



QAS Sub-Committee meeting

21 April 2022, 10.00-11.00

Conference call

Attending:	Victor Olowe (Chair), Alison Carr (actuary), Helen Brown, Scott Cameron, Alison Carr (lay), Sophie Dignan, Iain McGrory.
Executive Staff:	Katie Wood, Emma Burns.
Apologies:	Tze Leong Chan, Karen Cross
Dial in details:	[REDACTED]

Item	Title	Action
1.	Welcome, apologies and conflicts None. No conflicts were declared.	
1.1	To declare any conflicts of interest.	
2.	[REDACTED] Change of SQAR Request	
2.1	<p>The Committee discussed the Executive summary provided on [REDACTED] SQARs which outlined the relevant background and the recommended next steps.</p> <p>The Committee discussed its options, which is to choose to enforce the requirement set out in the QAS Handbook, that at least one SQAR must be an IFoA Member, or to grant a waiver for this organisation based on its particular circumstances.</p> <p>The Committee asked whether there should be any requirement for anyone in the organisation to be a Member, if there is no longer a requirement for at least one SQAR to be a Member. The Executive confirmed that indeed if there no requirement for a SQAR to be an IFoA Member then there would be no requirement to have any IFoA Members in the organisation.</p> <p>The Committee considered the possibility of compelling the organisation to have any employee who is a Member to hold a SQAR position, however it was noted that these individuals may not have the experience or time to be a SQAR and it could be seen as interfering with the organisation's employment arrangements.</p> <p>The Chair asked the Committee whether they were comfortable with issuing a waiver to [REDACTED] It was agreed that clarity on why a waiver was granted is important.</p>	



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	<p>The Committee noted that in this case, the organisation has been consistent since being accredited, [REDACTED] the SQARs to date are suitable for the role with the only exception being that none of the SQARs are Members. The Committee agreed that in principle, the circumstances support the granting of a waiver, however this could then be applicable to any organisation. The Committee recognised that this could have implications for the future in terms of setting a precedent, therefore the Committee must have clear reasons for granting a waiver.</p> <p>The Committee agreed that one justification for a waiver would be that the Committee and Executive must be satisfied that the nominated SQARs are suitably qualified. They should also meet the other criteria set out in the QAS Handbook in terms of both seniority and their ability to influence the Board/organisation's senior management.</p> <p>[REDACTED] first SQAR met these requirements when the organisation first joined the QAS however this has now changed, with that SQAR leaving the organisation and being replaced by a non-Member SQAR. This fact was not picked up by the Executive or the Committee when approving the appointment</p> <p>Nonetheless, given the reasons set out previously, the Committee was satisfied that granting a waiver on that basis was appropriate rather than primarily to correct an administrative oversight, which was deemed a secondary issue. The Committee noted that if indeed it decided to remove the requirement for a SQAR to be a Member there would still be set criteria which SQARs would have to meet to be appointed.</p> <p>The Chair summarised the views expressed by the Committee and confirmed that a waiver could be provided on clear justification of the outcomes still being achieved, and the overall suitability of the proposed SQARs. However, the required amendment to the Handbook would be for approval by the Regulatory Board.</p> <p>It was also agreed that the minute should be clear that a waiver has not been granted on the basis of treating pilot firms more favourably but because of the reasons previously expressed.</p> <p>A further point was raised to query if [REDACTED] would still qualify for the scheme if the existing Members leave the organisation. The Committee agreed that this would also need to be clarified at the same time as the decision on whether there is a requirement at all to have any Members employed by the organisation.</p>	



