



Institute  
and Faculty  
of Actuaries

# Investigating Complaints and Allegations

Information Note for Members facing a  
Complaint

1 August 2023

## 1. Introduction

- 1.1 The public places trust in Members of the Institute and Faculty of Actuaries (IFoA) to hold high standards, not just technically but also professionally and ethically. This emphasis on professional and ethical behaviour is a fundamental part of being a Member of the IFoA.
- 1.2 When things go wrong, the IFoA has a Disciplinary Scheme (the Scheme) to address conduct which falls short of the standards expected. This helps to maintain and protect the standards, professionalism, reputation and public perception of our Members.
- 1.3 Complaints about the conduct of our Members are dealt with under the Scheme. This note is intended to help Members, former Members and Respondents who are the subject of a complaint or an allegation with understanding the IFoA's disciplinary processes.
- 1.4 The IFoA will consider complaints about the conduct of Members, and former Members in relation to conduct that occurred while they were a Member. Independent panels will consider whether that conduct amounts to Misconduct, as defined at Rule 2 of the Scheme:

*“Misconduct means any act or omission or series of acts or omissions by a Member, in their professional or non-professional life, which falls significantly short of the standards of behaviour, integrity, competence or professional judgment which other Members or the public might reasonably expect of a Member.”*

## 2. What is a complaint?

- 2.1 Complaints against Members come from a variety of sources including the public, other actuaries and other regulatory bodies. The IFoA will consider complaints made in writing to us to the effect that an individual Member (or former Member) has been guilty of professional Misconduct.
- 2.2 Where a Member makes a disclosure<sup>1</sup> to the IFoA about their own conduct, or where the IFoA become aware of the conduct of a Member through the press or an anonymous source, the IFoA will consider whether it is appropriate for any action to be taken, including whether a referral to the Disciplinary Scheme is appropriate.

## 3. What happens when a complaint is made to the IFoA ?

- 3.1 **It is important to note that complaints are first assessed to determine whether or not they should be accepted for investigation.**
- 3.2 The Head of Disciplinary Investigations will assess the complaint against the following criteria:
  - (a) whether the complaint could amount to misconduct if the facts are proven; and/or
  - (b) whether there is a reasonable prospect of proving the matter giving rise to the complaint; and/or

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<sup>1</sup> Members should be aware of their obligations to disclose certain matters about their own conduct to the IFoA. The disclosure and reporting requirements are set out in the [Actuaries' Code](#).

- (c) whether the matter giving rise to the complaint should be considered by another body and/or court before being reassessed.
- 3.3 The [Assessment of Complaints Guidance](#) provides further guidance about each of the criteria against which a complaint will be assessed and the process for assessment.
- 3.4 If the Head of Disciplinary Investigations considered that none of the criteria are met, the complaint will be accepted and will proceed as an allegation under the Scheme. The Head of Disciplinary Investigations may make enquiries of you and/or others before reaching a decision.
- 3.5 If the Head of Disciplinary Investigations considers that one or more of the criteria are met, then the matter will be referred for consideration by an independent Assessment Panel. The Assessment Panel will, in private, consider the complaint and any additional information that the Head of Disciplinary Investigations has obtained.
- 3.6 If the Assessment Panel accepts the complaint for investigation, the complaint will proceed as an allegation under the Scheme.
- 3.7 If the Assessment Panel decides that the complaint will not be accepted for investigation, you will be advised and provided with a copy of their written decision. If the person who made the complaint is dissatisfied with that decision, they have the right to request a review of the Assessment Panel's determination by a new Assessment Panel. You will be provided with more information at that time.

#### **4. What happens if the complaint is accepted for investigation?**

- 4.1 If the complaint is accepted for investigation, it is then known as an allegation. You will then be known as the Respondent.
- 4.2 We will first consider whether the issue amounts to a matter that should be referred to the Financial Reporting Council (FRC) as a 'public interest' case under the [FRC's Actuarial Scheme](#). If it is accepted for investigation by the FRC, the IFoA will not take further action under the Scheme. We will notify you if the FRC takes over the allegation.
- 4.3 All other allegations will be dealt with under the Scheme. However, if during the investigation any information is found that brings the case within the FRC's remit, we can refer the matter at that time.

