



IFoA's Practice Modules Workshop – Guide for candidates

The following note provides guidance to candidates at the Institute and Faculty of Actuaries (IFoA's) Practice Module (PM) workshops and sets out the IFoA's expectations of them.

Practising Certificate (PC) Overview

The IFoA operates a [Practising Certificates Scheme](#) in relation to specific ongoing roles identified in UK legislation, regulatory requirements and/or statutory guidance, which are reserved for actuaries, or which require actuarial skills and where the nature of the roles means that the public interest might reasonably expect an additional layer of scrutiny of the competence of those taking on the roles.

This reflects that an actuary who holds a PC has demonstrated that they have the necessary competencies to be a PC holder and, potentially, to carry out one of these significant public interest roles.

To obtain a PC, Members must meet all the following criteria:

- They must currently be a Fellow of the IFoA;
- They must have completed the relevant UK Practice Module within the two years prior to their Initial Application for a Practising Certificate;
- They must have demonstrated to the IFoA's satisfaction that they meet all the competencies set out in the relevant Competency Framework; and
- They must disclose any information relevant to their suitability to hold a Practising Certificate, having regard to the nature of the roles for which Practising Certificates are required and to the public interest.

PC Competency Framework

Each PC type has its own competency framework, which are set out in the IFoA's Practising Certificates Handbook. Examples of the competency framework are given in appendix 1. The latest versions of this document can be found on the IFoA website [here](#).

The individual competences for all types of PC are grouped under the following broad headings:

- Communication
- Leadership/Accountability
- Professionalism
- Knowledge, Awareness, and Understanding
- Technical Skills

Whilst there is some commonality between the specific competences for each PC type under each of the broad heading types, some of the specific competences vary between PC type to reflect the different requirements for each type of PC role.

Practice Module Workshops

As outlined above, one of the criteria for obtaining a PC is that candidates must successfully complete the relevant Practice Module workshop.

The following table illustrates the different types of PC, the corresponding competency framework, Practice Module, and workshop that must be completed.

Table 1 – Practising Certificate type

Practising Certificate type	Competency Framework	Practice Module	Workshop
<ul style="list-style-type: none"> Chief Actuary (Life) Chief Actuary (Life, Non-Directive) 	<ul style="list-style-type: none"> Chief Actuary – Life and non-Life Chief Actuary (Life, Non-Directive) 	Life	Chief Actuary (Life)
<ul style="list-style-type: none"> With-Profits Actuary 	<ul style="list-style-type: none"> With-Profits Actuary 	Life	With Profits Actuary
<ul style="list-style-type: none"> Chief Actuary (non-Life with Lloyd's), Chief Actuary (non-Life without Lloyd's) 	<ul style="list-style-type: none"> Chief Actuary – Life and non-Life Chief Actuary – Life and non-Life 	General Insurance	Chief Actuary (Non-Life with Lloyd's) Chief Actuary (non-life without Lloyd's)
<ul style="list-style-type: none"> Lloyd's Syndicate Actuary 	<ul style="list-style-type: none"> Lloyd's Syndicate Actuary 	General Insurance	Lloyd's Syndicate Actuary
<ul style="list-style-type: none"> Scheme Actuary 	<ul style="list-style-type: none"> Scheme Actuary 	Pensions	Scheme Actuary
<ul style="list-style-type: none"> CDC Scheme Actuary 	<ul style="list-style-type: none"> CDC Scheme Actuary 	Pensions	CDC Scheme Actuary

All PM workshops will be of a similar format. Each workshop will:

- Last for 1-3 hours (this will likely be determined by the number of candidates attending).
- Have c5-10 candidates.
- Take place via a Teams call.
- Have a facilitator, who will be a current or recent PC holder of the relevant PC type. The facilitator will be assisted during the workshop by IFoA Staff.

At the workshop, candidates will discuss a case study relevant to the PC type being sought. The case study will include several questions for candidates to consider and discuss during the workshop. The case study scenario is designed to be nuanced and representative of a possible scenario a candidate could encounter at work. There are expected to be multiple acceptable approaches to answering the questions discussed during the workshop.

