



Institute
and Faculty
of Actuaries

A new approach to Practising Certificates

Response to consultation on proposals for
changes to the Practising Certificates system

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1. Introduction



I am delighted to introduce this summary of the feedback received in response to the Institute and Faculty of Actuaries (IFoA's) consultation on

proposals for a new approach to Practising Certificates (PCs) and to outline some more of the detail around proposed changes.

The consultation, which was issued in April 2021, set out a new approach to the PC process.

In particular it proposed a move towards a competency based criteria, assessing whether individuals should be awarded PCs on the basis of their skills and abilities rather than requiring experience of reserved work.

It also proposed a simplified, more proportionate and effective process for applications.

I am pleased to report that there was an excellent response to the consultation, with the responses being considered and positive, indicating strong support for change.

That feedback has now been analysed and the proposed new PC Scheme, which took into account the helpful responses, is set out in this document. Also being published alongside the new Scheme are the proposed Competency Frameworks for the roles of Chief Actuary (life and non-life) and Scheme Actuary. The Competency Frameworks for the other PC roles will be published over the course of the next few months.

Publication of other detailed new documents will also follow. This will include the new PC Handbook (which will set out the updated processes and procedures), a note of the proposed transitional arrangements for existing

PC Holders and the new application and renewal forms.

We are publishing these different documents in phases as we wanted to ensure we share the new PC Scheme with you as soon as we could.

We also wanted to provide an opportunity for feedback on the new PC Scheme so that any changes could be reflected in the Handbook and new forms.

I hope that the new approach that is being adopted will ensure that the PC process is effective, efficient and demonstrates the high standards met by those Members in some of the most significant public interest actuarial roles in the UK.

Thank you to all who took time to respond and to those who participated in our virtual consultation meetings.

I hope you will find this feedback document useful and informative.

Responses are published in full, save, as is our normal practice, where a respondent has requested confidentiality.

Thank you for your interest.



Neil Buckley

Chair of IFoA Regulation Board

2. Summary

- The IFoA is grateful for all of the responses to its consultation.
- The responses indicated significant support for change and for the proposals set out.
- The IFoA is proposing to introduce the key changes proposed, including a switch to a competency based criteria and the introduction of a process of three yearly full renewal applications (details of the proposals are set out in section 5 below).
- Members and others with an interest will have an opportunity to respond to those detailed proposals. Any comments must be provided by **21 March 2022**.
- The final version of the new PC Scheme and the plans for implementation and transition will be confirmed after that date along with publication of the new PC Handbook and new forms for application and renewal.

3. The consultation process

3.1. The [Consultation Paper](#) was published in April 2021 by the IFoA's Regulatory Board. It proposed, in summary, the following changes to the PC Scheme:

- More focus on initial applications with a lighter touch approach to renewals.
- Changes to the requirements around passing the UK Practice Modules (which are also being reviewed).
- Move to a competency-based criteria rather than criteria around technical experience of reserved work.
- Allow for a wider range of methods of assessment.
- Reconsider the use of attestations as part of the process, either to remove them or widen the requirements.
- Provide more support for Members in relation to PCs (both those in role and those considering a PC role in the future).
- Consider changing the additional Continuing Professional Development (CPD) requirements for PC Holders.
- Consider the scope for integration of the PC process with the Quality Assurance Scheme (QAS) accreditation.

3.2. Those proposals had been developed with a range of inputs, including: benchmarking with the approaches of other regulators and professional bodies; a survey of current PC Holders; a survey of recent unsuccessful applicants for PCs; discussions with key regulators with a direct interest in the roles for which PCs are required; and focus group meetings of different PC Holders and users of PC work.

3.3. There were 104 responses to the consultation, including 88 individual respondents and 14 organisations (two respondents indicated they were answering in both capacities).

- 3.4.** Of the respondents, 39 answered the question for existing PC Holders only and so identified themselves as having a PC, although a large number of PC Holders are also employed by the organisations that responded.
- 3.5.** There were also two virtual consultation meetings held on 27 May 2021 and 30 June 2021 with 73 and 52 attendees respectively.
- 3.6.** The detailed comments from respondents also provided a great deal of context and further explanation of the answers to the survey questions.
- 3.7.** A private response was also provided by the Financial Reporting Council (FRC) in its capacity providing oversight of the IFoA's UK regulatory functions.

4. Responses

- 4.1.** The significant majority of respondents support the overall proposal to change the PC Scheme, with 89% of respondents either agreeing or strongly agreeing that the proposed changes would improve it.
- 4.2.** For most of the specific proposals there is also a significant amount of support (all questions which included a specific suggestion had a majority of respondents either agreeing or strongly agreeing).
- 4.3.** That includes strong support for a move to focus on the initial application process with a lighter touch on renewals, with broad support expressed in the comments for a three year period and a plea from a number of respondents, which has been taken on board, that the three yearly renewal is not made more onerous than the current process.
- 4.4.** There is also significant support for moving to a competency based criteria (72% of respondents either agreed or strongly agreed with that proposal), with a number of comments observing that this should make it a more effective and meaningful assessment. Similarly there was a great deal of support expressed for the proposal to allow wider methods of assessment.
- 4.5.** There were a number of questions raised around the proposed changes to the UK Practice Modules, recognising that the consultation did not go into detail about those proposals. More information on the proposals to change the UK Practice Modules is set out in section 5.
- 4.6.** For the questions posed in the consultation that were more open, including questions around: the use of attestations; the requirements around CPD and the potential interaction of the PC Scheme with QAS, there were more mixed views expressed.
- 4.7.** The responses also indicate a clear demand for more information about the detail of how these high-level proposals will work and for a further opportunity to comment upon those. More detail is set out in section 5 of this paper, with more detailed information to follow in the coming months, and an opportunity to provide feedback (how to respond is explained further in section 6).
- 4.8.** The responses are set out in summary form at Appendix 1 and in full (subject to the removal of any comments that respondents asked to be kept confidential) in Appendix 6.

5. Proposals for change

- 5.1.** The IFoA has reflected on all of the input provided through the consultation, as well as the research and information gathering exercises carried out in advance of publication of the consultation, and can confirm that it now proposes a change in its approach to PCs.
- 5.2.** The changes have been reflected in a revised PC Scheme, which is included at **Appendix 2**.
- 5.3.** The form of the PC Scheme has also been simplified so that the requirements are in a shorter document and will be accompanied by a more detailed PC Handbook.
- 5.4.** There are also two Competency Frameworks (relating to the Chief Actuary and Scheme Actuary roles) set out in **Appendices 3** and **4**. Those will be used in assessing the competency of applicants/existing PC Holders and will be a core aspect of the new PC Scheme. Feedback on those Competency Frameworks has been sought from the relevant statutory regulators in advance of publication. The proposed Competency Frameworks for other roles will be published (with a period for responses) in advance of the final version of the Scheme.
- 5.5.** The proposed changes are set out below:

	Form of PC Scheme and new PC Handbook	<p>The form of the PC Scheme has been shortened and simplified so that Members (and others with an interest) are easily able to see what the requirements are for obtaining a PC.</p> <p>There will be a more detailed PC Handbook published that sets out the detailed PC processes and procedures, as well as how decisions will be taken. It will also provide guidance for those going through the application/renewal process.</p>
1	Application and renewal process	<p>There will be a focus on initial application with very light touch renewals for Year 2, Y3, Y5, Y6 etc (confirming no changes) and then more detail required for renewal after 3 years (Y4, Y7 etc).</p> <p>The initial application and fuller (Y4 etc) renewal processes will be no more onerous in terms of process than the current requirements.</p> <p>The annual renewal will be very light touch, confirming that PC Holders wish to renew, providing some simple declarations and</p> <p>The IFoA will retain the ability to ask for a fuller renewal process in Y2 and Y3, in exceptional circumstances, where justified with regard to the public interest.</p> <p>The new forms will be published in due course.</p>
2	UK Practice Modules	<p>The form and nature of UK Practice Modules (UKPM) are being changed and will take the form of facilitated workshops looking at relevant case studies, supported by some reference materials, rather than multiple choice assessments.</p> <p>The UK Practice Modules will also be more tailored to PC roles. More information can be found on the IFoA website.</p>