#### **5. How will the allegation be investigated?**

- 5.1 You may find it helpful to refer to the [Disciplinary Process Overview flowchart](#) which sets out a summary of the disciplinary process.
- 5.2 The IFoA will appoint a Case Manager to investigate each allegation. Case Managers are members of our staff. During the investigation stage they are neutral and impartial. Their role is to manage the investigation and to gather relevant information for consideration before an independent disciplinary Panel. Once the Case Manager is appointed you will be given their

name and contact details and they will be your main contact throughout the investigation. Please note that they cannot give you legal advice.

- 5.3 The Case Manager may be assisted by an Investigation Actuary. They are Members of the IFoA who support the Case Manager in conducting the investigation and provide technical input where required. The Case Manager and Investigation Actuary are sometimes supported by an external lawyer. If an Investigation Actuary is appointed, you will be given their name.
- 5.4 At all stages of the process careful checks are made to avoid any conflicts of interest or biases.
- 5.5 The Case Manager will gather information relevant to the allegation. This may include requesting copies of documentation from relevant parties, considering relevant professional guidance and perhaps obtaining witness statements.
- 5.6 It is the Case Manager and Investigation Actuary, if appointed, who decide the best way to investigate the allegation and what relevant information they need to gather. You are required to cooperate fully and promptly with any investigation or proceedings under the Scheme. Failure to comply with this duty may result in a complaint of non-cooperation being brought against you.
- 5.7 The allegation will form the basis of the investigation, but the Case Manager and Investigation Actuary can take into account any additional conduct that comes to their attention during the investigation. If this occurs, you will be advised and given an opportunity to respond to the additional allegations.
- 5.8 The Case Manager cannot give you advice on how you should respond to the allegations or how you should represent yourself through the process. You may wish to take independent legal advice.

## **6. Interim orders**

- 6.1 The IFoA has a duty to protect the public. An Interim Order is an order which imposes certain restrictions on a Respondent pending the outcome of the disciplinary proceedings. In some cases, the Case Manager and Investigation Actuary may decide to apply for an Interim Order for the imposition of a period of supervised practice, suspension of any Practising Certificate held by the Member concerned, or suspension of that Member's membership of the IFoA, while the investigation is carried out.
- 6.2 Whether to apply for an Interim Order is a decision for the Case Manager, but the decision to impose such an order will be made by an independent Interim Orders Panel. Details of any Interim Order made will be published on our website.

## **7. What happens after the investigation stage?**

- 7.1 The stages of the disciplinary process are set out below. Please note that the IFoA will provide you with more information at the relevant time.

## Disciplinary Orders

- 7.2 Disciplinary Orders can be used where the Respondent accepts that the disciplinary allegations amount to misconduct. Disciplinary Orders are available for less serious cases of misconduct and will normally be used at the early stages of an investigation.
- 7.3 If the Case Manager thinks that the case may be suitable for a Disciplinary Order, they will contact you to discuss this. You can request that your case is dealt with by a Disciplinary Order, but it is for the Case Manager to decide if it is appropriate.
- 7.4 If your case is suitable for a Disciplinary Order, the Case Manager will provide further information about the process involved in agreeing a Disciplinary Order. You will be required to accept the allegation and the sanction proposed by the Case Manager. You will also need to agree to pay £300 towards the IFoA's costs of investigating and deciding the matter. The sanctions available at the Disciplinary Order stage are:
- a reprimand; and/or
  - a fine up to £10,000; and/or
  - a period of retraining, supervision or education; and/or
  - for former Members only, exclusion from IFoA membership for up to five years.
- 7.5 If you agree to a Disciplinary Order, this will be considered by a Disciplinary Orders Panel (made up of one lay member and one IFoA Member) who will approve or reject the Order. The Disciplinary Orders Panel meets in private and considers the matter based on the papers.
- 7.6 If the Order is approved, the Disciplinary Order will usually be published in accordance with the [IFoA's Publication Guidance note](#).
- 7.7 If the order is rejected, the matter will be passed back to the Case Manager for further investigation.

## Adjudication Panel

- 7.8 Usually, after an investigation into an allegation of misconduct is complete, and if the matter has not been dealt with by a Disciplinary Order, the Case Manager will prepare a Case Report. A Case Report sets out the allegations and the relevant facts and information obtained during the investigation. All the relevant material obtained during the investigation will be appended to the Case Report. The Case Report does not normally set out any recommendations.
- 7.9 The Case Report will be sent to you and you will be given the chance to submit any final comments you have on the Case Report. Your comments will be considered by the Adjudication Panel, provided that they are submitted in writing and in advance of the Panel meeting. The person who made the complaint will not be sent a copy of the Case Report.

