification by Council at inception and at three yearly intervals thereafter.
- Maintaining other such committees to undertake the broader work of the profession (e.g. Education Operations, VSMD, Member Engagement, Practice Boards) as appropriate
- Set aside adequate resources to fund the IFoA Council and to promote the advancement of the profession
- Appoint (and if necessary, remove) the Chief Executive

- The quorum for meetings of the IFoA Board is four members of the Board, two of whom should be mNEDs
- Should a vote be required, all votes are of equal standing and the Chair has no second or casting vote.
- The non-executive members of the IFoA Board may convene a closed meeting if there are any matters that need to be discussed without the Chief Executive present.

Membership and frequency of meetings

- The Board will meet approximately six times a year and full composition will comprise the President, the IFoA Chief Executive Officer, 3 further independent non-executive directors (iNEDs) and 4 further member non-executive directors (mNEDs).
- The Chair of the Management Body is an independent non-executive director who is not a member of the IFoA. In the absence of the Chair, an interim Chair may be appointed from any member of the IFoA Board (including mNEDs).
- With the exception of the ex-officio appointments, board members will be appointed by the IFoA Board on recommendation by a Board Appointments Committee, and subject to ratification by Council at inception and at three yearly intervals thereafter.
- The IFoA Board will appoint the Chair of the IFoA Board on recommendation by the Board Appointments Committee, and subject to ratification by Council at inception and at three yearly intervals thereafter.
- When appointed, the President-Elect will be invited to attend IFoA Board meetings as an observer.
- With the exception of the President and Chief Executive, the IFoA Board may recommend to Council that Council terminate a Board member's (including the Chair's) position if in the opinion of 6 other IFoA Board members the conduct of that Board Member has breached their fiduciary duty or otherwise fallen short of the standard expected. Pending a decision by Council, the Board member in question may be suspended from participating in any meetings or activity of IFoA Board
- Council may, in exceptional circumstances, and subject to the voting requirements set out in Regulation 11, elect to remove the Chair of the Board.
- Council may, in exceptional circumstances, and subject to the voting requirements set out in Regulation 11, remove the Board in its entirety (other than President and Chief Executive).
- Council may also terminate a Board member's position (other than the President or Chief Executive) by declining to ratify renewal of their appointment.

All Board members should have statutory rights or equivalent as directors..

Appendix 4: Governance Protocol

Following Council's approval to create a reconstituted "Management Body" ('IFoA Board') to take effect in April 2024, and delegation of authority to that IFoA Board in accordance with its Terms of Reference, this protocol sets out the transitional arrangements between Council and the IFoA Board, pending envisaged amendment in due course of the Charter and Bye-laws, for which Privy Council approval will require to be sought. The current intention would be to seek Privy Council approval to make consequential amendments to reflect those being made to the Regulations. Importantly, this would include amending the Charter and the Bye-laws to reflect the new governance role of the IFoA Board.

The transitional arrangements cover the following:

- (i) Delegation by Council to the IFoA Board
- (ii) Council's ability to recall its delegation to the IFoA Board
- (iii) Council's oversight responsibilities
- (iv) Review of governance

(i) Delegation by Council to the IFoA Board

- Council has approved delegation of all matters within its responsibility under the constitution, other than those matters which are specifically reserved to Council by virtue of the Charter and Bye-laws* or by Council in accordance with the Scheme of Delegation, to the IFoA Board.
- The Scheme of Delegation shall be updated to reflect this conferral of delegated authority to the IFoA Board.
- Where decisions are taken by the IFoA Board under delegated authority, Council should not make or vary those decisions itself. To do so could expose the IFoA to additional risk and liability.
- Council and the IFoA Board will co-operate effectively and maintain a good working relationship with one another.

(ii) Council's ability to recall its delegation to the IFoA Board

Council's ability to recall the authority delegated by it to the IFoA Board is set out in this section (ii) below.

- There is a narrow range of exceptional situations in which Council might seek to recall the delegated authority. These are where Council, acting reasonably, concludes that:
 - the exercise of delegated powers by the IFoA Board is creating existential risk for the future of the actuarial profession/IFoA; and/or
 - the IFoA Board is acting recklessly and/or in clear derogation of its duties.

* Which will remain within Council's authority during the transitional phase, pending amendment of the Royal Charter and Bye-laws.

- In the event that Council considers, acting reasonably, that one or more of these situations has arisen or is reasonably likely to arise, a vote of Council would be required in order to recall all or any part of the delegation of authority conferred upon the IFoA Board. The vote of Council to recall all or any part of the delegation of authority to the IFoA Board on grounds of the prescribed situations listed above requires a 75% majority of all Council members to vote in favour.
- In the event that Council does recall all or any part of the delegation given to the IFoA Board, Council would be taking back full responsibility and accountability for the part recalled and any associated risk.