		<p>Reflecting the new form of UK Practice Modules and the importance that applicants can demonstrate that they have brought themselves up to date with the relevant regulation and practice in the area, there will be a requirement for the relevant UK PM required to be completed by all Members within 2 years before initial application.</p> <p>This will not apply to those who currently hold a PC and are renewing or to those who apply to renew their PC after a career break due to parental leave or illness.</p> <p>There will be transitional arrangements for those who do not currently hold a PC but have already sat the current UK Practice Modules, with a period to apply for a PC before they would be required to re-sit the new UK Practice Modules. More detail on the timings for that transition period will be set out in the implementation plans to be published with final confirmation of the new requirements.</p>
3	Competency-based criteria	<p>There will be a competency-based criteria introduced for PCs. This will replace the current ‘fit and proper’ test, including the technical experience requirements.</p> <p>Competencies will include technical competencies as well as professional skills.</p> <p>A Competency Framework will be developed for each PC although we expect there to be significant overlap for a number of PCs so that those applying for multiple PCs will be able to use their responses for more than one PC application.</p> <p>The forms will be updated to ask applicants to explain how they meet each competency and they will also be asked for responses to a number of competency based questions.</p> <p>There will no longer be specific requirements for experience of particular work, although applicants will be able to use examples of their experience to demonstrate how they meet the competencies.</p> <p>Included in Appendices 3 and 4 are draft competency frameworks for the Scheme Actuary and Chief Actuary PCs. It is proposed that the other Competency Frameworks will be published (with an opportunity for feedback) before the final version of the new PC Scheme is published later this year.</p>
4	Introduce option of interviews for applicants	<p>The process will be changed so that there is a clear option of using interviews (instead of a form) to demonstrate competency where applicants request to do so, for example, where it is more challenging for them to do so in an application (or where IFoA feels it would be helpful to supplement an applicants’ written application).</p> <p>It will also be open to applicants to provide a reference or supportive statement from another PC Holder, to support their application and demonstrate competency. There will not, however, be any requirement or expectation to do so and the absence of a supporting statement will not have any bearing on the decision.</p>

		<p>The process for interviews, where that is the approach taken, will be transparent with advance notice of questions, form of interview and interviewer/panel. This is likely to be with a member of the Practising Certificates Committee (PCC) and/or a member of the IFoA's PC team.</p> <p>The intention is to introduce flexibility for applicants and to recognise that there are a range of ways in which individuals are able to demonstrate their competency. The particular option taken by an applicant will not in itself be relevant to the decision on their application.</p>
5	<p>Introduce more support for PC Holders (existing and potential)</p>	<p>There will be a commitment from the IFoA to providing more support for existing and potential PC Holders.</p> <p>Work will be carried out to explore options for support including:</p> <ul style="list-style-type: none"> - more tailored events/CPD for PC Holders; - more practical guidance on the process and expectations for applicants/employers; - improvements to the buddying/mentoring support that is in place; - produce sample resources for PC Holders to use; - integration with IFoA CPD Reflective Practice Discussion (RPD) programme.
6	<p>Retain CPD requirements</p>	<p>There will be no change to the requirement for PC Holders to carry out additional 15 hours of relevant CPD each year but there will be clearer flexibility and exceptions (including for those who have been on a career break or have been absent from work due to illness or parental leave).</p> <p>There will continue to be an exemption for those PC Holders within scope of the QAS CPD scheme.</p> <p>There will also be a commitment to looking at more relevant CPD opportunities specifically for PC Holders.</p>
7	<p>Remove attestation requirement</p>	<p>The requirement for attestation from another PC Holder for initial application will be removed, although, as explained above, it will be open to applicants to use a statement/reference from another PC Holder as evidence of their competency to supplement their applications, for example where an individual does not have a great deal of evidence to support their application. As explained, there is no expectation to provide such a statement and we would expect most applicants not to provide one.</p> <p>Although the majority of respondents favored retaining an attestation requirement in some form, the IFoA concluded that such a requirement is unfair as it would require an applicant to know (to the degree that they are willing to attest to character) another PC Holder. This is likely to exclude certain competent applicants from being able to apply. It also creates a perception of the PC Holding community as a closed 'club' and is not in line with the IFoA's commitment to promoting diversity, equity and inclusion.</p>

		It also carries a risk that current PC Holders are put in a difficult position when providing such attestations, where the result would be to widen the group of individuals who could carry out that work. This is particularly relevant to those being asked to provide attestations to those employed by competitors, where there may be commercial implications.
8	Carry out further work on possible QAS integration once the new PC Scheme is in place	There were a range of responses to the issue of possible integration of the PC Scheme with the QAS accreditation scheme and the IFoA has concluded that this would merit a further detailed review on possible QAS integration once the wider PC Scheme changes have been agreed. This will be looked at again once those changes have been confirmed in 2022, with more research and consultation with relevant stakeholders.

6. Next steps

- 6.1. Comments on the detail of the proposed changes are welcome and can be submitted through this survey: [A new approach to Practising Certificates](#) no later than 21 March 2022.
- 6.2. Assuming no significant objections are raised to the proposals, confirmation of the final version of the new PC Scheme will be announced shortly thereafter, along with details of when the new requirements will come into effect (including the transitional arrangements for existing PC Holders and non-PC Holders that have sat the current UK Practice Modules). The new PC Handbook and application forms will also be published at this stage.
- 6.3. Competency Frameworks for the other PC roles will be published, with opportunity for comment, over the course of the next few months.
- 6.4. Any questions should be directed to regulation@actuaries.org.uk

We thank you again for your interest in this consultation and for all of the helpful contributions made so far.



Institute
and Faculty
of Actuaries

Beijing

14F China World Office 1 · 1 Jianwai Avenue · Beijing · China 100004
Tel: +86 (10) 6535 0248

Edinburgh

Level 2 · Exchange Crescent · 7 Conference Square · Edinburgh · EH3 8RA
Tel: +44 (0) 131 240 1300

Hong Kong

1803 Tower One · Lippo Centre · 89 Queensway · Hong Kong
Tel: +852 2147 9418

London (registered office)

7th Floor · Holborn Gate · 326-330 High Holborn · London · WC1V 7PP
Tel: +44 (0) 20 7632 2100