7.10 An independent Adjudication Panel will be appointed to consider the Case Report and determine the next step in the disciplinary process. The Adjudication Panel meets in private which means that neither the Respondent nor the Case Manager attend. The Adjudication Panel is comprised of at least three people. At least one Panel member is always a “lay person”, and at least one Panel member is always a Member of the IFoA.

7.11 An Adjudication Panel may:

- dismiss the case, which concludes the investigation subject to a referral to the Independent Reviewer which is explained below; or
- make a finding of prima facie misconduct and offer you an opportunity to accept a sanction, such as a reprimand, a fine up to £10,000, a period of retraining, supervision or education. For former Members, where the allegation is particularly serious, they may offer an exclusion from membership. The Adjudication Panel may also make an award of costs of £1,500 as a contribution towards the IFoA’s costs in investigating and determining the matter. Further information is included in the IFoA’s [Costs Guidance note](#). If you accept the Adjudication Panel’s determination, including the costs award, this concludes the matter. The Adjudication Panel’s determination will be published in accordance with the IFoA’s [Publication Guidance note](#); or
- make a finding of prima facie misconduct and refer the case for a hearing before a Disciplinary Tribunal Panel.

### **Direct Referral to a Disciplinary Tribunal Panel**

7.12 If you would prefer that the case was considered by Disciplinary Tribunal Panel, for a full public hearing of a charge of Misconduct, rather than the Adjudication Panel, then you can elect to do so, when you are sent a copy of the Case Report for comment.

7.13 If the Case Manager considers that it is in the interests of the public and or the actuarial profession to refer the allegations directly to a Disciplinary Tribunal Panel, rather than an Adjudication Panel, they can make such a referral at any stage in the investigation process, prior to the Case Report being served. You will be asked whether you agree to the case being referred directly to a Disciplinary Tribunal Panel. If you do not agree, then the Case Manager may make an application to the Convener of the Adjudication Panel who will decide whether or not the matter shall be referred directly to a Disciplinary Tribunal Panel. You will have an opportunity to comments on this application and will be provided with more information about the process at the relevant time.

### **Independent Reviewer**

7.14 If the person who made the complaint is dissatisfied with the outcome of the Adjudication Panel to dismiss a case, they can request a review by the Independent Reviewer on limited grounds. The IFoA can also request a review by the Independent Reviewer of any decision of an Adjudication Panel, but they need to demonstrate that such a review was in the public interest. The Independent Reviewer is completely independent of the IFoA. If a case is referred to the Independent Reviewer you will be notified and provided with further information about the process.

## Disciplinary Tribunal Panel

- 7.15 If allegations are referred to a Disciplinary Tribunal Panel, the allegations become a Charge of Misconduct. At this stage of proceedings, the role of the Case Manager changes from being neutral to being prosecutorial; they will bring the charges against the you.
- 7.16 The Case Manager will serve the Charge and supporting documentation on you. This will normally include witness statements. You will have an opportunity to respond to the Charge. You will also be asked to complete a Case Management Form which will help the Clerk make practical arrangements for the hearing.
- 7.17 The independent Disciplinary Tribunal Panel will decide whether the Charge amounts to misconduct. The Disciplinary Tribunal Panel is comprised of at least three people. At least one Panel member is always a “lay person”, and at least one Panel member is always a Member of the IFoA.
- 7.18 Disciplinary Tribunal Panel hearings are normally held virtually, but on sometimes they may be held in person with the parties present. If the hearing is in person, it will normally be held in London or Edinburgh.
- 7.19 Disciplinary Tribunal Panels are usually public hearings, which means that members of the public can attend. Some or all of the hearing can be held in private at the request of either the IFoA or the Respondent. The person who made the complaint may attend the hearing to see the public proceedings, but they have no right to participate, except, and to the extent that, they are called by either the IFoA or you to give evidence.
- 7.20 If a Disciplinary Tribunal Panel makes a finding of Misconduct, they can impose a sanction. The sanctions available to a Disciplinary Tribunal Panel are:
- a reprimand;
  - an unlimited fine;
  - a period of retraining, supervision or education;
  - suspension or withdrawal of a practising certificate; and
  - suspension, expulsion or exclusion from membership of the IFoA.
- 7.21 The Disciplinary Tribunal Panel can also make an award of costs against you or the IFoA. Further information is included in the IFoA’s [Costs Guidance note](#).
- 7.22 You will be provided with a copy of the Disciplinary Tribunal Panel’s written determination, which are also published in accordance with the IFoA’s [Publication Guidance note](#).

