



The Actuarial Profession

making financial sense of the future

Consultation paper
Practising certificate regime proposals

**Professional regulation
executive committee**

Publication date:
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Closing Date:
31 December 2010

Sir Philip Mawer, chairman of the professional regulation executive committee

As chairman of the professional regulation executive committee¹ of the Actuarial Profession (PREC), I am writing to consult you about proposed changes to the practising certificate regime, which, if approved, will come into effect from 1 July 2011.

This is one of the areas that PREC is examining, with the input of the Professional Oversight Board of the Financial Reporting Council (FRC), as part of the PREC's responsibility for ensuring, on behalf of the Profession, the effective regulation of the Profession's members.

1. The current regime

The current practising certificate regime was established in 1990 with the introduction of life insurance appointed actuary certificates. Pensions practising certificates were introduced in 1996 for scheme actuaries and, in 1999, certificates became required for certain general insurance actuaries in the Lloyd's market. Following the abolition of the appointed actuary regime in 2004, life insurance practising certificates are now required to be held by actuarial function holders, with-profits actuaries and reviewing actuaries.

All roles for which certificates are currently required can only be held by actuaries qualified to Fellowship level, i.e. Fellows of the Institute and Faculty of Actuaries. Those roles are commonly referred to as "reserved roles".

The practising certificate regime provides an overt method of demonstrating to interested parties (e.g. trustees, insurers' management and regulators) that the actuaries appointed, or those who are being considered for appointment, to reserved roles are fit and proper, appropriately experienced and competent to hold those roles.

Over the past two decades, the regime has developed incrementally. At the same time, the standards expected of a self governing profession by the public, government and regulators have become higher. A review of the way in which the Actuarial Profession's regime operates against current external expectations was therefore appropriate and timely.

2. The review

PREC established the practising certificate regime working party² (the Working Party) to carry out a review of the current regime of practising certificates for reserved roles. The Working Party was specifically instructed not to consider the question of extending the regime beyond those actuaries currently required to hold certificates (that question is the subject of separate consideration by PREC).

The review falls under the Profession's developmental theme of maintaining the high standards of its quality framework against the measures of actuarial quality developed by the FRC, as set out in the Profession's corporate plan.³

This review, which forms one strategy for reinforcing public confidence in the quality and expertise of the actuarial skill set, has now been completed and the Working Party has prepared a number of recommendations which form the basis of this consultation.

In carrying out the review, the Working Party first identified the following key objectives of the practising certificates regime:

1. To provide a method of indication to users of actuarial services that a particular actuary has the necessary skills and experience to carry out a particular type of work;
2. To ensure that certificate holders are fit and proper;

¹ A short note on the responsibilities and objectives of the Committee is attached at Appendix A.

² The make-up of the Working Party and its aims are set out in a note attached at Appendix B.

³ See <http://www.actuaries.org.uk/about-us/pages/corporate-plan-201011>

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3. To provide a method of indication to users of actuarial services that a particular actuary has the demonstrated ability to produce work meeting all relevant quality standards;
 4. To give actuaries, clients and other interested parties (e.g. regulators) confidence that the regime is being operated effectively and fairly; and
 5. To provide a worthwhile further professional development aim for qualified actuaries.

The Working Party then assessed the current regime against those objectives, identified the gaps between the two and made recommendations that would close those gaps.

3. Recommendations of the Working Party

In general, the Working Party considered that the current regime was operating satisfactorily and there was little evidence of dissatisfaction with it from stakeholders. Many of the changes recommended are therefore aimed at improving the transparency and consistency across practice areas of the scheme. However, the Working Party also recognised the need, against the background of modern day expectations, for the regime to be less reliant on self-certification of eligibility factors.

Some strengthening of the requirements for first being granted a certificate are also recommended, aimed primarily at ensuring that all certificate holders have the same minimum background of experience and technical knowledge.

The recommendations of the Working Party fall into several categories:

- (1) Recommended changes to the existing regime;
- (2) Recommended changes to the administration of the regime; and
- (3) Recommendations to other bodies/committees to consider changes.

The proposals will be of particular significance to those actuaries who are contemplating applying for practising certificates in the future.