Oxford

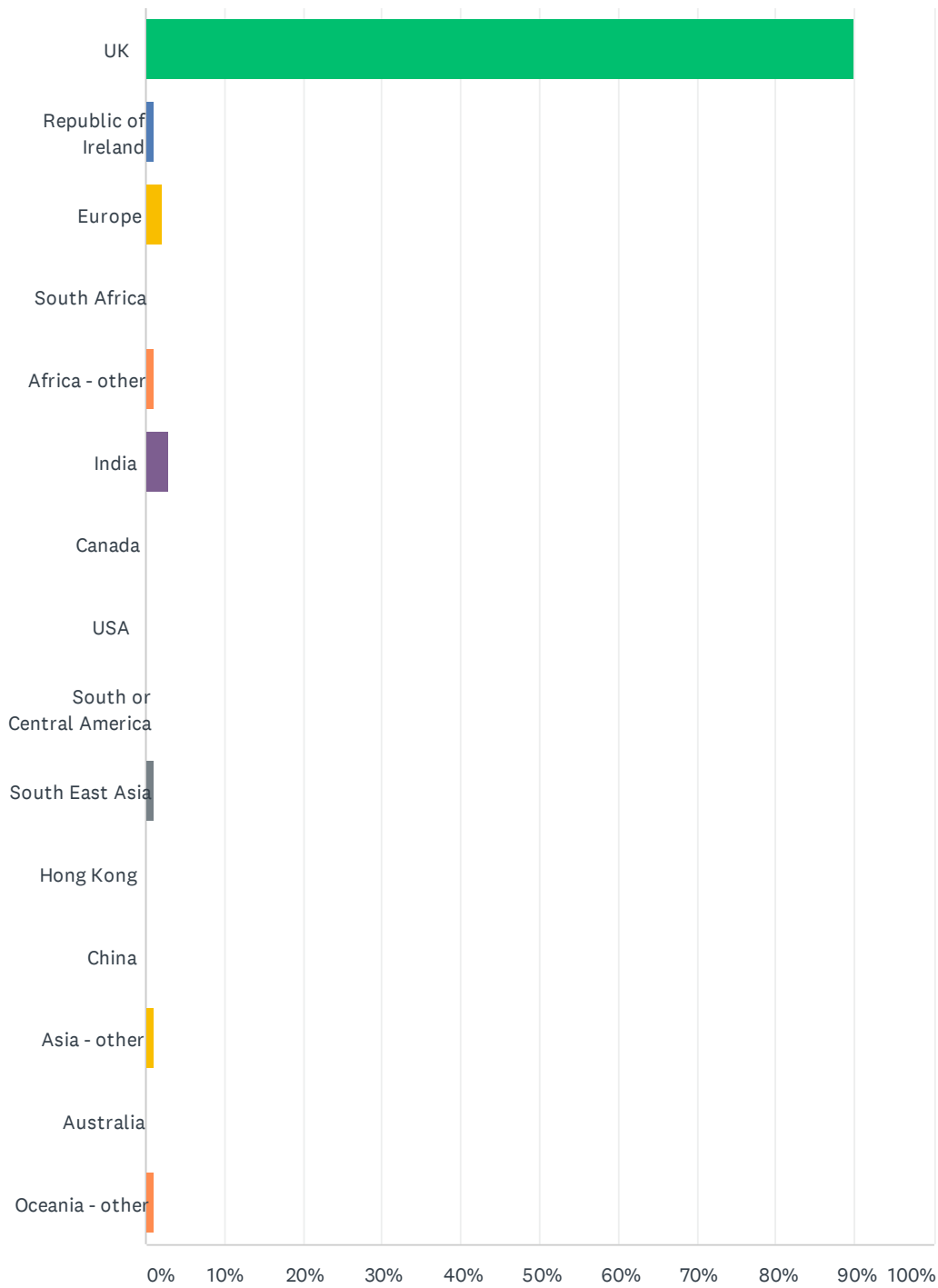
1st Floor · Park Central · 40/41 Park End Street · Oxford · OX1 1JD
Tel: +44 (0) 1865 268 200

Singapore

163 Tras Street · #07-05 Lian Huat Building · Singapore 079024
Tel: +65 6906 0889

Q3 Region

Answered: 100 Skipped: 0

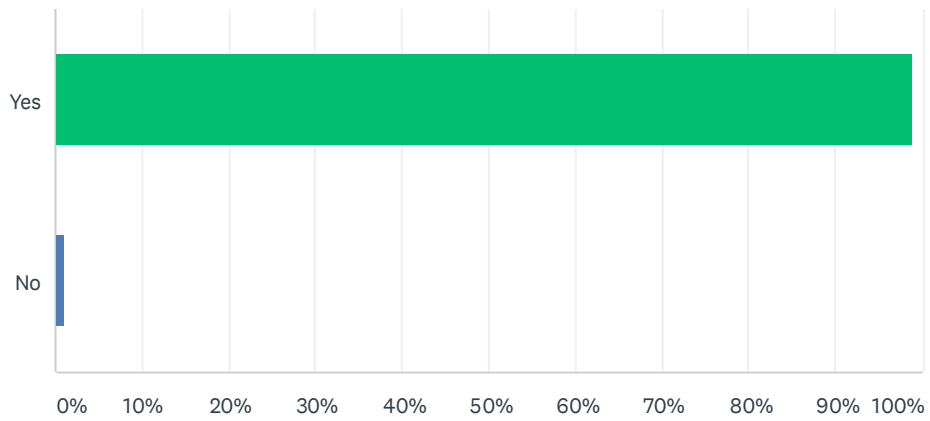


PC Review Consultation

ANSWER CHOICES	RESPONSES	
UK	90.00%	90
Republic of Ireland	1.00%	1
Europe	2.00%	2
South Africa	0.00%	0
Africa - other	1.00%	1
India	3.00%	3
Canada	0.00%	0
USA	0.00%	0
South or Central America	0.00%	0
South East Asia	1.00%	1
Hong Kong	0.00%	0
China	0.00%	0
Asia - other	1.00%	1
Australia	0.00%	0
Oceania - other	1.00%	1
TOTAL		100

Q4 Are you a Member of the IFoA?

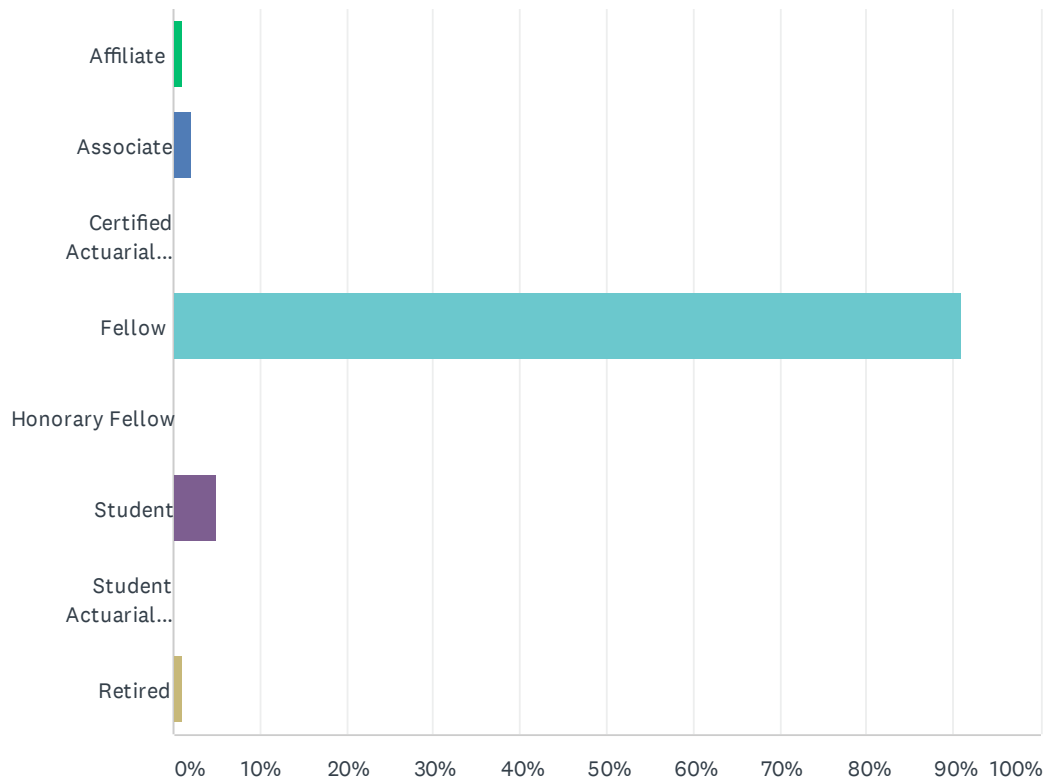
Answered: 100 Skipped: 0



ANSWER CHOICES	RESPONSES	
Yes	99.00%	99
No	1.00%	1
TOTAL		100

Q5 If yes, which category of membership do you hold?

