**Quality Assurance Scheme Sub-Committee (QAS-SC)**

**10 September 2020**

Videoconference

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| **Attending:** | Alison Carr, Alison Carr (Lay Member), Helen Brown (Lay Member), Iain McGrory (Lay Member), Steve Wilson, Wendy Walford, Victor Olowe (Lay Chair), Douglas Green, Chan Tze Leong. |
| **Apologies:** | Ruth Thomas. |
| **Executive:** | Katie Wood, Cargill Sanderson, Emma Burns |

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| Item | Title | | | Action |
| **1.** | **Welcome, conflicts and minutes** | | |  |
|  | **1.1** | | [REDACTED] had noted a conflict regarding [REDACTED] at a previous meeting, which was reiterated. |  |
|  | **1.2** | | The minutes from the previous meetings on 25 June 2020 and 23 July 2020 were approved subject to suggested minor amendments with the request to amend some minor typos. |  |
| **2.** | **Standing items** | | |  |
|  | **2.1** | | The Sub-Committee (SC) recognised the good progress made on the action list. |  |
|  | **2.2** | | The SC noted the updated workplan but it queried if the work plan was needed. |  |
|  | **2.3** | | The SC noted the strategic action plan, which was considered a useful document. |  |
| **3.** | **Update from the IFoA Executive** | | |  |
|  | **3.1** | | The update on key developments was noted. The Executive informed the SC that [REDACTED] had been contacted on 9 September 2020 and confirmed they would like to take part in outcomes focused CPD. Following consultation with the Executive, [REDACTED] are intending to amend their accreditation to cover the actuarial team only. |  |
| **4.** | **Annual Returns**  Whilst discussing Annual Returns the SC raised the following general points:   * Submissions at Section 4 of the form are still often lacking in appropriate information; * The new Annual Return Form must more clearly indicate what information is being sought in relation to the QAS Outcomes in Actuarial Profession Standard (APS) QA1. | | |  |
|  | **4.1** | | [REDACTED] Annual Return was discussed, which was noted as satisfactory. The SC queried how the timing of [REDACTED] fitted in with the timing of the Annual Return submission. They were satisfied that [REDACTED] fell outside the period for which the return reported and noted the update on [REDACTED]. On a wider issue, the SC requested the submission date to be added to the proposed new Annual Return Form. The SC did not require any further information from the firm, [REDACTED]. **Action** | Executive |
|  | **4.2** | | The Annual Return for [REDACTED] was discussed, which was noted as excellent. The SC noticed the organisation did not add the original Institute for Chartered Accountants in England and Wales (ICAEW) text to their BPRs so it was difficult to know which were still open, but they were happy to accept the Executive’s recommendations on the status of the BPRs. The SC indicated that this was an excellent return and did not require any further information from the firm [REDACTED]. **Action** | Executive |
|  | **4.3** | | [REDACTED] Annual Return was discussed which was noted as excellent. The SC were satisfied with this return [REDACTED]. They suggested that this could be a good firm to approach for panellists for an upcoming SQAR Forum. No further information was required from the firm [REDACTED] **Action** | Executive |
|  | **4.4** | | The Annual Return for [REDACTED] was discussed, which was noted as satisfactory .The SC commented that [REDACTED] needed to record more on development and on the job training rather than technical Continuing Professional Development (CPD) only. However, no further information would be requested [REDACTED]. The Executive should encourage the firm to provide more information in their next return. **Action** | Executive |
|  | **4.5** | | The Annual Return for [REDACTED] was discussed, which was noted as requiring further information. The SC indicated that they might have liked to see more information on staff growth or decrease, perhaps in the “Significant Changes” section, but they acknowledged that the proposed new Annual Return Form would make the need for such information clearer. The SC requested more information on what [REDACTED] are doing, and the steps they are taking, now, rather than only what their future plans are, as well as more specific information in the second column of Section 4. The Executive will provide this information at the next meeting. **Action.** | Executive |
|  | **4.6** | | [REDACTED] Annual Return was discussed which was noted as excellent. The SC were satisfied that no further information was required on [REDACTED] Annual Return [REDACTED] . There were no further comments on this form. **Action** | Executive |
|  | **4.7** | | The SC discussed [REDACTED] Annual Return, which was noted as satisfactory. They noted that the submission was a significant improvement on previous returns from this organisation. They noted the significant restructuring [REDACTED] and considered that such changes were common at [REDACTED] organisations and they were satisfied that the influence of the SQAR would remain sufficient in the new structure. They did not require any further information on this return [REDACTED] but asked that the Executive note that more information at Section 4.1 would be appreciated next year. **Action** | Executive |