The case studies will be distributed to candidates up to forty-eight hours prior to the workshops.

The expectations of candidates at the workshop are outlined below.

Candidates - Prior to the workshop

In advance of the workshop candidates will be expected to:

- Review the case study to ensure familiarity with it;
- Consider how they might respond to the questions raised in the case study.

Candidates will not be required to submit anything in writing in advance of the workshop.

Candidates - During the workshop

Candidates will be expected to:

- Actively participate in the group discussion;
- Communicate their views and rationale;
- Appropriately challenge other candidates;
- Appropriately respond to challenge from the facilitator and other candidates;
- Demonstrate the competencies expected from a PC role;
- Demonstrate familiarity with the Actuaries' Code.

Examples of possible competencies that may be more evident during the seminar are:

	Competency
Communication	Effectively communicates with specialist and non-specialist stakeholders and audiences
	Participates in group and Board/Committee-level (or similar) discussions, contributing to decision making processes
	Provides an independent opinion and is willing to re-consider their opinion if insight from other stakeholders or new information justifies doing so
Professionalism	Able to pose appropriate challenge to the decisions or actions proposed by; the Board of Directors/Executive level Committees, senior individuals within the firm, and/or other advisors
	Able to challenge views and proposals of senior stakeholders in an organisation
Knowledge, Awareness and Understanding	Good awareness of the external factors that the PC holder should be aware of in the scenario being discussed.
	Sound understanding of the legal and regulatory requirements relevant to the PC holder within the scenario being discussed.
Technical Skills	Sound understanding of the technical areas relevant to the PC holder for this scenario such that they can develop advice and communicate the wider context of the advice to both users and other team members.

Appendix 1

Chief Actuary – Life and non-Life

Communication	Leadership/ Accountability	Professionalism	Knowledge, Awareness and Understanding	Technical skills
<ul style="list-style-type: none"> Effectively communicates with specialist and non-specialist stakeholders and audiences Provides clear and concise analysis and advice, focussing on key issues and making complex aspects accessible and meaningful Participates in group and Board/Committee-level (or similar) discussions, contributing to decision making processes Aware of limitations or areas of uncertainty in the advice they are providing, and explains this to the Board/Committee when appropriate 	<ul style="list-style-type: none"> Builds strong relationships with members of the Board/Committees, key individuals within the firm, and other professional advisors Leads and exercises responsibility for a team of actuaries and/or other technical /financial staff Accountable for work at Board/Committee level and able to respond effectively to challenges from a Board/Committee 	<ul style="list-style-type: none"> Provides an independent opinion and is willing to re-consider their opinion if insight from other stakeholders or new information justifies doing so Able to pose appropriate challenge to the decisions or actions proposed by; the Board of Directors/Executive level Committees, senior individuals within the firm, and/or other advisor Able to identify and effectively manage conflicts of interest arising from different objectives of various stakeholders Capable of speaking up to, and raising concerns with, decision makers, regulators or others, where appropriate Able to challenge views and proposals of senior stakeholders in an organisation 	<ul style="list-style-type: none"> Good awareness of external factors and how they may influence the future development of the business, and factors this into the advice Sound understanding of the legal and regulatory requirements relevant to UK insurance business, as well as the approach and focus of the UK government and other UK regulation and tax setting bodies High level of familiarity with the fundamental principles and practices of the other key technical and operational areas relating to the financial position, risk profile, or management of an insurance business Knowledge and understanding of UK insurance business, including the different product lines sold by insurers, relevant to the role being undertaken 	<ul style="list-style-type: none"> Sound understanding of the technical areas relevant to the role of Chief Actuary, such that they can advise on them, review and/or critique actuarial work from others and communicate the wider context of the work to both users and other team members. <p>Those areas include (but are not limited to):</p> <ul style="list-style-type: none"> the appropriate bases and methodologies for valuing the assets and liabilities of insurers; the appropriateness of pricing bases for insurance contracts; the appropriate reinsurance arrangements for insurers; measurement, management and mitigation of issues and risks to which an insurer is exposed; the requirements for capital for insurers; analysis of the matching of assets and liabilities and advising on investment strategy (Life PC only); the underwriting policy; and the Own Risk and Solvency Assessment (ORSA) process