## 8. Capacity for Membership process

- 8.1 The capacity for membership process is a way to deal with issues that arise in rare cases where a Member’s current capacity to hold membership is impaired and the impairment is directly relevant to the allegation.
- 8.2 A Respondent who is facing an allegation of Misconduct, or an authorised person on their behalf, can make an application to have their case transferred to the Capacity for Membership Process at

any time in the course of disciplinary proceedings, prior to a final determination being issued by the relevant disciplinary Panel. Applications can also be made by the Case Manager. An Adjudication Panel or Disciplinary Tribunal Panel can decide, even if there is no application, to transfer a matter for consideration under the Capacity for Membership Process.

- 8.3 If you think the capacity to membership process may apply to you, please speak to the Case Manager.

## **9. Can the IFoA investigate the conduct of a former Member?**

- 9.1 Yes, but only if the complaint or allegation concerns conduct which took place whilst they were a Member of the IFoA.

## **10. What happens if a Member resigns from the IFoA during the disciplinary process?**

- 10.1 The disciplinary process continues as if they were still a Member of the IFoA and they are still obliged to co-operate with the investigation.

## **11. What is the role in the disciplinary process of the person who made the complaint?**

- 11.1 Under the Scheme the person who made the complaint does not have a formal role and are not a party to the process. They will be kept up to date with the progress of the investigation and will be advised of the outcome.

## **12. How long will the process take?**

- 12.1 It takes time for allegations to be investigated and considered under the Scheme. We do try and deal with allegations as quickly and efficiently as possible, whilst being fair to both you and the person who made the complaint. Factors that affect the timescales include:

- the complexity of the allegation;
- the availability of those involved in the disciplinary process;
- the speed at which information or documents can be provided by Respondents and witnesses.

- 12.2 The Disciplinary Committee, who oversee the disciplinary process, have set timescales for different stages of the disciplinary process. They monitor whether the IFoA is meeting these timescales. Please see the Disciplinary Committee's [Timeframes Guidance note](#).

## **13. Where can you get advice or support?**

- 13.1 You can obtain independent legal advice about your rights in relation to the disciplinary process. In speaking with people other than the IFoA or your legal advisor, you must respect the confidential nature of any ongoing, live case. The IFoA is happy to provide factual information about each stage of the disciplinary case but cannot advise you about your legal rights or position.



## 14. Additional assistance

14.1 If you need additional assistance to participate in the disciplinary process, please tell the Disciplinary Investigations Team or the Case Manager. We have an [Adjustments to the Disciplinary Process Guidance](#) note which explains the types of assistance that can be offered in particular situations.

## 15. Levels of service

15.1 If you are unhappy with the way we have dealt with you please tell us. Concerns will always be treated seriously. Please read [here](#) to decide which is the right way to complain to us.

## 16. Contact details

16.1 The Disciplinary Investigations Team, who deal with the receipt of complaints and are responsible for the investigation of allegations, can be contacted at: [disciplinary.enquiries@actuaries.org.uk](mailto:disciplinary.enquiries@actuaries.org.uk)

16.2 The Judicial Committees Service who are a neutral, administrative service who support the IFoA's independent disciplinary Panels, can be contacted at: [clerk@actuaries.org.uk](mailto:clerk@actuaries.org.uk)

16.3 Further information about the disciplinary process is available on the [disciplinary pages of our website](#). The [Disciplinary Scheme](#) contains the Rules which govern the process and the [Regulations](#) set out the process to be followed. There are also [flowcharts](#) which illustrate various processes under the Disciplinary Scheme.

## Document control

Version	Date of publication	Overview
1.0	1 August 2023	Information note Disciplinary Scheme effective 1 August 2023

### Disclaimer

This information note has been prepared by the IFoA to assist persons who wish to make a complaint about the conduct of an IFoA Member. This document is not legal advice and is not a substitute for the Scheme. Where there is any conflict between this information note and the Scheme, Regulations or Guidance, the Scheme, Regulations or Guidance will be followed.

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