Section 1 - Recommended changes to the existing regime

1. An initial applicant's claims to experience and general suitability to hold a certificate must be confirmed by another practising certificate holder, using the form of declaration set out at Appendix D to this paper;
2. The mentoring option⁴ for new certificate holders should be removed;
3. All experience relied upon by initial applicants, both technical and professional, must be obtained post qualification as a Fellow of the Institute and Faculty of Actuaries (or either predecessor body);
4. Claims to experience and knowledge/skills should be subject to verification, on a random sampling basis;
5. All initial applicants must have at least three years experience post qualification as a Fellow of the Institute and Faculty of Actuaries (or either predecessor body);
6. All initial applicants must have completed the CPD required of a 'category 1' actuary in the twelve months prior to the application;
7. Technical experience to satisfy the specified requirements must have been gained by the applicant within the preceding four years, with at least three months experience having been gained in the 12 months prior to the application being made;
8. Criminal record and credit checks should be carried out for all initial applicants prior to approval and criteria should be established for the rejection of applications on the basis of negative reports;

⁴ Historically, available to scheme actuaries only.

9. Further criminal record and credit checks should be carried out for all practising certificate holders every five years;
10. Applicants must confirm that they expect to have sufficient time and resources to carry out the reserved role work which they expect to carry out in the following year; and
11. The practising certificates committee should take into account any external regulatory censure (or comment) in relation to workload when assessing the application.

Section 2 - Recommendations for changes to the administration of the regime

1. A lay member should join the practising certificates committee to ensure that the public interest remains at the fore;
2. A standardised process for the approval of certificate applications should be published, including guidelines to ensure the consistent completion of applicants' declarations and the assessments made by the practising certificates committee (the PCC) on the basis of those declarations;
3. Evidence should be maintained that the proper application process has been followed in each case;
4. Guidelines should be developed to ensure transparency in the identification and avoidance of conflicts of interest within the application process; and
5. The practising certificates regime should continue to be included within the Profession's cycle of internal audit investigations.

Section 3 - Recommendations to other bodies to consider changes

1. PREC to consider, in the context of its wider developmental theme, the extension of peer review to practising certificate holders not already subject to this requirement; and
2. Practice executive committees to consider organising CPD events specifically for practising certificate holders, where not already happening.

Appendix C to this document sets out the recommendations in more detail together with the corresponding rationale. The table also demonstrates the link between the recommendations, the objectives of the review and the FRC's Actuarial Quality Framework⁵.

4. Transition

The Working Party has also given consideration to arrangements which will be required to ensure an orderly transition to any new regime arising from the implementation of its recommendations. In particular, the Working Party was careful to ensure that members will have sufficient notice to prepare for the introduction of any new requirements. Upon the completion of this consultation exercise, a decision shall be taken on the implementation of the Working Party's recommendations and the Profession will determine the relevant dates for any adopted measures.

Subject to the consultation, the Working Party considers that transitional arrangements may be required in the following areas:

- Experience requirements for initial applications: a minimum of 15 months notice from the date this consultation process commences, i.e. for all new applications with an effective date from 25 January 2012; and
- Mentored certificates: mentored certificates will continue to be issued up to and including 31 December 2011. Certificates in existence at that date will continue to be

⁵The version of the Actuarial Quality Framework (AQF) used during the course of the review can be found at <http://www.frc.org.uk/images/uploaded/documents/Actuarial%20Quality%20Framework4.pdf> while the current version, published in June 2010, can be found at <http://www.frc.org.uk/images/uploaded/documents/Actuarial%20Quality%20Framework%20June%2020101.pdf>

subject to the mentoring process until the actuary meets the relevant requirements under the new arrangements.

5. Q & A

The Working Party has prepared a question and answer document which seeks to address what the Party considers are likely to be the most common questions arising out of its recommendations. This document is included at Appendix E.

6. Possible further developments

The Working Party's review marks the beginning of the Profession's wider review of professional quality assurance and the practice environment.

In the event that further changes are proposed to the practising certificates regime as part of this wider review, additional consultation will be carried out.

7. Responses to this consultation

The aim of this consultation is to gather views on the changes to the practising certificate regime recommended by the Working Party, as set out in full at Appendix C.

Once the responses have been considered, a decision will be taken by PREC on the extent to which the Working Party's recommendations ought to be implemented.

In order to ensure that any changes to the existing regime are a proportionate response to the issues identified by the Working Party, we welcome your views on the recommendations of the Working Party.

A questionnaire is included at Appendix F to this paper and a link to an online version of the questionnaire can be found on the Actuarial Profession's website at <http://www.actuaries.org.uk/regulation/pages/consultation-and-discussion-papers>.

