

Comment now! Conflicts of Interest Consultation Paper from the Actuarial Profession

The Actuarial Profession has now published its consultation paper on [conflicts of interest](#) with [accompanying appendices](#). (We are sorry for the slight delay in its publication.)

The package supplements the overarching provisions of the Actuaries' Code. The consultation paper proposes:

1. a balanced package of additional guidance and some additional regulatory provision intended to provide a targeted and proportionate response to an issue with which the Profession has grappled for a number of years;
2. new, non-mandatory guidance for actuaries working in all practice areas, in the form of a guide on assessing and managing conflicts of interest. Additional CPD provision will also be developed. The Working Party which has produced the proposals has also authored (in consultation with the Pensions Regulator) a new draft guide for pension scheme trustees on actuaries' approach to handling conflicts of interest;
3. additional, targeted regulatory provision for members undertaking certain types of pensions work via an amendment to the Actuarial Profession Standard (APS) "APS P1: Duties and Responsibilities of Pensions Actuaries". The proposed provisions do not ban dual appointments outright but would prohibit Scheme Actuaries from advising the sponsoring employer in relation to the funding of the scheme, or in relation to any matter which has a direct bearing on the benefits payable under the scheme. This restriction would also extend to members of the Profession other than the Scheme Actuary to the extent that they are materially involved in providing trustees with certain types of significant advice and to members undertaking a role equivalent to that of Scheme Actuary in relation to other sorts of pension schemes exhibiting similar features, including some types of public sector schemes; and
4. a new standard for life actuaries which includes more robust conflict of interest provisions (APS L1: Duties and Responsibilities of Life Assurance Actuaries). This has already been the subject of separate consultation with members and others, and came into effect on 1 October 2011.

Submit your views

Given the importance of this issue to the Profession and the public, we encourage you to submit any views on the issues raised by **10 December 2011**. Ideally, we should be grateful if you could complete the relevant questionnaire accompanying the paper online at:

http://www.surveymonkey.com/s/actuaries_conflict_of_interest

However, if you prefer to complete the questionnaire off line, please email us with the completed questionnaire (which can be found at Appendix 8 to the paper) at: conflicts@actuaries.org.uk or post the questionnaire to:

Conflicts of Interest Project
The Actuarial Profession
MacLaurin House, 18 Dublin Street
EDINBURGH EH1 3PP

If you have any queries relating to the above, please contact Ilona Turnbull: ilona.turnbull@actuaries.org.uk or tel: +44 (0) 131 240 1801.

Members are entitled to claim up to one hour private study CPD time for reading the consultation paper and completing the relevant questionnaire, provided that the topic can be shown to be personally relevant and/or developmental. If you do this, please remember to record your learning outcome within your on-line CPD record.

Consultation meetings

We are also encouraging members to attend one or other of the following two consultation meetings to comment on these proposals:

- Staple Inn, High Holborn, London, WC1V 7QJ from 17.00 hours on 24 October; and
- MacLaurin House, 18 Dublin Street, Edinburgh EH1 3PP from 17.00 hours on 31 October. Refreshments will be served from 16.30 hours at both meetings.

In order for us to gauge participant numbers, if you are interested in attending these meetings, we should be grateful if you could inform us via email to karen.cross@actuaries.org.uk if you are planning to attend either of these meetings.

Members are entitled to claim up to one hour of CPD for their participation in the meeting. If you wish to do this, please remember to sign the attendance sheet to verify your attendance, and to record it in your on-line CPD record.

Sir Philip Mawer
Chairman of the Professional Regulation Executive Committee