



### PLEASE NOTE

Please read the PC Handbook and the relevant Competency Framework for the PC(s) which you are applying for before completing this section.

Under each of the competencies, you should provide full details to explain how you meet each of the competencies set out in the relevant Competency Framework(s).

If you are applying for more than one PC, please ensure you provide full information relevant to each PC type by indicating which PC the information relates to.

This section of your application will be shared with the Practising Certificates Committee. It would therefore be helpful if you could try to avoid providing details that could allow you, your employer or the entity/syndicate/scheme you are describing to be identified.

I would like the opportunity to discuss this section of my application with the IFoA No

I have provided a reference or supportive statement from another PC Holder (optional) No

**Please explain how you meet each competency.**

**To support the information included, please provide at least one specific example of where you have demonstrated each competency.**

### 3.1 Communication

Over the last three years, I have worked closely with two scheme actuaries on five schemes, where I provide the primary support role. I have helped to provide detailed advice to these Trustee Boards, which includes three Boards with professional Trustees. I therefore have to ensure the advice is clear and focussed on the key issues, as well as accessible to technical and non-technical stakeholders. I prepare initial drafts of much of the written technical advice on behalf of the relevant scheme actuary (or sometimes review their advice) as well as attending trustee meetings and liaising directly with trustees between meetings, helping to explain the advice and answering questions.

The Trustee Boards that I advise, as well as the sponsor representatives consist of people of varying knowledge and expertise ranging from long-serving and independent trustees to newly appointed trustees with very little or no pensions knowledge. The recipients of my advice need to be able to make informed decisions on complex technical actuarial issues. Therefore, in addition to providing the technical information to support my advice, I always provide an executive summary to help the reader understand the key objectives and recommendations.

I have worked with scheme actuaries to support two sets of Trustees in their negotiations with employers in recent years, which has included negotiations on the range of possible

One recent example (in the last two years), where I demonstrated this competency was a situation where, during the valuation process, our calculations showed that the valuation results were materially worse than expected. I was responsible for leading the delivery of those valuation results and was required to explain the reason for the change in position. I first discussed this with the Scheme Actuary and in advance of delivering the advice to the Trustees, I worked with covenant and legal advisors to consider possible options and was able to incorporate those into my advice. I delivered the valuation results to the trustees at a meeting, which involved responding to questions and challenges from the trustees. I had to carefully explain the key issues that resulted in the change and with the benefit of my discussions with the covenant advisor, I was able to put forward suitable options to help reach an agreement. I then presented the advice to the sponsoring employer, who challenged the option put forward by the covenant advisor that was agreed with the Trustees. This led to further work being carried out with the covenant advisor and a number of follow up meetings where I put forward some alternative options to the sponsor and we were able to reach an agreement ahead of the valuation deadline.

assumptions that could be adopted and in conjunction with the Scheme Actuary, have been able to influence decisions to ensure an appropriate outcome.

I have supported two sets of Trustees in discussions with TPR around funding and investment strategy, which included assisting in responding to the Regulator's questions and challenges and helping to explain the Trustees position.

There is often a range of potential outcomes, rather than a single correct answer. For example, when illustrating the buy-out cost to the Trustees. The actual cost will only be known by obtaining actual quotes from insurers. Therefore, I (along with the Scheme Actuary) make sure when illustrating these costs, that the Trustees are aware of this area of uncertainty and the limitations in our estimate of the buy-out price when insurers will not disclose their pricing bases due to commercial considerations, so both the Trustees and the sponsor appreciate the cost uncertainties and the impact this may have on other decisions.

When delivering advice, my aim is to ensure that Board members understand the advice, the risks and uncertainties involved and any expert judgements made.

### 3.2 Leadership/Accountability

Over the time I have worked on these schemes, I have been able to build strong relationships with each of the Trustee Boards. So much so, it has been agreed that I will take on three of these appointments when I have my Scheme Actuary Certificate in place. This demonstrates that the Trustee Boards have the confidence in me and the advice that I have provided and see me as a trusted advisor.

Although the scheme actuaries I work with have overall responsibility for the advice, I take a lead role on all five schemes in producing and delivering the advice to the Trustees and I am responsible for the client teams for each of these schemes. I am the main point of contact for the schemes, which includes responding to queries and challenge on the advice.

I discuss my advice with the relevant Scheme Actuary in advance of delivering to the client and I am often challenged on that advice by the Scheme Actuary to ensure that it is robust and stands up to challenge.

Within the last year, one of the scheme actuaries to which I provide primary support took on a new Scheme Actuary appointment from another firm which had an imminent valuation due. I was responsible for leading the team on this valuation work and, along with the Scheme Actuary, obtaining the necessary information required to carry out the valuation on time from the relevant parties. This involved working to tight timescales to ensure the team understood what was required from them and that deadlines were clear and achievable, I made sure to have regular meetings with the team to check on progress and to sense check whether any issues were likely to arise during the short period of time that we had to complete the work. I then reviewed the calculations carried out by the team, making sure that historical data was considered in reaching the conclusions and challenged those conclusions to ensure the advice was robust to stand up to scrutiny from the Trustees and sponsoring employer. I discussed the final advice with the Scheme Actuary, which included challenge and questions, ahead of presenting the final advice alongside the Scheme Actuary to the Trustees and subsequently the sponsor.