We would be pleased to receive any general comments on the recommendations in addition to the completed questionnaires.

Please return your completed questionnaires and any comments you have on this consultation paper by e-mail to consultations@actuaries.org.uk or by post to:

PC regime working party
Professional Regulation Practice Manager
The Actuarial Profession
Maclaurin House
18 Dublin Street
EDINBURGH
EH1 3PP

It would assist us if, when you reply, you would provide contact details and confirm the nature of your interest in the practising certificate regime.

Please also indicate whether any of the information you supply in your response ought to be treated confidentially. Unless you so indicate, we may make responses to this paper available on our website at www.actuaries.org.uk.

The deadline for submitting a response to this Consultation is 5pm on **31 December 2010**.

Sir Philip Mawer
Chairman
Professional regulation executive committee

Professional regulation executive committee

The Actuarial Profession's professional regulation executive committee reports to the management board and comprises a lay chairman, two additional lay members, volunteer actuaries and the Profession's head of professional regulation. Its purpose is to help ensure the confidence of the public and other stakeholders in actuaries and their work by:

- developing and maintaining the Profession's quality framework and supporting systems and structures;
- promoting the observance of high standards by members of the profession; and
- building and sustaining productive and mutually respectful relationships with the Profession's regulatory and other stakeholders.

It seeks to ensure that the system of regulation it develops is both strategic and proportionate, complementing the highly regulated environment in which actuaries already work. In accordance with better regulation principles⁶, its hallmarks will include:

- Transparency – clear expectations and procedures in support of high standards;
- Accountability – a ready acceptance throughout the Profession of individual and collective responsibility for promoting and observing high standards;
- Proportionality – procedures which are appropriate to the risks posed;
- Consistency – in the rules and standards expected and how they are applied; and
- Targeting – procedures which are focussed on the problem they are intended to address, enforceable and cost-effective as a solution.

Key responsibilities include:

1. authorises the Profession's ethical code and any Actuarial Profession standards,
2. develops and applies membership rules,
3. sets CPD requirements for membership categories,
4. considers the implications of its international obligations for the development of the UK Profession's regulatory arrangements,
5. sets rules and criteria for the issue of practising certificates and the rules for reserved role holders, and oversees the administration of the practising certificates regime,
6. manages the activity of the Designated Professional Body, and
7. maintains a liaison with other regulators and Government on matters of regulation of individual actuaries.

⁶ Sir Philip Hampton review 2005 – 'Reducing administrative burdens: effective inspection and enforcement'

Practising certificate regime working party

The professional regulation executive committee (PREC) established the practising certificate regime working party (the “Working Party”) following a dialogue with the Professional Oversight Board (POB) on the issue of quality control within the Profession.

The POB considers the practising certificate regime to be a key quality control mechanism for the Profession in serving the public interest. It has recommended that the Profession should consider the conditions which should apply to the issue of practising certificates, including reliance on the professional quality assurance arrangements operated by actuarial firms, and the extent to which reliance may be placed on these and on senior actuaries in firms to support and confirm compliance of individual actuaries with their professional responsibilities.

The Working Party was therefore tasked with conducting a review of the practising certificate regime.

Membership of the Working Party

Members: Mike Kipling (Chair), Fiona Morrison, Alex Marcuson, Gary Hibbard and Simon Weinberger

Lay member: Penny Shepherd

For the Profession: Christine McConnell, Stephanie Lynn, Robert McGregor and Cath Bryson (and, during 2009, Irene Paterson)

Recommendations of the Working Party

The following table details the Recommendations and the rationale behind each recommendation of the Working Party in respect of Phase 1 of the project. The table also demonstrates the link between the recommendations and the Financial Reporting Council’s Actuarial Quality Framework⁷. The reference numbers (“Ref.”) correspond with the objectives of the Working Party as listed at pages 1 and 2 of the consultation paper.