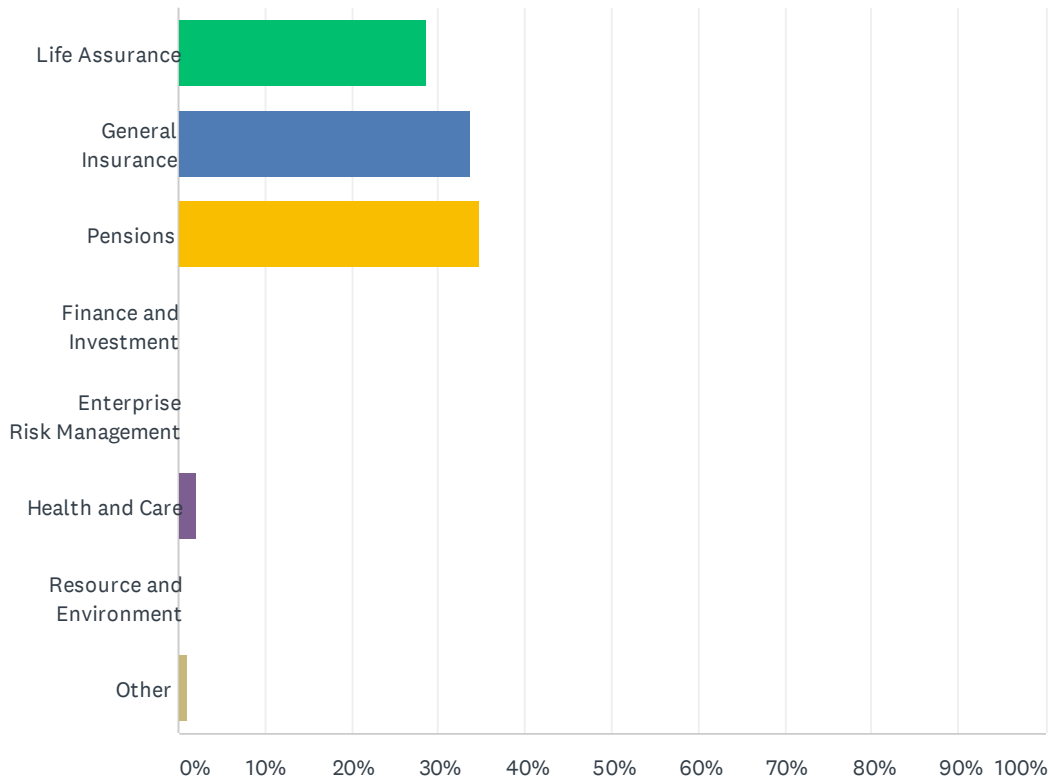
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ANSWER CHOICES	RESPONSES	
Affiliate	1.01%	1
Associate	2.02%	2
Certified Actuarial Analyst	0.00%	0
Fellow	90.91%	90
Honorary Fellow	0.00%	0
Student	5.05%	5
Student Actuarial Analyst	0.00%	0
Retired	1.01%	1
TOTAL		99

Q6 If you are an actuary, what is your main practice area? (Answer one option only)

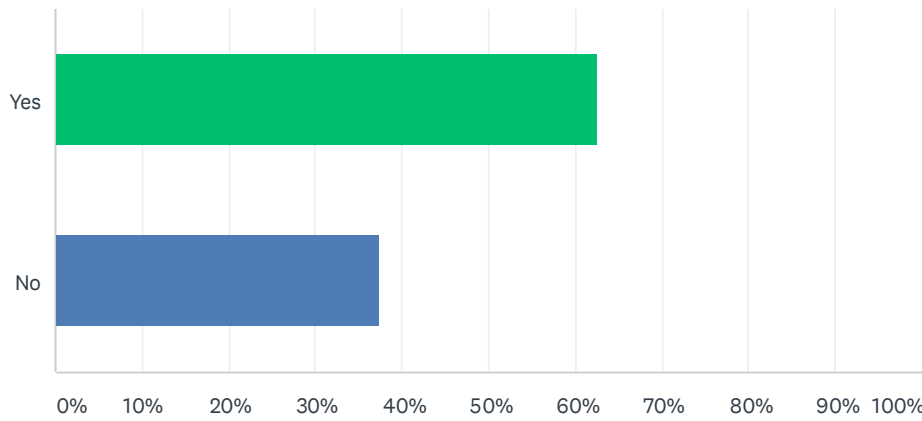
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ANSWER CHOICES	RESPONSES	
Life Assurance	28.57%	28
General Insurance	33.67%	33
Pensions	34.69%	34
Finance and Investment	0.00%	0
Enterprise Risk Management	0.00%	0
Health and Care	2.04%	2
Resource and Environment	0.00%	0
Other	1.02%	1
TOTAL		98

Q7 Do you want your name to remain confidential?

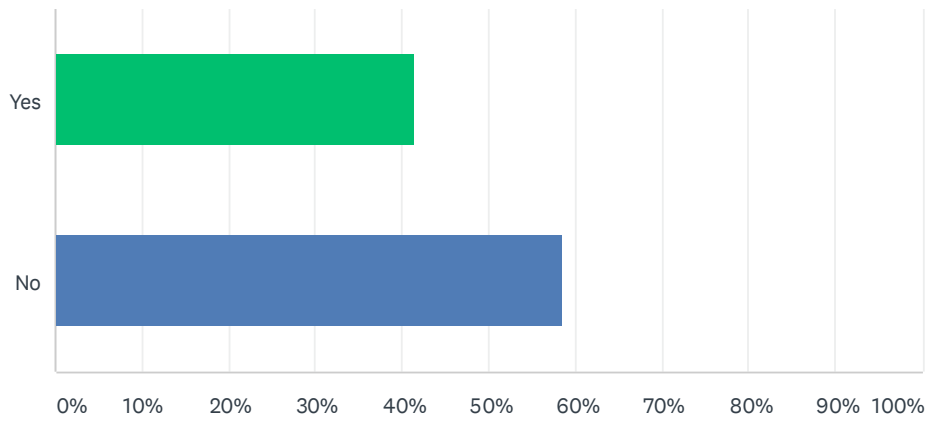
Answered: 99 Skipped: 1



ANSWER CHOICES	RESPONSES	
Yes	62.63%	62
No	37.37%	37
TOTAL		99

Q8 Do you want your comments to remain confidential?

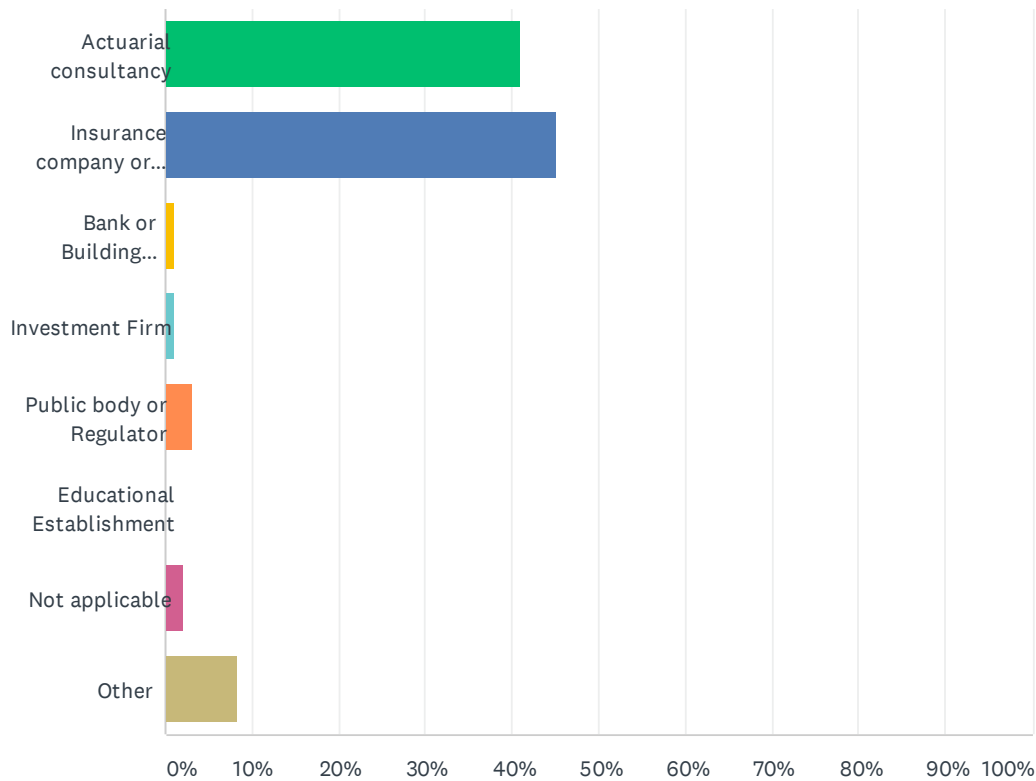
Answered: 99 Skipped: 1



ANSWER CHOICES	RESPONSES	
Yes	41.41%	41
No	58.59%	58
TOTAL		99

Q10 Type of organisation (Answer one option only)