|  | **4.8** | | The Annual Return for [REDACTED] was discussed, which was noted as satisfactory. The SC did not require any further information on the Annual Return for [REDACTED], [REDACTED] though they considered the form had light generic answers, especially for the “Conflicts of interest” section. **Action** | Executive |
|  | **4.9** | | The Annual Return for [REDACTED] was discussed, which was noted as requiring further information The SC observed that the [REDACTED] Annual Return was weak on conflicts of interest and the review process of the form was not clear. The SC requested confirmation from the firm that the submission had not only been completed by multiple contributors, but that the work had been reviewed. They requested that ICAEW be asked to look into the significant changes in staffing levels [REDACTED]. **Action** | Executive |
|  | **4.10** | | The SC discussed the Annual Return for [REDACTED] which was noted as satisfactory and agreed no further information was required [REDACTED] [REDACTED] . **Action** | Executive |
|  | **4.11** | | *[*[REDACTED]  *left the meeting 11:06]*  [REDACTED] Annual Return was discussed which was noted as satisfactory. The SC commented that the [REDACTED] Annual Return was light but acceptable [REDACTED] . The SC indicated that no further information would be requested but a steer should be given to the organisation to provide more information in the second column of Section 4 in next year’s submission. **Action**  The SC approved the addition of two new SQARs for [REDACTED]. **Action** | Executive |
|  | **4.12** | | The SC discussed the Annual Return for [REDACTED] , which was noted as satisfactory. The SC noted repeated reference to the organisation’s [REDACTED] without much description of what this system is or how it works. Whilst the SC was content to take on good faith that this system helps the organisation meet the QAS outcomes, they would like to see a more detailed description of the approach in the next return. The SC [REDACTED] and asked that feedback about just what is expected at Section 4 should be provided. **Action**  *[*[REDACTED]  *joined the meeting 11:25]* | Executive |
|  |  | | **Summary**  The SC considered 12 Annual Returns. In 10 cases no further information was requested, although the SC offered guidance on areas for focus for these firms in the next annual returns. In 1 case the SC asked the Executive to clarify an issue with the firm, before providing formal feedback. In 1 case, the SC requested further information from the firm, which it will consider at its next meeting. |  |
| **5.** | **Regulatory Governance** | | |  |
|  | **5.1** | | The SC reiterated its intention to adopt the principle of increased transparency of its decision making as appropriate in alignment with the steer from the Regulation Board. The SC therefore agreed the recommendation in the Executive’s paper except in relation to abridged minutes. The SC discussed the merits of abridged minutes and concluded that they could be counterproductive in terms of demonstrating increased transparency and indicated the preference for redactions. The SC also suggested maybe having an introductory paragraph in the public domain explaining the purpose of the redactions.  The Chair explained that a way needs to be found to inform of the decision made on topics like Annual Returns without compromising commercial sensitivity. It was suggested a change to the way minutes are drafted to include a summary of all the key themes arising from decisions made on Annual Returns be provided at that section of the minute with organisations’ details redacted. This was agreed and it was requested the Executive adapt how the minutes are recorded to fit publishing purposes.  The SC also confirmed that the redacted minutes would only be published after they have been formally approved at the subsequent meeting. **Action.** | Executive |
| **6.** | **Change of SQAR Forms**  Whilst discussing applications to add, replace or remove SQARs the SC discussed the following general points:   * It is not necessary for the SC to approve the removal of SQARs where at least one SQAR will remain; * Having considered text in the QAS Handbook, the SC agreed that it is necessary for them to approve who is the Lead SQAR at an organisation, as this is significant factor relating to group working. However, if a firm only has one SQAR, that person is, necessarily the Lead SQAR | | | Executive |
|  | **6.1** | | [REDACTED] change of SQAR form was noted. It was agreed that there is no need for organisations to submit a Change of SQAR Form to remove a SQAR as long as the organisation would have at least one SQAR remaining. **Action** | Executive |
|  | **6.2** | | The change of SQAR form for [REDACTED] was noted and approved. There were no further comments. **Action** | Executive |
|  | **6.3** | | The change of SQAR form for [REDACTED] was noted and approved. Although the “Group Working” section of [REDACTED] form had been left blank, the SC was content to approve the change based on the wider information provided on SQAR activities in the organisation’s Annual Return considered earlier in the meeting. **Action.** | Executive |