No.	Ref.	Recommendation	Rationale for recommendation	Contribution to actuarial quality drivers, using the FRC Actuarial Quality Framework Driver
1.	1/2.	Claims to experience in initial application must be confirmed by evidence of another PC holder.	Demonstrates that applicant has the support of a PC holder and that he/she considers the applicant is capable of performing the role and possesses a general suitability of character to be a certificate holder. PC holder will also be responsible for the due diligence that applicant has appropriate experience of both a technical and professional nature. The Profession has already satisfied itself that the PC holder is sufficiently capable of performing the role and it is therefore appropriate for the profession to rely on this expertise.	Ensuring that claims to experience are valid will provide assurance that technical skills of PC holders are sufficient to maintain quality standards. Will also contribute to the working environment driver as it will demonstrate that the actuarial quality is valued, invested in and rewarded and that there are effective arrangements for controlling and monitoring actuarial quality.
2.	1.	Removal of mentoring option	We consider that a practising certificate (PC) should not give clients the impression that an individual is personally sufficiently experienced when he or she is not. Also, as we recommend below that a statement is obtained from a sponsor that an applicant is of sufficient capability and experience to perform the role, it would be inconsistent to have a mentoring option, as mentoring recognises that the applicant is not fully capable of performing the required work.	Contributes to the technical skills of actuaries, i.e. will provide assurance to users that PC holders have necessary technical skills to make a positive contribution to actuarial quality
3.	1.	All experience, both technical and professional, must be obtained post qualification as a Fellow of the Institute and Faculty of Actuaries (or either predecessor body).	Desire to move to post Fellowship qualification as we need to demonstrate experience at a sufficient level. Work done as a student would always be supervised and with input from experienced colleagues.	As above. Level of experience will contribute to ensuring that technical skills of PC holders are sufficient to make a positive contribution to actuarial quality

⁷ The review was completed and this document drafted having regard to the Actuarial Quality Framework in place as at May 2010.

No.	Ref.	Recommendation	Rationale for recommendation	Contribution to actuarial quality drivers, using the FRC Actuarial Quality Framework Driver
4.	1.	Claims to experience and knowledge/skills should be subject to a verification process, on a random sample basis. PREC to define process for this.	Illustrates that requirements and processes are being met in all circumstances and that the system is not being misused to obtain a PC without appropriate experience.	As above. Verification will ensure that skill levels are maintained to standards which will make a positive contribution to actuarial quality.
5.	1.	Total post qualification as a Fellow of the Institute and Faculty of Actuaries (or either predecessor body) of at least 3 years.	Applicants require to demonstrate that they, not only have sufficient technical skills, but have been experienced for a sufficient period to allow them to speak up when required. It was considered that three years was a sufficient total length of experience for this to be acquired. It should be noted that the WP considered that the practising certificate committee (PCC) will need to set clear criteria to calculate the three year period – taking into account that it is actual working time which will be required. In particular, criteria will need to be developed by PCC in relation to part-time work.	Will contribute to the technical skills of actuaries and to the ethics and professionalism of actuaries by ensuring that actuaries are able to speak up when they have reasonable concerns about actuarial work or the way it is used.
6.	1.	All new applicants must have completed the CPD required of a 'category 1' actuary in the twelve months prior to application.	Consistent with our other recommendations, we consider that a new certificate holder would reasonably be expected by clients and the general public to be able to 'hit the ground running'. We therefore recommend that new applicants should have carried out in the immediate preceding 12 months at least the same minimum amount of CPD as is required of an existing certificate holder.	Will contribute to the maintenance of high standards in relation to technical skills for PC holders thereby ensuring that they make a positive contribution to actuarial quality.
7.	1.	All of an applicant's specified technical experience to be within last four years with some experience within last one year of practice in relevant field.	The Working Party was anxious to ensure that experience gained is recent to reflect the fast-moving working environment.	Will contribute to the maintenance of high standards in relation to technical skills for PC holders thereby ensuring that they make a positive contribution to actuarial quality.