(iii) Council's oversight responsibilities

- In accordance with the principle of delegation, Council will during the transitional phase take reasonable steps to satisfy itself that the functions and responsibilities it has delegated are being discharged appropriately (oversight role).
- This oversight role will be enabled in the following way:
 - The IFoA Board will provide sufficient information to Council to allow Council to be satisfied that the powers delegated by it are being exercised appropriately.
 - Information sharing will include the following:
 - The IFoA Board shall report to Council at regular (e.g., timing of reports aligned with Council meetings) intervals on all business-critical decisions made by the Board, the risks facing the IFoA/wider profession and any other matters which the Board considers relevant to enable Council to fulfil its oversight role.
 - The IFoA Board will inform Council suitably in advance of any major notification to members in order to ensure that Council is aware of such matters earlier than their notification to members.
 - The IFoA Board will report to Council (as such intervals to be agreed between IFoA Board and Council) on the appropriateness of the IFoA's governance regime.
 - The IFoA Board shall receive and have regard to any feedback/advice or representations from Council (it is envisaged that this requirement will remain beyond the transitional phase).
 - The purpose of such reporting, and dialogue between the IFoA Board and Council, is to enable Council to satisfy itself that the power delegated by it is being used appropriately and within the parameters by which it was given by Council.

- Consultation with Council is particularly important where, in the professional judgement of IFoA Board members, a decision or action proposed to be taken is or is likely to be regarded as controversial or have a significant financial impact or impact on members or increase to reputational risk, and as such potentially impede the fulfilment of the vision set by Council.
- Council shall retain the power, in exceptional circumstances, and in accordance with Regulations, to remove the Chair of the IFoA Board or the entire Board (excluding the President and Chief Executive) (it is envisaged that this power will remain beyond the transitional phase).

(iv) Review of governance changes

- There shall be a 'light touch' post-implementation review, with particular focus on progress/successes/failings of the governance arrangements implemented as a result of the Governance Review, approximately 18 months following implementation and prior to the end of the transitional phase.
- More substantive reviews will be undertaken periodically thereafter, at intervals of no less than five years.

Appendix 5: Council members role description

With the role of Council under consultation, any potential changes will naturally impact the role of Council members and the type of people needed to represent members. Currently the requirements of Council members currently agreed by Council which is provided when people are asked to stand for election are to:

- a) have a strong desire to help shape and develop the future of the IFoA.
- b) understand the IFoA's strategy, corporate plan and values.
- c) prioritise work commitments so as to be able to dedicate such time as is needed for the diligent execution of the duties of a Council member.
- d) attend all meetings of Council coming well prepared, having read the papers, and ready to contribute.
- e) volunteer to be a member of committees and/or ad hoc working groups set up by Council in order to share the workload evenly between Council members.
- f) undergo induction and participate in other relevant development plans as appropriate.
- g) carry out effective oversight and, where appropriate, constructive challenge of matters delegated to others.
- h) act in accordance with the IFoA's Charter, Bye-laws, Rules and Regulations, and only exercise powers for the purpose for which they were intended, not for any collateral purpose or personal gain (perceived or actual).
- i) promote the success of the IFoA for the benefit of its members and wider stakeholders.
- j) exercise independent judgement.
- k) act with reasonable care, skill and diligence.
- l) declare and avoid any conflicts of interest actual or potential, as and when they arise.
- m) listen to the views of others and provide 'wise counsel' on issues affecting the wider interests of the whole membership.
- n) act as an advocate for agreed strategy, policies and decisions taken by and on behalf of Council as well as bringing to the organisation's attention issues of concern to members.
- o) act in a professional manner when representing the IFoA.
- p) be aware of the responsibilities as a member of the governing entity of a regulatory body.
- q) act as a team player.
- r) respond within the specified timescales to requests for input or decision on items circulated by email for Council members' attention.
- s) participate in annual reviews of the Council and its members.
- t) abide by and observe the organisation's policies and procedures in force from time to time relating to behaviours, conduct, health and safety, and intellectual property rights.
- u) respect staff and volunteers' capabilities and contributions.

Appendix 6: Councils in other organisations/actuarial bodies

Organisation	Council Size
Institute of Chartered Accountants in England and Wales (ICAEW)	Up to 125 members.
Royal Institution of Chartered Surveyors (RICS)	Up to 22 members
Royal Institute of British Architects (RIBA)	Up to 44 members
Chartered Insurance Institute (CII)	No Council as part of Governance Structure but local institutes have their own Councils which are responsible for delivering local membership propositions.
Chartered Institute of Legal Executives (CILEX)	Council abolished after 2017 review replaced by the Group Board
The Law Society of England and Wales	Up to 97 members
National Farmers Union (NFU)	Up to 85 members

Here is a comparison with the structures adopted by some other major actuarial associations.

	Board/Council	Normal Term	Comments
Society of Actuaries	Board of Presidential Team (3) plus 15-20 other members	3 years	Nominating Committee screens candidates (with right of petition to the unsuccessful) Sections (Practice Areas) have their own elections
Casualty Actuarial Society	Board of Presidential Team (3) plus 14 other members and two coopted	3 years	Nominating Committee with petition process Executive Council of 8 plus CEO
Canadian Actuarial Society	Board of Presidential Team (3) plus 12 other members	3 years	One place for a recent (less than 7 year) qualified 6 further volunteer Councils
Actuaries Institute, Australia	Council of 10 including Presidential Team of 3	3 years	Presidential Team includes two future Presidents
Actuarial Society of South Africa	Council of 15 including Presidential Team of 2	3 or 4 years	One young (less than 3 year) qualified. Cooptions used

Council Working Group

Thanks are due to members of the Council Working Group for preparing this paper for Council to issue to members.

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