|  | **6.4** | | [REDACTED] Change of SQAR Form was approved with no further comments. **Action** | Executive |
|  | **6.5** | | [REDACTED] - See **4.11**, above. |  |
|  | **6.6** | | The SC considered 4 applications to either replace or add SQARs. All 4 were approved without requests for further information. The Sub-Committee noted 1 removal of a SQAR.  *[*[REDACTED] *left the meeting 11.58]*  *[*[REDACTED] *left the meeting 11.58]*  *[15 minute break]* |  |
| **7.** | [REDACTED] **Interim Visit** | | |  |
|  | **7.1** | | [REDACTED]  *joined the meeting 12:16]*  Feedback from [REDACTED] , following their interim visit, was discussed. The SC considered that it was an acceptable response. Though the questions have not been directly answered, the information needed has been provided. It was not specified if central checking of conflicts management plans was taking place but the SC assume this is happening. It was expected that [REDACTED] would be able to confirm if they are using the new plans put in place, therefore it was requested the Executive and Lead SQAR have a conversation to confirm if [REDACTED] are thinking of using this process. **Action** | Executive |
| **8.** | **Interim Visit Reports** | | |  |
|  | **8.1** | | [REDACTED] Interim Visit Report was noted with no further comments. |  |
|  | **8.2** | | [REDACTED] Interim Visit Report was noted. The SC observed that if there is confidence in ICAEW, we should only need detailed Interim Visit Reports when there are issues. |  |
|  | **8.3** | | [REDACTED] Interim Visit Report was noted. In the interest of time, the Chair asked the SC to speak up if they had any queries about the following remaining Interim Visit Reports, otherwise all would be noted. All Interim Visit Reports were noted. |  |
|  | **8.4** | | [REDACTED] - This was tabled in error as it was dealt with at a previous meeting. |  |
|  | **8.5** | | [REDACTED] - noted as above in 8.3 |  |
|  | **8.6** | | [REDACTED] - This was tabled in error as it was dealt with at a previous meeting. |  |
|  | **8.7** | | [REDACTED] - This was tabled in error as it was dealt with at a previous meeting. |  |
|  | **8.8** | | [REDACTED] This was tabled in error as it was dealt with at a previous meeting. |  |
|  | **8.9** | | [REDACTED] - noted as above in 8.3. |  |
|  | **8.10** | | [REDACTED] - noted as above in 8.3. |  |
|  |  | | The SC noted 6 Interim Visit Reports without request for further information from either ICAEW or the organisations concerned. |  |
| **9.** | **QAS Annual Return Form** | | |  |
|  | **9.1** | | The updated Annual Return Form was discussed. The SC requested the following specific changes:   * Section 5 should be moved ahead of Section 4. * A line encouraging firms to include information on relevant SQAR activities, not already covered in relation to APS QA1 Outcomes should be added to the introductory text of Section 8. * The title of 4.3 should read “Members and other” rather than “Members and those”.   The SC discussed extensively how best to address historic difficulties with the section on APS QA1 Outcomes. The SC and the Executive agreed that what was required was a distinction between two columns where one captures both what is required by APS QA1 (*i.e.* reporting on steps taken to ensure that outcomes continue to be achieved and steps taken to monitor the effectiveness of policies and procedures) and specific examples of events/activities which have taken place during the relevant reporting period which evidence, or demonstrate, that this has actually happened. To that end the SC agreed that the two current columns should be combined into one and that a new column, more clearly stating the requirement for evidence with specific examples should be added.  4. It was agreed that the Executive would make these changes and seek SQAR feedback on Survey Monkey and thereafter to provide the final version to the SC for approval at their December 2020 meeting. **Action.** | Executive |
| **10.** | **QAS Change of SQAR Form** | | |  |
|  | **10.1** | | The SC discussed the updated Change of SQAR Form. It was requested the word ‘or’ be added between the bullet points of the introductory text. As the lead SQAR needs to be approved, it was requested to add another bullet, in the same section, to give the option to change a Lead SQAR. The Executive will update, and the SC indicated that there is no need to seek SQAR feedback, in line with the proposed approach for the Annual Return Form. **Action.** | Executive |
| **11.** | **QAS SC Self-Assessment** | | |  |
|  | **11.1** | The draft QAS Self-Assessment Action Plan was discussed. The Chair stated that the Regulation Board are yet to confirm their strategy. Once the Regulation Board has decided on their strategy, the SC can build on that and create relevant objectives. | |  |
| **12.** | **SQAR Webinar Feedback** | | |  |
|  | **12.1** | It was noted that another SQAR Forum webinar is scheduled for November 2020. The SC found the feedback from the previous webinar in July 2020 very helpful. | |  |
| **13.** | **AOB** | | |  |
|  | **13.1** | | [REDACTED] |  |