Chief Actuary (Life, Non-Directive)

Communication	Leadership/ Accountability	Professionalism	Knowledge, Awareness and Understanding	Technical skills
<ul style="list-style-type: none"> Effectively communicates with specialist and non-specialist stakeholders and audiences Provides clear and concise analysis and advice, focussing on key issues and making complex aspects accessible and meaningful Participates in group and Board/Committee-level (or similar) discussions, contributing to decision making processes Aware of limitations or areas of uncertainty in the advice they are providing, and explains this to the Board/Committee when appropriate 	<ul style="list-style-type: none"> Builds strong relationships with members of the Board/Committees, key individuals within the firm, and other professional advisors Able to lead and exercise responsibility for a team of actuaries and/or other technical /financial staff Accountable for work at Board/Committee level and able to respond effectively to challenges from a Board/Committee 	<ul style="list-style-type: none"> Provides an independent opinion and is willing to re-consider their opinion if insight from other stakeholders or new information justifies doing so Able to pose appropriate challenge to the decisions or actions proposed by; the Board of Directors/Executive level Committees, senior individuals within the firm, and/or other advisors Able to identify and effectively manage conflicts of interest arising from different objectives of various stakeholders Capable of speaking up to, and raising concerns with, decision makers, regulators or others, where appropriate Able to challenge views and proposals of senior stakeholders in an organisation 	<ul style="list-style-type: none"> Good awareness of external factors and how they may influence the future development of the business, and factors this into the advice Sound understanding of the legal and regulatory requirements relevant to UK insurance business, as well as the approach and focus of the UK government and other UK regulation and tax setting bodies High level of familiarity with the fundamental principles and practices of the other key technical and operational areas relating to the financial position, risk profile, or management of an insurance business Knowledge and understanding of UK insurance business, including the different product lines sold by insurers, relevant to the role being undertaken 	<ul style="list-style-type: none"> Sound understanding of the technical areas relevant to the role of Small Insurer Chief Actuary or Appropriate Actuary such that they can advise on them, review and/or critique actuarial work from others and communicate the wider context of the work to both users and other team members. <p>Those areas include (but are not limited to):</p> <ul style="list-style-type: none"> the appropriate bases and methodologies for valuing the assets and liabilities of insurers; the requirements for capital for insurers; measurement, management and mitigation of issues and risks to which a life insurer is exposed; the appropriate reinsurance arrangements for insurers; the appropriateness of pricing bases for insurance contracts; and analysis of the matching of assets and liabilities and advising on investment strategy.

Lloyd's Syndicate Actuary

Communication	Leadership/ Accountability	Professionalism	Knowledge, Awareness and Understanding	Technical skills
<ul style="list-style-type: none"> Effectively communicates with specialist and non-specialist stakeholders and audiences Provides clear and concise analysis and advice, focussing on key issues and making complex aspects accessible and meaningful Participates in group and Board/Committee-level (or similar) discussions, contributing to decision making processes Aware of limitations or areas of uncertainty in the advice they are providing, and explains this to the Board/Committee when appropriate 	<ul style="list-style-type: none"> Builds strong relationships, as a trusted adviser, with members of the Board/Committees, key individuals within the firm, and other professional advisors Leads and exercises responsibility for a team of actuaries and/or other technical /financial staff to produce key deliverables for the Board/Committee and deliver an end-to-end reserve setting exercise, taking responsibility of selection of key assumptions and methodologies used in the calculation Accountable for work at Board/Committee level and able to respond effectively to challenges from a Board/Committee 	<ul style="list-style-type: none"> Provides an independent opinion and is robust in upholding their view even when under influence and pressure to change it Is open to re-considering their view where new insight from other stakeholders or new information justifies doing so, in which case the rationale for doing so is made clear Able to pose appropriate challenge to the decisions or actions proposed by; the Board of Directors/Executive level Committees, senior individuals within the firm, and/or other advisors Able to identify and effectively manage conflicts of interest arising from different objectives of various stakeholders Capable of speaking up to, and raising concerns with, decision makers, regulators or others, where appropriate Able to challenge views and proposals of senior stakeholders in an organisation 	<ul style="list-style-type: none"> Good awareness of external factors and how they may impact the future development of a syndicate's reserves, and factors this into their opinion Sound understanding of the legal and regulatory requirements relevant to Lloyd's syndicates, as well as the approach and focus of the UK government and other UK regulation High level of familiarity with the fundamental principles and practices of the other key technical and operational areas relating to the financial position, risk profile, or management of a syndicate, including Underwriting and Claims Handling Detailed knowledge of business written in the Lloyd's market, including in-depth understanding of the nature of the risk profile and uncertainties Detailed understanding of Lloyd's Valuation of Liability rules and awareness of broader requirements and areas of focus for Signing Actuaries and Syndicates 	<ul style="list-style-type: none"> Sound understanding of the technical areas relevant to the role of Lloyd's Syndicate Actuary, such that they can develop advice and communicate the wider context of the advice to both users and other team members. <p>Those areas include (but are not limited to):</p> <ul style="list-style-type: none"> Expert reserving skills, with the ability to personally carry out claims and premium projections, utilising sound expert judgement to set assumptions and design methodologies that are appropriate for the specific uncertainties of Lloyd's market business; and Ability to consider the reasonableness of the output from actuarial or financial models, and apply an appropriate level of review based on the complexity and materiality of the results