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	<p>The Committee emphasised the need to be transparent and agreed that the communication to [REDACTED] needs to be clear that the primary reason for offering the organisation a waiver is not due to the error previously made by the Committee and Executive. The Committee reiterated that it was comfortable with waiving this point in this case due to the evidence previously discussed.</p> <p>It was agreed that looking at this issue has caused the Committee/Executive to reconsider the requirements in the Handbook, which is a positive outcome for both the Committee and Executive. The Committee agreed to grant the organisation a waiver and it was agreed to be transparent in the minutes of the discussion in a pragmatic and positive manner. In addition, it was also requested to be clear that waivers are discretionary as per the Committee's Terms of Reference.</p> <p>The Committee requested a review of SQAR records for each accredited organisation to ensure there were no other organisations in similar circumstances, with no Member as a SQAR. Action</p>	Executive
2.2	<p>The Committee discussed the Executive's recommendation that section 13.2 (Senior Quality Assurance Representative(s)) of the Handbook be removed.</p> <p>The Executive raised the possibility of International Actuarial Association (IAA) membership perhaps being a criteria for SQAR suitability, noting that IAA membership is referred to in the QAS fee notes. The IAA includes a number of other professional actuarial associations and membership bodies. Having discussed the matter with the Head of Regulatory Policy, it was noted that IAA membership is not one based on criteria similar to those set out in the QAS Handbook in relation to SQARs. It was also noted that to introduce IAA Membership as a potential alternative to IFoA Membership, would bring additional administrative burden to the SQAR process [REDACTED].</p> <p>The Executive raised the possibility of membership of another actuarial association perhaps being a criteria for SQAR suitability, noting that such membership is referred to in the QAS fee notes. On balance, after exploring this option, the Committee concluded that to introduce a potential alternative to IFoA Membership, would bring additional administrative burden to the SQAR process as well as not being future proof.</p> <p>The Executive explained they are seeking a policy view from the Committee on removing the requirement for a SQAR to be an IFoA Member but that the current requirement for an organisation to employ at least one Member will remain as it is a defined term used throughout APS QA1.</p>	



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	<p>The Committee were content to remove the wording requiring that at least one SQAR be an IFoA Member in section 13.2 of the Handbook but some of the group working wording should stay. Furthermore, the Committee suggested making it clearer in the QAS SQAR forms that nominated individuals are a member of the IFoA, referring to 13.4 of the Handbook for the criteria relating to board access and influence at an Organisational level.</p> <p>The Committee questioned whether Handbook section 13.4 may be worded too generally if 13.2 is removed and could open this up to any organisation. The Committee recognised the possibility in theory, however even with wider senior management having an interest in the QAS, reading section 13.3 of the handbook, it would be difficult to imagine a group in practice if they didn't have the technical expertise to fulfil those responsibilities fully.</p> <p>The Committee stressed that a SQAR must either be a Member or demonstrate equivalent qualifications or experience noting that at present some SQARs are not actuaries, and that while this is welcomed, there should be at least one SQAR who is an actuary with relevant qualifications and experience at each accredited organisation.</p> <p>The view was expressed that the Committee/Executive will assess individuals using their SQAR application forms, providing the forms refer to those sections in the Handbook regarding qualifications and experience. This will ensure that all SQARs are suitable for their role.</p> <p>The Committee agreed with the principle of making SQAR requirements more flexible, however there is also a need to be clear of the requirements of the role. It is therefore assumed that there will not be a significant number of SQARs appointed who have no actuarial experience.</p> <p>The Committee therefore agreed they were comfortable with removing the current requirements for at least one SQAR to be an IFoA member provided that they meet the requirements for SQARs set out in the Handbook and are able to carry out the SQAR responsibilities, both as set out in Section 13 of the Handbook. The Change of SQAR form should therefore be updated to make this clear. Action.</p>	Executive
	<p>The Committee agreed to recommend the amendment of section 13.2 of the Handbook to remove the requirement to be a Member but keep the rest of this paragraph as this is still relevant, to include wording around actuarial experience and to amend the QAS forms to link clearly to the Handbook.</p>	



Item	Title	Action
	The recommendations will be passed to the Regulatory Board. Action.	Executive
3.	AOB	
3.1	AOB	
	<p>The Chair informed the Committee that it was IMcG's last meeting, the Chair wished him well and thanked him enormously for his contribution as an invaluable member of the Committee.</p>	
	<p>Next Meetings:</p> <ul style="list-style-type: none">• Quarterly Meeting – 16 June 2022• Conference Call – 21 July 2022• Quarterly Meeting – 29 September 2022• Conference Call – 20 October 2022• Quarterly Meeting - 13 December 2022	