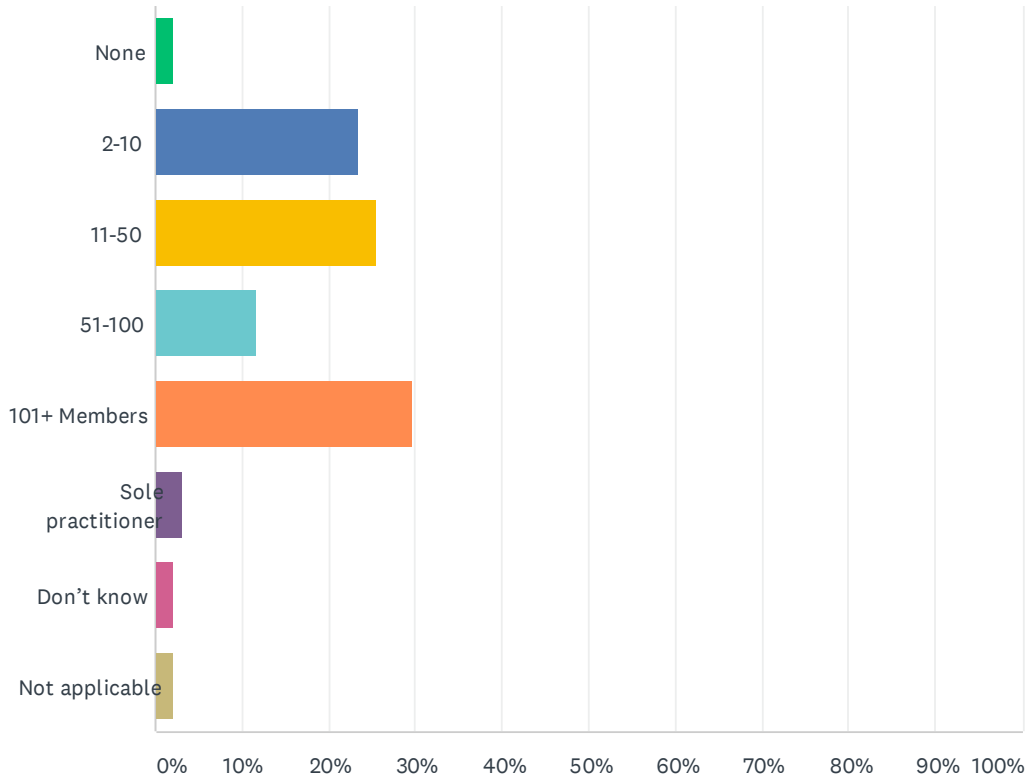
Answered: 95 Skipped: 5



ANSWER CHOICES	RESPONSES	
Actuarial consultancy	41.05%	39
Insurance company or reinsurer	45.26%	43
Bank or Building Society	1.05%	1
Investment Firm	1.05%	1
Public body or Regulator	3.16%	3
Educational Establishment	0.00%	0
Not applicable	2.11%	2
Other	8.42%	8
Total Respondents: 95		

Q11 How many IFoA Members (if any) does your organisation employ?

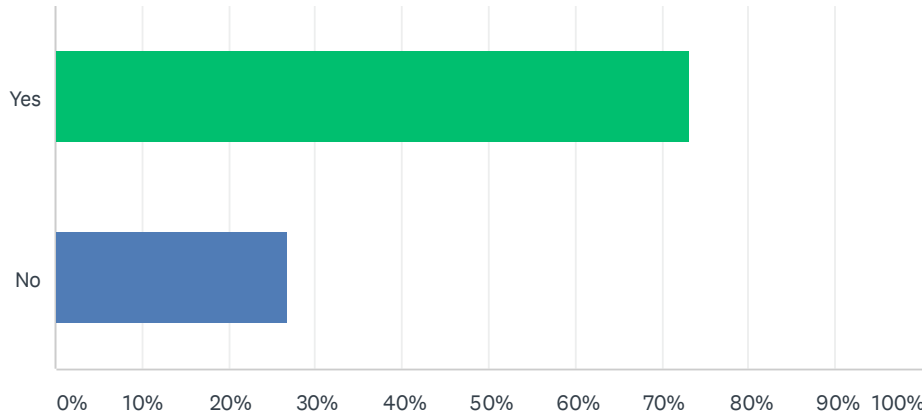
Answered: 94 Skipped: 6



ANSWER CHOICES	RESPONSES	
None	2.13%	2
2-10	23.40%	22
11-50	25.53%	24
51-100	11.70%	11
101+ Members	29.79%	28
Sole practitioner	3.19%	3
Don't know	2.13%	2
Not applicable	2.13%	2
TOTAL		94

Q12 Do you want the name of your organisation to remain confidential?

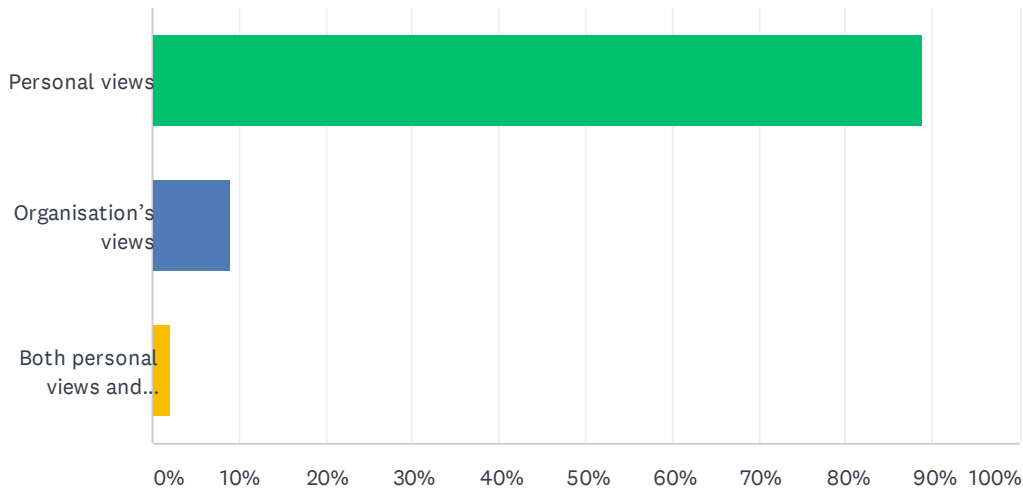
Answered: 93 Skipped: 7



ANSWER CHOICES	RESPONSES	
Yes	73.12%	68
No	26.88%	25
TOTAL		93

Q13 Do these comments represent your own personal views or your organisation's views?