Scheme Actuary

Communication	Leadership/ Accountability	Professionalism	Knowledge, Awareness and Understanding	Technical skills
<ul style="list-style-type: none"> Effectively communicates with specialist and non-specialist stakeholders and audiences Provides clear and concise analysis and advice, focussing on key issues and making complex aspects accessible and meaningful Able to participate in Trustee discussions, contributing to decision making processes Capable of supporting Trustees in negotiations with stakeholders and influencing decision making Able to support Trustees in discussions with regulators Aware of limitations or areas of uncertainty in the advice they are providing, and explain this to Trustees when appropriate 	<ul style="list-style-type: none"> Able to build strong relationships with Trustees, key individuals involved in management of the Scheme, and other professional advisors Able to work as part of a team, taking responsibility for client delivery of actuarial projects and taking the lead in the production and delivery of advice Accountable for work at a senior level and able to respond effectively to challenges from Trustees or other equivalent individuals 	<ul style="list-style-type: none"> Provides an independent opinion and is willing to reconsider their opinion if insight from other stakeholders or new information justifies doing so Able to pose appropriate challenge to the decisions or actions proposed by; the Trustees, the sponsoring employer, other key individuals involved in the Scheme and/or other advisors Able to stand behind and defend their own advice and recommendations when challenged or put under pressure from: the Trustees, the sponsoring employer, regulators, other key individuals involved in the Scheme and/or other advisors Able to identify and effectively manage conflicts of interest, including the ability to understand and challenge Trustees on their own conflicts Capable of speaking up to, and raising concerns with, decision makers, regulators or others, where appropriate 	<ul style="list-style-type: none"> Good awareness of external factors and how they may influence the future development of the Scheme, and be factored into advice Sound understanding of the legal and regulatory requirements relevant to UK pensions High level of familiarity with the fundamental principles and practices of the other key technical and operational areas relating to the financial position, risk profile, or management of the Scheme, including the awareness of when it is appropriate to consult other advisors 	<ul style="list-style-type: none"> Sound understanding of the technical areas relevant to the role of Scheme Actuary, such that they can develop advice and communicate the wider context of the advice to both users and other team members. <p>Those areas might include (but are not limited to):</p> <ul style="list-style-type: none"> Funding in relation to actuarial valuations to Trustees of Defined Benefit Schemes (or equivalent); Setting and calculating Cash Equivalent Transfer Values (CETVs); Other actuarial factors relevant to DB Schemes; Areas of advice reserved for a Scheme Actuary under legislation; Areas of advice commonly required of a Scheme Actuary under scheme deeds and rules; Other scheme specific areas, such as winding up, DC benefits and ongoing accrual of benefits