No.	Ref.	Recommendation	Rationale for recommendation	Contribution to actuarial quality drivers, using the FRC Actuarial Quality Framework Driver
8.	2.	Criminal record and credit checks to be carried out on all applicants prior to initial approval and criteria established for rejection of applications due to negative reports.	Applicants can be expected to hold positions of trust and it is appropriate that due diligence is undertaken by the Profession to ensure that they are fit and proper to hold these positions. This is consistent with the requirements of the FSA's approved persons regime. The Working Party considered this carefully as it recognised that it represents an infringement into an applicant's personal life. The Working Party also considered the cost and administrative burden. However, it was felt that this is a proportionate measure given the potential risks. Sample checking was not considered appropriate since very few checks are likely to reveal anything.	Will contribute to ensuring that the ethics and professionalism of PC holders is of sufficient standard to contribute positively to actuarial quality.
9.	2.	Regular criminal record and credit checks to be completed on a less frequent basis (every five years).	Consideration was given to frequency of checks. Annual checks were considered too burdensome and seven to ten years to was too long between checks given that the vast majority of convictions become "spent" (i.e. are not disclosed under basic CRB or Disclosure Scotland checks) after five years. Again, sample checking was not considered appropriate since very few checks are likely to reveal anything.	As above
10.	3.	Application forms to require declaration that applicant will have sufficient time and resources to carry out the "required work" which he or she intends to carry out in the following year. Any external regulatory censure (or comment) in relation to workload to be taken into account. Guidelines to acceptability of declarations to be developed by	To illustrate that the applicant is not undertaking an excessive workload and will receive the proper support from peers and employers. It is recognised that this meets a specific POB concern that scheme actuaries may hold too many positions. This is evidenced by lack of regulatory censure.	Will ensure that due regard is paid in the PC regime to the working environment for actuaries which will enable them to make a positive contribution to actuarial quality.

No.	Ref.	Recommendation	Rationale for recommendation	Contribution to actuarial quality drivers, using the FRC Actuarial Quality Framework Driver
		practising certificates committee and executive.		
11.	4.	Lay input to practising certificates committee.	Lay input into the overall processes for awarding PCs will ensure that the public interest is considered. It is not envisaged that lay members will be involved in the decision regarding individual applications except in exceptional circumstances.	Will contribute to the stated driver of "other factors outside the control of actuaries" by ensuring that the governance of the application process is effective and transparent.
12.	4.	Practising certificates committee to develop and publish a standardised process for the approval of certificate applications including guidelines for the consistent completion of applicants' declarations and the assessments made by the PCC on the basis of those declarations.	The purpose of the standardised process is to allow the Profession to demonstrate that the application process is fair and transparent.	Will contribute to the driver of "other factors outside the control of actuaries" by ensuring that external review mechanisms are robust.
13.	4.	Practising certificates committee to develop guidelines on identifying and avoiding conflicts of interest within the assessment process.	The application process is fair and seen to be fair	Will contribute to the driver of "other factors outside the control of actuaries" by ensuring that external review mechanisms are robust.
14.	4.	PC regime to be included with the Profession's cycle of internal audit investigations.	Demonstrates that the process, designed to be fair and robust, is applied correctly.	Will ensure that the processes which support the PC regime are fairly and robustly applied to contribute positively to actuarial quality.
15.	3.	PREC to consider extending 'compliance/ peer review' requirements to work of PC holders not already subject to it.	The Actuarial Profession is unable to complete audits on individual's work. Extension of the peer review would subject greater amounts of role holder work to scrutiny to ensure actuarial quality in the key function areas.	As above. Will ensure achievement and maintenance of sufficient technical skills to positively contribute to actuarial quality. Will also contribute to the working environment driver in that it will ensure that there are effective arrangements for controlling and monitoring actuarial quality and dealing

No.	Ref.	Recommendation	Rationale for recommendation	Contribution to actuarial quality drivers, using the FRC Actuarial Quality Framework Driver
				with shortcomings.
16.	5	PECs to consider organising CPD events for PC holders, where this is not already happening.	To encourage acquisition of PC as a means of access to these status events.	Will assist with ensuring that actuaries are committed to lifelong learning and development in actuarial and industry specialist issues from a range of academic and commercial disciplines.
17.	2.	Disciplinary Board to be requested to consider ceasing the sanction of suspending practising certificates without specifying an end date to the suspension.	It was considered that this was an important requirement to include ensuring that those who have been disciplined remain unable to practise for an appropriate period.	Will contribute to the ethics and professionalism of actuaries by ensuring that actuaries aspire to the highest standards of professional conduct.

Draft declaration

This section must be completed by a practising certificate holder of the same description as the certificate applied for by the Applicant, who has personal knowledge of the Applicant.

I confirm that, to the best of my knowledge, in relation to the certificate for which the Applicant is applying:

- (i) the Applicant has the technical experience necessary to carry out the reserved work for which the certificate is required;
- (ii) the Applicant has the self assurance, influencing skills and ethical standards to behave professionally, exercise sound judgement and meet regulatory requirements when faced with those pressures which may arise in executing the reserved work for which the certificate is required; and
- (iii) the Applicant's character and professional experience make them a fit, proper and suitable person to hold a practising certificate.