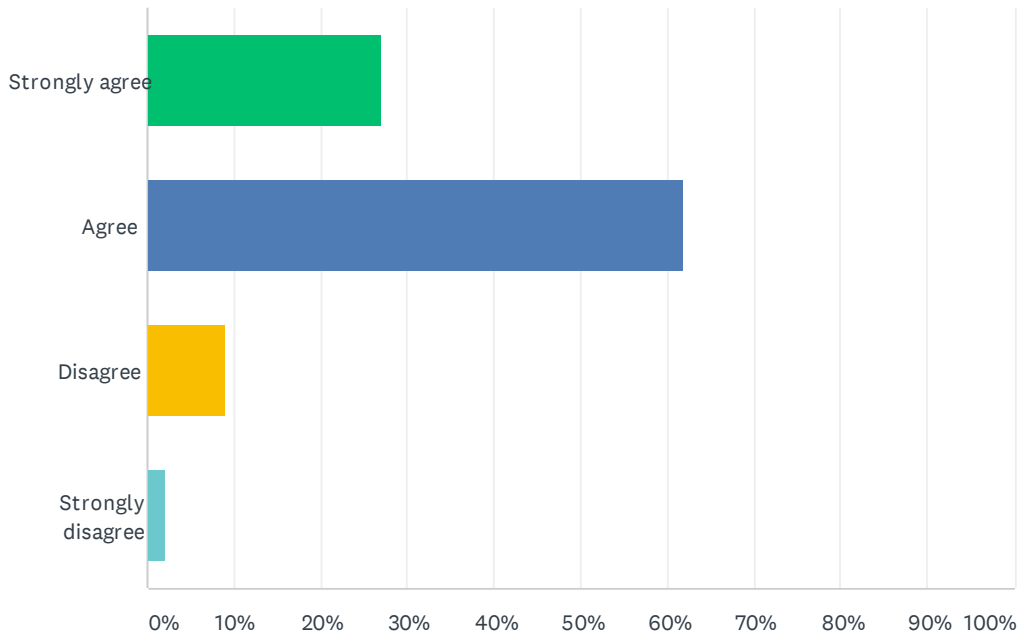
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ANSWER CHOICES	RESPONSES	
Personal views	88.89%	88
Organisation's views	9.09%	9
Both personal views and organisation's views	2.02%	2
TOTAL		99

Q14 To what extent do you agree or disagree that the proposed changes will improve the PC Scheme?

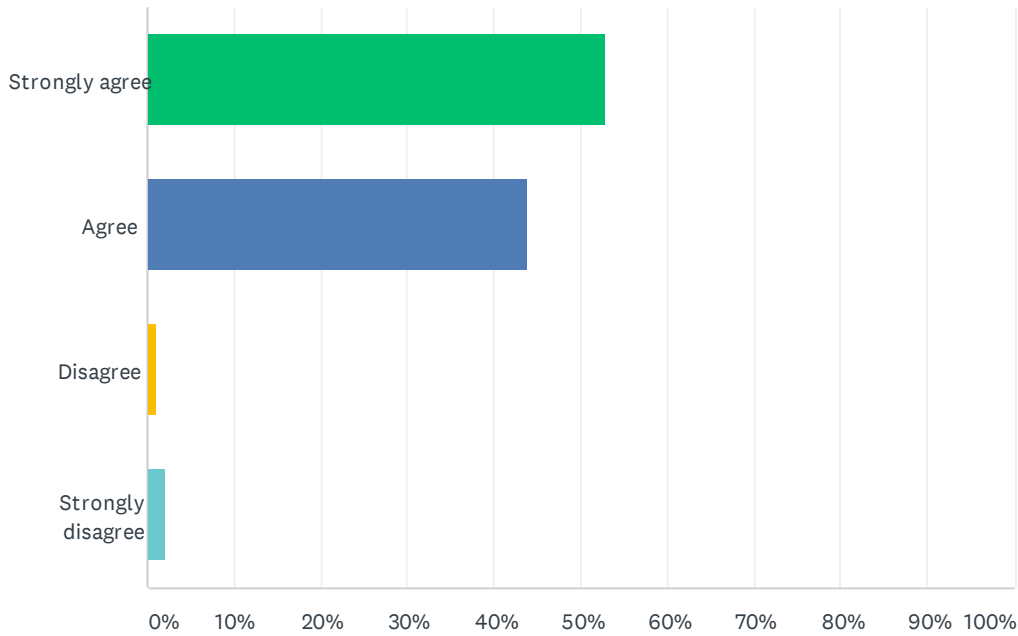
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ANSWER CHOICES	RESPONSES	
Strongly agree	27.00%	27
Agree	62.00%	62
Disagree	9.00%	9
Strongly disagree	2.00%	2
TOTAL		100

Q15 To what extent do you agree with the proposal to have a greater focus on initial PC applications with a ‘lighter touch’ process for annual renewals of PCs and a fuller renewal application required every three years?

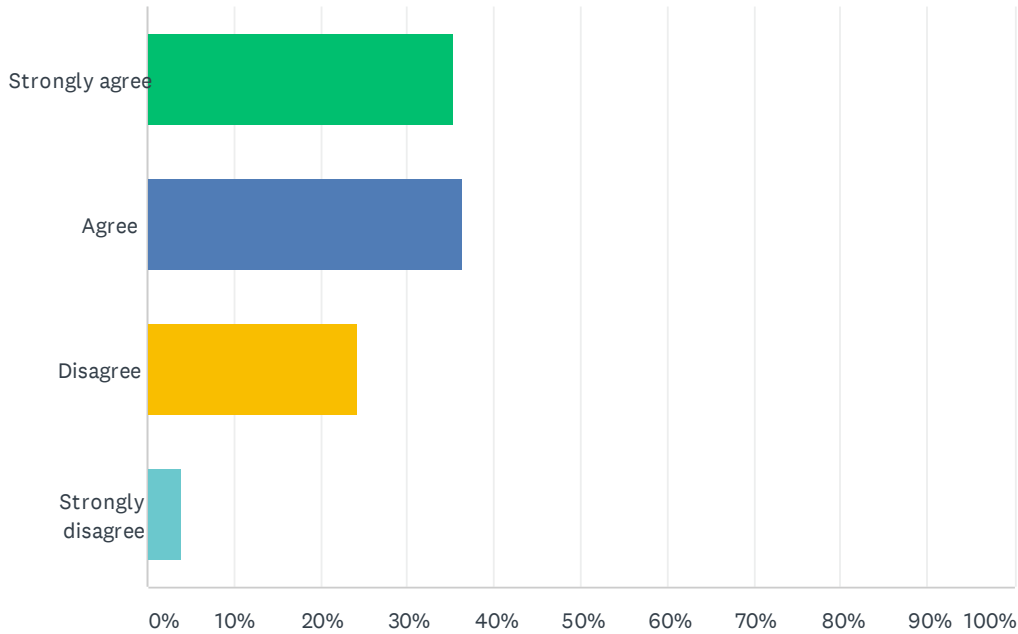
Answered: 100 Skipped: 0



ANSWER CHOICES	RESPONSES	
Strongly agree	53.00%	53
Agree	44.00%	44
Disagree	1.00%	1
Strongly disagree	2.00%	2
TOTAL		100

Q16 To what extent do you agree with the proposal to replace the technical experience focused criteria for reserved roles with a competency-based criteria?