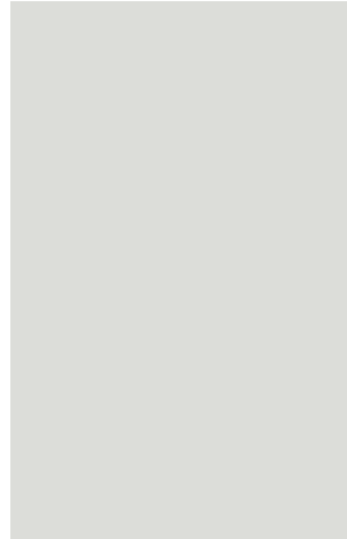
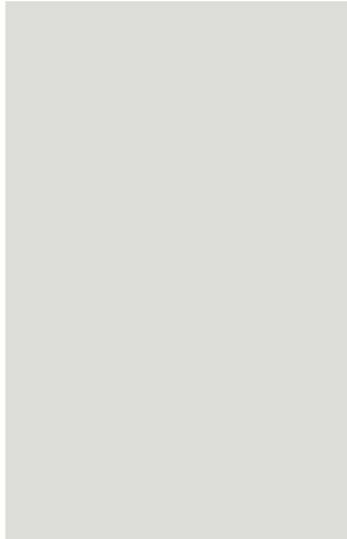
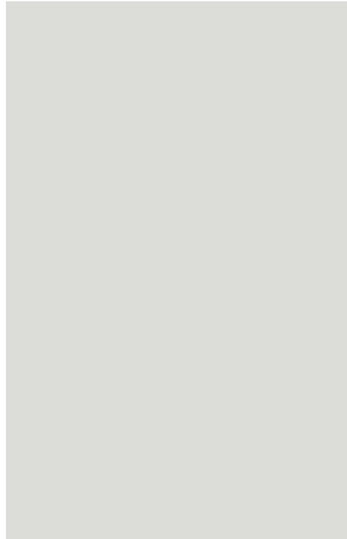
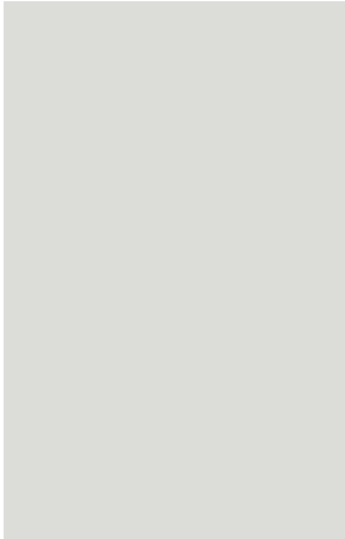
CDC Scheme Actuary

Communication	Leadership/ Accountability	Professionalism	Knowledge, Awareness and Understanding	Technical skills
<ul style="list-style-type: none"> Effectively communicates with specialist and non-specialist stakeholders and audiences Provides clear and concise analysis, advice, and modelling output, focussing on key issues and making complex aspects accessible and meaningful Able to participate in Trustee discussions, contributing to decision making processes Able to support Trustees in discussions with regulators Able to support Trustees in communicating with scheme members so that they understand the risks and benefits of the scheme and in particular, how target benefits may change Aware of limitations or areas of uncertainty in the advice they are providing, and explain this to Trustees when appropriate 	<ul style="list-style-type: none"> Able to build strong relationships with Trustees, key individuals involved in management of the Scheme, and other professional advisors Leads the production of advice, which may include exercising responsibility for a team of actuaries and/or other technical /financial staff Accountable for work at a senior level and able to respond effectively to challenges from Trustees, relevant stakeholders or other equivalent individuals 	<ul style="list-style-type: none"> Provides an independent opinion and is willing to reconsider their opinion if insight from other stakeholders or new information justifies doing so Able to pose appropriate challenge to the decisions or actions proposed by; the Trustees, the sponsoring employer, other key individuals involved in the Scheme and/or other advisors Able to stand behind and defend their own advice and recommendations when challenged or put under pressure from: the Trustees, the sponsoring employer, regulators, relevant stakeholders, other key individuals involved in the Scheme and/or other advisors and where they come under parliamentary or other forms of scrutiny Able to identify and effectively manage conflicts of interest, including the ability to understand and challenge Trustees on their own conflicts Capable of speaking up to, and raising concerns with, decision makers, regulators or others, where appropriate 	<ul style="list-style-type: none"> Good awareness of external factors and how they may influence the future development of the Scheme, and be factored into advice Sound understanding of the legal and regulatory requirements relevant to UK pensions High level of familiarity with the fundamental principles and practices of the other key technical and operational areas relating to the financial position, risk profile, or management of the Scheme, including as required for modelling work and an awareness of when it is appropriate to consult other advisors Awareness of potential emerging risks and regulatory changes in the market and the impact these could have on scheme members and their benefits 	<ul style="list-style-type: none"> Sound understanding of the technical areas relevant to the role of CDC Scheme Actuary, such that they can develop advice and communicate the wider context of the advice to both users and other team members. <p>Those areas might include (but are not limited to):</p> <ul style="list-style-type: none"> Viability of the scheme design; Annual valuations of a CDC Scheme (or equivalent), including: <ul style="list-style-type: none"> advising on central estimate liability valuation assumptions; and calculating benefit adjustments; Setting and calculating Cash Equivalent Transfer Values (CETVs); Other member option terms relevant to CDC Schemes; The fair treatment of scheme members including the exercise of discretion in the management of the scheme; and Consideration of the needs and circumstances of different groups of scheme members