### 3.3 Professionalism

I often review advice prepared by my colleagues and frequently provide an independent opinion on certain aspects of the advice, including challenging issues where relevant. This is particularly relevant where I lead the client teams and have to ensure the advice produced is at a standard where I feel confident to discuss with the Scheme Actuary, and subsequently the Trustees, and answer any questions they may have. As mentioned at 3.2, I discuss the advice produced by myself or the team with the various scheme actuaries in advance of delivering to the client and I am often challenged on that advice by the relevant Scheme Actuary. As part of that I have to be willing to reconsider my opinion where other information has been brought to my attention and where it is justified to do so.

We work collaboratively with all of the Scheme's stakeholders, so if and when new information is made available, I can take this into account in my advice. For example, new information on the strength of the employer's covenant can often emerge throughout the 15-month valuation project. There has one occasion over the last two years where this has led me to revisit advice I gave earlier in the valuation project on the amount of prudence allowed for in the technical provisions and to discuss this with the Scheme Actuary and then the Trustees to agree whether it is appropriate to make a change in the basis.

I am comfortable to challenge the Trustees' decisions where I think they may not have considered all the relevant issues before making a decision. There have been occasions where I have suggested that the Trustees take advice from other experts to ensure all issues have been considered before a final decision is made.

Conflicts of interest are always an important aspect, particularly during funding discussions for those trustees who may hold a senior decision-making role at the sponsor. It is the first item included on Trustee meeting agendas to ensure everyone considers this issue in the context of all the items due to be discussed at the meeting.

A recent example of challenging Trustees' decisions is where I had advised a Trustee board that the technical provisions should be adjusted to reflect a deteriorating employer covenant as part of my valuation advice. The Trustees challenged the proposals that I had recommended and questioned whether there was a need for the technical provisions to be adjusted, leading to the Trustees deciding that no adjustments were required. I (with support from the Scheme Actuary) challenged this decision and recommended that the Trustees firstly seek independent covenant advice to establish the true level of affordability so that there was justifiable evidence available to support their proposal ahead of putting this forward to the sponsoring employer. The independent advice supported my initial recommendation that the technical provisions should be adjusted, and after discussing this at a further meeting and providing further explanation to help the Trustees understand the proposal, the Trustees accepted the adjustment to the technical provisions. They were then able to use the supporting evidence received from the independent covenant advisor to support the proposal and put this to the sponsor, which was also accepted.

### 3.4 Knowledge, awareness and understanding

I keep up to date with legal and regulatory requirements which are relevant to UK pensions, including completing relevant CPD and incorporating this into my advice, where relevant.

I have worked with all of my clients to prepare for the Regulator's new funding code and, where appropriate, incorporated some of the key themes into my advice in advance of the publication of the code.

To ensure I am fully up to date with the upcoming changes to RPI, I have attended many CPD sessions and internal discussions on the approach and how to incorporate this into our advice. I have been able to use this learning when assisting the scheme actuaries in relation to reviewing CETV and other factors in light of the changes to RPI, which I have done for all of the schemes that I work on. I have also been involved in revising methodology for setting future inflation

In conjunction with the scheme actuaries I work with, we consider the issues affecting the risks undertaken by the schemes that I work on. I also work with other professional advisers to ensure I am able to fully advise the trustees on how they can manage and mitigate those risks.

I have considered the IFOA's thematic review report on actuarial factors and in particular, I ensure further explanation is incorporated into the advice to explain the rationale for differences between assumptions used for different actuarial factors.

assumptions for CETV 's for two schemes and explaining the changes to the Trustees. I was responsible for carrying out the calculations, which the Scheme Actuary reviewed, and then presenting this to the Trustees. As part of this, I provided a short training session at the beginning of the Trustee meeting to ensure the Trustees were fully aware of the changes and the implications. I then explained the changes that were made to the methodology and answered questions from the Trustees.

### 3.5 Technical skills

I am involved in developing technical advice for all of the schemes that I work on and I am responsible for communicating this advice to the client team and the Trustees. In particular, I have been involved in the following work over the last three years, which demonstrates my understanding of the relevant technical areas:

- Preparing and presenting funding advice in relation to actuarial valuations for all five schemes;
- Developing and presenting advice on CETV assumptions for all five schemes;
- Explaining reducing CETVs to allow for underfunding to some schemes;
- Preparing an insufficiency report;
- Delivering advice about setting actuarial factors and the cash commutation factors in particular for all five schemes;
- Preparing Section 179 valuations and presenting the reports to the trustees;
- Completing work in relation to PPF issues (PPF levy estimates, mitigation strategies, advice in relation to PPF compliant contingent assets) and preparing actuarial certification for Deficit Reduction contributions;
- Undertaken work in connection with a bulk transfer without consent;
- Prepared annual actuarial reports and supported the Scheme Actuary in discussions with the Trustees in the years where no valuation is being carried out for each scheme;
- Provided advice on closure to accrual of one scheme having regard to the scheme's formal documents and the impact on the funding and investment strategy;
- I also supported one scheme actuary in discussions relating to bringing forward a valuation due to significant deterioration in funding.

In my role as primary support to two scheme actuaries, I have led the delivery of five valuations over the last three years. This has involved leading the client team developing the advice, reviewing the calculations, and then discussing this with the Scheme Actuary. When reviewing the calculations, I have ensured that we have considered the sponsoring employer's covenant and investment strategy. On two occasions I delivered the assumptions advice and valuation results alone and in the other three instances I assisted the Scheme Actuary with the delivery of the advice. However, in all cases I have answered the Trustees questions and responded to challenge.

As part of the valuation work I have also:

- Scrutinised balance sheets, analysis of surplus and contribution rate results;
- Prepared drafts of the statements of funding principles, recovery plans, schedules of contributions; and
- Drafted scheme funding reports;