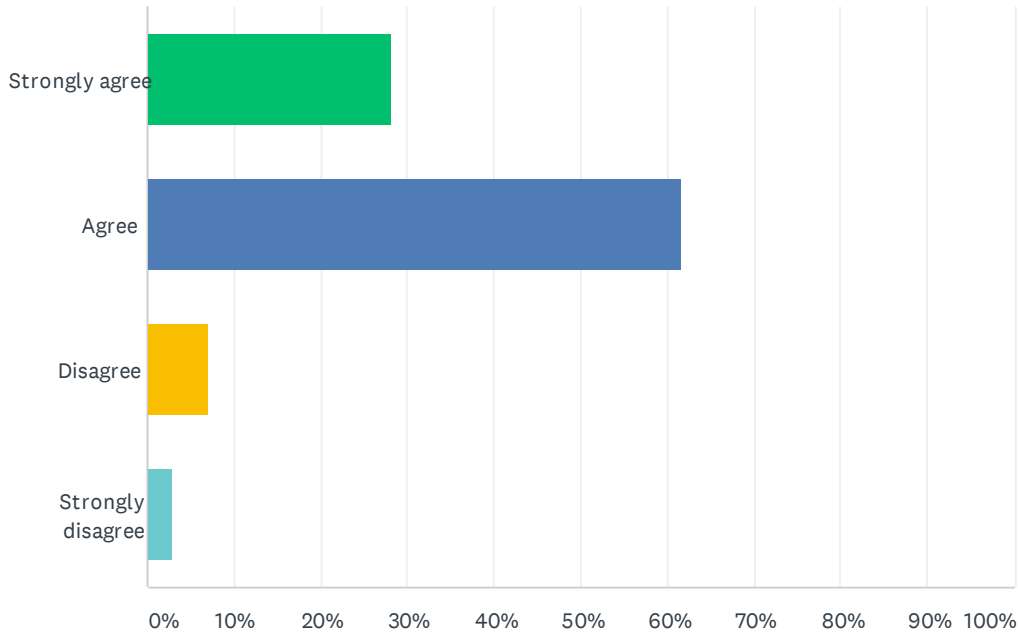
Answered: 99 Skipped: 1



ANSWER CHOICES	RESPONSES	
Strongly agree	35.35%	35
Agree	36.36%	36
Disagree	24.24%	24
Strongly disagree	4.04%	4
TOTAL		99

Q17 To what extent do you agree with the proposal to introduce scope for a wider range of ways to demonstrate competency, in particular interviews and/or discussions with applicants?

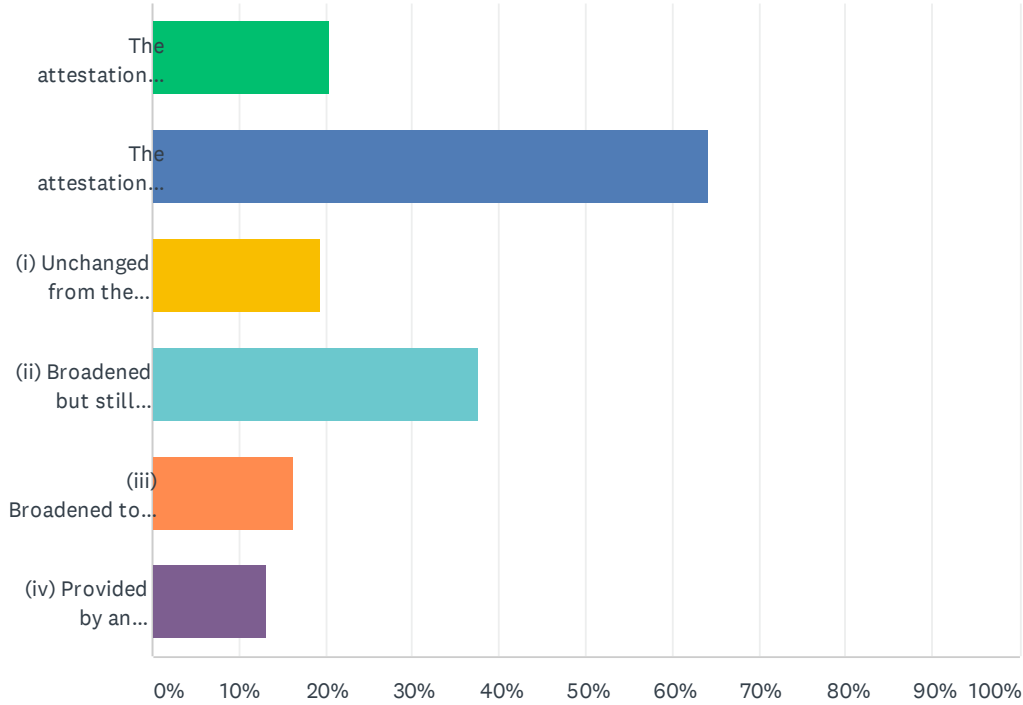
Answered: 99 Skipped: 1



ANSWER CHOICES	RESPONSES	
Strongly agree	28.28%	28
Agree	61.62%	61
Disagree	7.07%	7
Strongly disagree	3.03%	3
TOTAL		99

Q19 Which of the following do you most agree with in relation to the proposals to change the attestation requirements (you can select more than one option)?

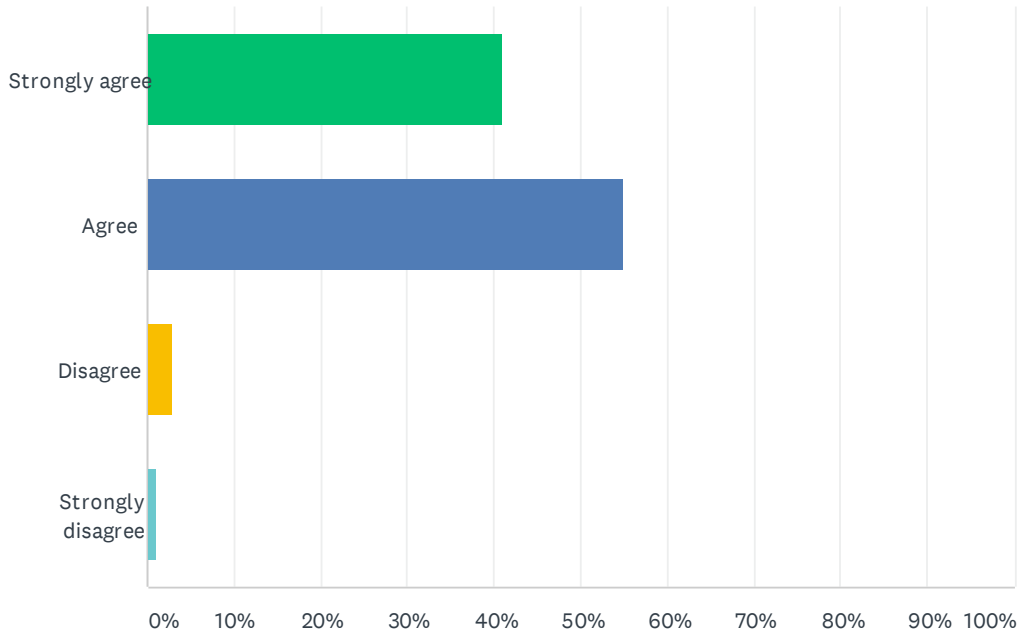
Answered: 98 Skipped: 2



ANSWER CHOICES	RESPONSES	
The attestation should be removed entirely	20.41%	20
The attestation should be retained in some form. If you think the attestation should be retained, do you think that this should be:	64.29%	63
(i) Unchanged from the current attestation requirements (from a PC Holder only)	19.39%	19
(ii) Broadened but still provided by an actuary (not necessarily a PC Holder)	37.76%	37
(iii) Broadened to include a non-actuary.	16.33%	16
(iv) Provided by an applicant's employer.	13.27%	13
Total Respondents: 98		

Q21 To what extent do you agree with the proposals that the IFoA will provide more support (as outlined) to Members that are: (i) considering becoming a PC Holder; (ii) applying for a PC; or (iii) PC Holders?