With-Profits Actuary

Communication	Leadership/ Accountability	Professionalism	Knowledge, Awareness and Understanding	Technical skills
<ul style="list-style-type: none"> Effectively communicates with specialist and non-specialist stakeholders and audiences Provides clear and concise analysis and advice, focussing on key issues and making complex aspects accessible and meaningful Participates in group and Board/Committee-level (or similar) discussions, contributing to decision making processes Aware of limitations or areas of uncertainty in the advice they are providing, and explains this to the Board/Committee when appropriate 	<ul style="list-style-type: none"> Builds strong relationships with members of the Board/Committees, key individuals within the firm, and other professional advisors Leads the production of advice, which may include exercising responsibility for a team of actuaries and/or other technical /financial staff Accountable for work at Board/Committee level and able to respond effectively to challenges from a Board/Committee 	<ul style="list-style-type: none"> Provides an independent opinion and is willing to re-consider their opinion if insight from other stakeholders or new information justifies doing so Able to pose appropriate challenge to the decisions or actions proposed by; the Board of Directors/Executive level Committees, senior individuals within the firm, and/or other advisors Able to identify and effectively manage conflicts of interest arising from different objectives of various stakeholders Capable of speaking up to, and raising concerns with, decision makers, regulators or others, where appropriate Able to challenge views and proposals of senior stakeholders in an organisation 	<ul style="list-style-type: none"> Good awareness of external factors and how they may influence the future development of the with-profits fund, and factors this into the advice Sound understanding of the UK legal and regulatory requirements relevant to with profits funds High level of familiarity with the fundamental principles and practices of the other key technical and operational areas relating to the financial position, risk profile, or management of the with-profits fund Knowledge and understanding of UK with-profits business and products Awareness of potential emerging risks and regulatory changes in the market and the impact these could have on customers and their benefits 	<ul style="list-style-type: none"> Sound understanding of the technical areas relevant to the role of With-Profits Actuary, such that they can advise on them, review and/or critique actuarial work from others and communicate the wider context of the work to both users and other team members. <p>Those areas include (but are not limited to):</p> <ul style="list-style-type: none"> the management and mitigation of issues and risks, and the appropriateness of the measurement basis, that may affect the development of the with-profits fund or the interests of the with-profits policyholders; analysis of appropriate bonus distribution policy encompassing both bonus methodology and bonus rates; the fair treatment of policyholders including the exercise of discretion in the management of the fund; consideration of the needs and circumstances of different groups of with-profits policyholders;

With-Profits Actuary



- compliance with the PPFM, and identifying appropriate changes to it;
- the bases for calculating surrender values and the terms for other policy alterations in so far as they may affect the interests of with-profits policyholders;
- the derivation of the SCR and the technical provision results, and whether the valuation of with-profits business within these is consistent with the PPFM; and
- communications with with-profits policyholders about the management of their fund.