Signature: _____
Print name: _____
ARN: _____
Date: _____

Q & A

1. Is there any evidence of risk if we don't make these changes?

Yes, unless the Working Party's recommendations are implemented there remains a risk that an actuary who does not disclose a relevant matter relating to his or her past or who lacks fully adequate experience may be issued with a certificate to act in a reserved role. If that were to happen, it is likely that public confidence in both practising certificate holders, specifically, and the Profession, more generally, would be damaged.

2. Will implementation of the recommendations have an effect on the cost of a practising certificate?

It is not anticipated that there will be any immediate increase to the cost of a practising certificate as a result of the implementation of any of the Working Party's proposals.

The Profession may continue to increase the cost of practising certificates in line with the rate of inflation as it has done historically.

3. Are the proposed criminal record and credit checks an unnecessary invasion of privacy?

No. The criminal record and credit checks recommended are an important part of ensuring public confidence in the regime, recognising that self-certification is no longer generally considered to provide sufficient protection.

It is also likely that many practising certificate holders will already be subject to these checks within their working environment.

4. How are applicants to assess whether or not they will have sufficient time and resource to undertake their 'reserved role' work?

The practice of reflecting on workload and, specifically, the capacity to undertake specific tasks, is one which the Profession wishes to promote to ensure that the high quality of actuarial work is maintained for the benefit of actuaries' clients.

It is recognised that it may be difficult for a certificate holder to identify in advance all of the activities he or she may be required to carry out in the following 12 months. However, by balancing conservatism in the acceptance of additional reserved roles with contingency planning for disruptions to the expected matching of work and resources, individual actuaries ought to feel sufficiently able to make the required declaration.

5. The mentoring function has been in place for some time – why change it now?

The Working Party is of the view that the possession of a practising certificate should not give clients/members of the public the impression that the holder is personally sufficiently experienced, when that may not be the case.

The Working Party has also recommended that a statement ought to be obtained from a sponsor to confirm that an applicant has the capability and experience to perform the role for which a certificate is being sought.

It would, therefore, be inconsistent to allow the practice of mentoring to continue given that in doing so the Profession would be recognising that the applicant is not fully capable of performing the required work independently.

6. Are the CPD events which the Working Party recommends the practice executive committees organise to be offered to practising certificate holders only?

Not necessarily. At the discretion of the individual practice executive committees, members of the wider Profession would also be welcome to attend these events, particularly those who intend to apply for a practising certificate in the future.

7. How can actuaries working in small firms or as a sole practitioner have their claims to experience signed off by a practising certificate holder?

There is no requirement that the countersigning practising certificate holder must be a member of the same firm as the applicant.

An applicant may choose to ask any practising certificate holder to countersign the application and it is for the practising certificate holder to satisfy him or herself of the applicant's experience and general suitability of character before doing so, for example by enquiry of other certificate holders or senior actuaries with whom the applicant has worked.

8. Is this just adding more red-tape?

No. The Working Party was mindful of the need for proportionality in the recommended outcomes and considers that the recommendations represent a proportionate response to the risks the Working Party seeks to address.

Questionnaire

Please circle the comment which reflects your position on the questions posed.

This questionnaire can be completed online by following the link on the home page of the Actuarial Profession's website (www.actuaries.org.uk).

Please indicate whether any of the information you supply in your response to this consultation paper ought to be treated confidentially. Unless you indicate that your responses are to remain confidential, we may make responses to this paper available on our web-site.

I would like my response to remain confidential

I am happy for my response to be shared

1. Are you an actuary?

Yes

No (please proceed to question 4)

2. Which fields of actuarial work are you involved in?

3. How many years qualified are you?

3a. Do you currently hold a practising certificate?

Yes No

3b. If not, do you consider that you may apply in the future to hold a practising certificate?

Yes No

4. What is your occupation?

5. Do you agree with the Working party's proposal to have a practising certificate holder confirm each initial applicant's claims to experience and general suitability to hold a certificate?

Strongly agree	Agree	Neither agree nor disagree	Disagree	Strongly disagree
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If you disagree with the Working Party's recommendation, what steps would you propose to allow the Profession to verify an initial applicant's claims to experience and suitability?

6. **Do you agree with the Working Party's proposal for the declaration to be completed by the vouching practicing certificate holder, set out at Appendix D to the PC regime consultation paper?**

Strongly agree	Agree	Neither agree nor disagree	Disagree	Strongly disagree
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If you disagree, please let us have your alternative suggestions for the wording of such a declaration.

