



PROFESSIONAL STANDARDS DIRECTORY - Update 37:

New Standard: Duties and Responsibilities for Actuaries Working for UK Trust-Based Pre-Paid Funeral Plans: APS Z1 Introduced

A new Actuarial Profession Standard (APS) relating to the duties and responsibilities of actuaries working for UK Trust-Based Pre-Paid Funeral Plans has been published by the IFoA and will come into effect on 1 January 2016.

The Professional Standards Directory can be found [here](#).

It is designed to permit members and others to access the current Institute and Faculty of Actuaries' (IFoA) Actuarial Profession Standards (APSS), together with the current version of the Financial Reporting Council (FRC) Standards.

NEW GUIDANCE

[APS Z1: Duties and Responsibilities for Actuaries Working for UK Trust-Based Pre-Paid Funeral Plans](#) will impose requirements on Members working for, advising or involved with UK Trust-Based Pre-Paid Funeral Plans (**Funeral Plan Trust**).

This follows the consultation carried out by the IFoA on proposals to introduce a new standard relating to this area of actuarial work. The original consultation package can be found on the [IFoA's website](#). A [summary of responses](#) to the consultation has also been published, along with an explanation of how those responses were taken into account in finalising the new requirements.

Key Requirements

The APS will require Members to ensure they:

- have the requisite skills and documentation to take on the appointment to undertake the valuation of the Funeral Plan Trust;
- have the right information gathering and escalation measures available to them to undertake appropriately the valuation of the assets and liabilities of the Funeral Plan Trust;
- are aware of planholders' contractual entitlements, to ensure that there are adequate systems of control in place intended to ensure that planholders are not misled as to their expectations; and
- report any concerns to the most appropriate regulator and/or to other professionals who may be involved in advising funeral plan trustees and plan providers if they discover that there is a material shortfall in the assets held by the Trustees to cover the liabilities or that the plan provider's contractual obligations exceed significantly the liabilities of the Funeral Plan Trust.

Other Guidance

A [detailed Guide](#) has been produced for Members in understanding APS Z1 and applying its requirements in practice. This guide contains both ethical and technical guidance.

Furthermore, in conjunction with a Trustee, we have produced a [Guide for Trustees](#) to set out, for Trustees' benefit, the role and professional obligations of Members, with a view to enhancing understanding of actuarial advice, and its implications.

Early Adoption of the APS

Although the date of APS Z1 coming into force is 1 January 2016, Members are encouraged to apply the requirements of APS Z1 prior to that date and as early as possible, where this is practical.

Additionally, It may also be instructive to actuaries working on similar Funeral Plan Trusts in other jurisdictions.

Please provide feedback by post to IFoA, Level 2 Exchange Crescent, 7 Conference Square, Edinburgh, EH3 8RA or by emailing the [Regulation team](#).

Continuing Professional Development and Support

A specific Funeral Plans CPD seminar has been arranged for 3 November 2015 at Staple Inn. Members should look out for details of that training on the [IFoA's website](#).

We have also set up a dedicated Member Interest Group (**MIG**) for interested Members and Stakeholders. Details of that MIG can be found on the [IFoA's website](#).

UPDATING YOUR CONTACT DETAILS

If you need to update your contact details, please contact the Membership Department (<mailto:membership@actuaries.org.uk>) or update them on-line at the members' only section of the IFoA's website at: <https://www.actuaries.org.uk/user>. To log in, please note that your user name is your ARN and your password is your date of birth entered as dd/mm/yyyy (including the separators) unless you have previously changed it.

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