7. **Do you consider that the mentoring option for initial certificate holders ought to be removed, as the Working Party recommend?**

Strongly agree	Agree	Neither agree nor disagree	Disagree	Strongly disagree
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Additional comments

8. **The Working Party recommend that all experience relied upon by initial applicants, both technical and professional, ought to have been obtained post qualification as a Fellow. Do you agree?**

Strongly agree	Agree	Neither agree nor disagree	Disagree	Strongly disagree
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Additional comments

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9. Do you agree with the recommendation that an initial applicant's claims to experience and knowledge/skills ought to be subject to verification on a random sampling basis?

Strongly agree Agree Neither agree nor disagree Disagree Strongly disagree

Additional comments

10. Do you agree with the recommendation that actuaries must have a minimum of three years qualified experience (i.e. Fellowship experience) before applying to hold a practising certificate?

Strongly agree Agree Neither agree nor disagree Disagree Strongly disagree

Additional comments

11. Do you agree that initial applicants should be required to have fulfilled the 'category 1' CPD requirements in the 12 months immediately preceding their application?

Strongly agree Agree Neither agree nor disagree Disagree Strongly disagree

Additional comments

12. The Working Party recommends that all technical experience specified within an applicant's initial application must have been gained within the preceding four years, with at least three months of that experience having been gained in the 12 months prior to application being made. Do you agree with this proposal?

Strongly agree Agree Neither agree nor disagree Disagree Strongly disagree

Additional comments

13a. Do you agree with the recommendation of the Working Party that all initial applicants ought to submit to criminal record and credit checks prior to their application for a practising certificate being approved, with a framework to be established for the rejection of applications on the basis of negative results?

Strongly agree	Agree	Neither agree nor disagree	Disagree	Strongly disagree
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Additional comments

13b. If you agree with the proposal, please confirm how you consider the Profession ought to implement the recommended checks:

Credit checks

For the Profession to carry out credit checks on applicants based upon information supplied within the practising certificate application;

For applicants to obtain credit checks independently and produce the results to the Profession; or

Another option (specified below).

Criminal record checks

For the Profession to gather the necessary original documentation from applicants (e.g. passport or driving licence etc) and apply to the CRB or Disclosure Scotland for basic disclosure checks;

For applicants to apply to the CRB or Disclosure Scotland directly for basic disclosure checks and produce the resulting certificates to the Profession; or

Another option (specified below).

14. Do you consider that criminal record and credit checks ought to be carried out for all practising certificate holders every five years?

Strongly agree	Agree	Neither agree nor disagree	Disagree	Strongly disagree
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Additional comments

15. **Do you agree with the recommendation that applicants are required to confirm within application forms that they expect to have sufficient time and resources to undertake the reserved role work which they expect to carry out in the following year?**

Strongly agree	Agree	Neither agree nor disagree	Disagree	Strongly disagree
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Additional comments

16. **Do you agree with the Working Party's recommendation to have a lay member appointed to the practising certificates committee?**

Strongly agree	Agree	Neither agree nor disagree	Disagree	Strongly disagree
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Additional comments

17. **The Working Party have recommended that the practising certificates committee (PCC) publish a standardised process for the approval of the certificate application, including guidelines for the consistent completion of applicants' declarations and the assessments made by the committee on the basis of those declarations. Do you agree with this recommendation?**

Strongly agree	Agree	Neither agree nor disagree	Disagree	Strongly disagree
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Additional comments

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18. Do you agree with the recommendation that guidelines on identifying and avoiding conflicts of interest arising within the application process ought to be developed by the practising certificates committee?

Strongly agree Agree Neither agree nor disagree Disagree Strongly disagree

Additional comments

19. Do you agree that a practice of internal audit of the practising certificates regime ought to be established in order to ensure that the appropriate guidelines are being followed?

Strongly agree Agree Neither agree nor disagree Disagree Strongly disagree

Additional comments

20. Do you agree with the recommendation that the requirement of peer review, to which some practising certificate holders are already subject, ought to be extended to all certificate holders?

Strongly agree Agree Neither agree nor disagree Disagree Strongly disagree

Additional comments

21. The Working Party have recommended that the practice executive committees ought to be asked to organise CPD events for practising certificate holders, where this does not already occur. Do you agree with this recommendation?

Strongly agree Agree Neither agree nor disagree Disagree Strongly disagree

Additional comments

Any other comments