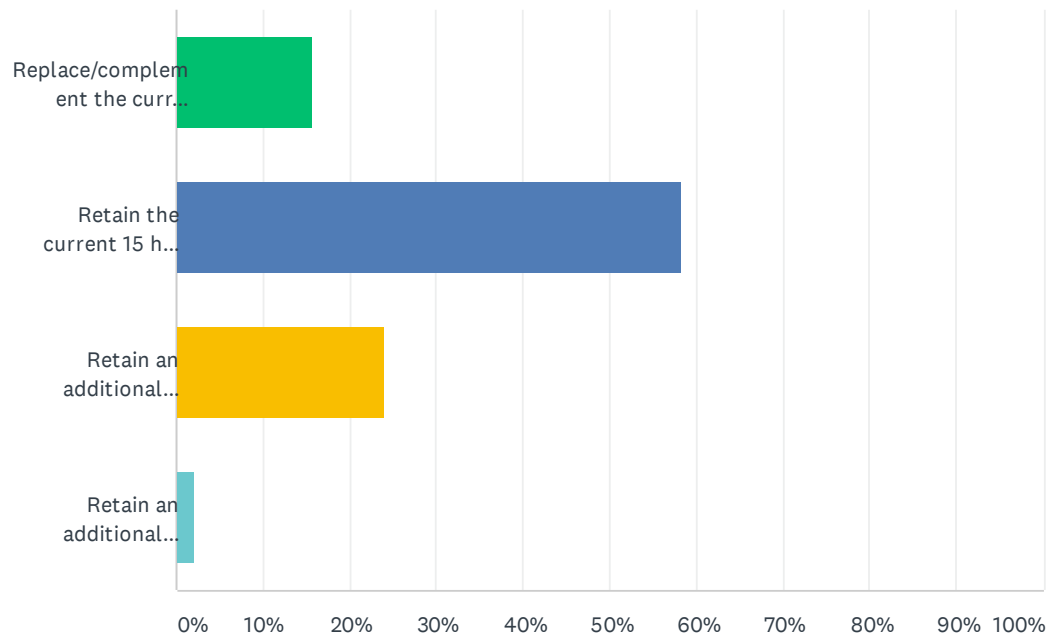
Answered: 100 Skipped: 0



ANSWER CHOICES	RESPONSES	
Strongly agree	41.00%	41
Agree	55.00%	55
Disagree	3.00%	3
Strongly disagree	1.00%	1
TOTAL		100

Q22 In relation to the proposals for CPD for PC Holders, which of the following proposals do you most agree with (please select one option)?

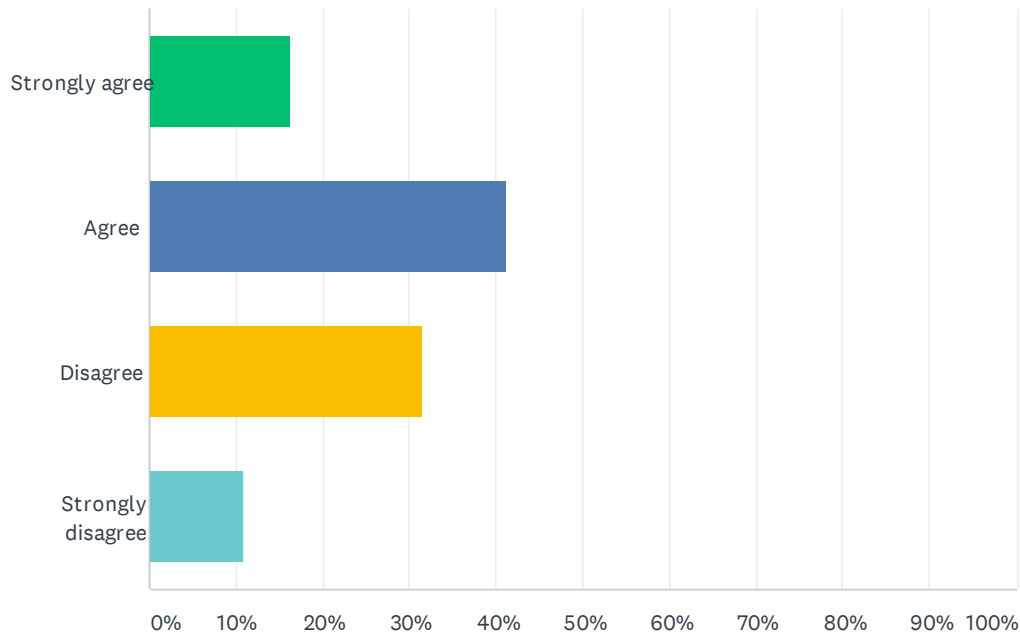
Answered: 96 Skipped: 4



ANSWER CHOICES	RESPONSES	
Replace/complement the current additional 15 hours CPD requirements with specific mandatory CPD	15.63%	15
Retain the current 15 hour CPD requirements but introduce more relevant CPD opportunities	58.33%	56
Retain an additional hours requirement for CPD but with fewer than 15 hours required and introduce more relevant CPD opportunities	23.96%	23
Retain an additional hours requirement for CPD but with more than 15 hours required and introduce more relevant CPD opportunities	2.08%	2
TOTAL		96

Q23 To what extent do you agree that further consideration should be given to the possible integration of the Quality Assurance Scheme (QAS) accreditation and the PC Scheme?

Answered: 92 Skipped: 8



ANSWER CHOICES	RESPONSES	
Strongly agree	16.30%	15
Agree	41.30%	38
Disagree	31.52%	29
Strongly disagree	10.87%	10
TOTAL		92



Practising Certificates (PC) Scheme

Version: 4.0, effective from 1 September 2022

Purpose: This PC Scheme sets out the requirements applying to **Members** in relation to **Practising Certificates**. Those supplement relevant provisions of the **IFoA's APSs**.

1. Application of PC requirements

- 1.1. The requirements in this PC Scheme apply to all **Members** that must, under an **APS**, hold a **Practising Certificate**, including in relation to the roles set out in **Appendix 1** to this **APS**.
- 1.2. **Members** must obtain the relevant **Practising Certificate** before being appointed to any of the roles set out in **Appendix 1**.
- 1.3. In exceptional circumstances, and with permission of the IFoA, **Members** may be able to accept an appointment to one of the roles set out in **Appendix 1** before obtaining the relevant **Practising Certificate** on the condition that they obtain the **Practising Certificate** within a specified time period after appointment.
- 1.4. **Members** must follow the processes and procedures set out in the **PC Handbook**.

2. Eligibility criteria for obtaining a Practising Certificate

- 2.1. In order to obtain a **Practising Certificate**, **Members** must meet all of the following criteria:
 - 2.1.1. Is currently a **Fellow** of the IFoA;
 - 2.1.2. Has completed the relevant **UK Practice Module** within the two years prior to their **Initial Application** for a **Practising Certificate**;
 - 2.1.3. Has demonstrated to the IFoA's satisfaction that they meet all of the competencies set out in the relevant **Competency Framework**; and
 - 2.1.4. Has disclosed, for consideration by the **IFoA**, any information relevant to their suitability to hold a **Practising Certificate**, having regard to the nature of the roles for which **Practising Certificates** are required and to the public interest.

2.2. The **IFoA** may revoke, or decline to grant, a **Practising Certificate** if it reasonably believes a **Member** is unsuitable to hold a **Practising Certificate**, having regard to the nature of the roles for which **Practising Certificates** are held and to the public interest.

3. Application for and renewal of Practising Certificates

3.1. **Members** must complete an **Initial Application** to obtain a **Practising Certificate**

3.2. **Members** that hold a current **Practising Certificate** must complete:

3.2.1. A **Full Renewal Application** every three years; and

3.2.2. An **Annual Renewal** in other years, confirming that they still meet the criteria and wish to continue to hold a **Practising Certificate**.

3.3. **Members** must also ensure that they contact the **IFoA**, as soon as reasonably practical, if there is a change in their circumstances that might affect their ability to meet the criteria.

3.4. **Members** that have previously held a **Practising Certificate** and no longer hold one for reasons wholly or mainly relating to absence from work due to parental leave or illness can apply for a **Practising Certificate** by way of a **Full Renewal Application** rather than an **Initial Application**. The requirements under 2.1.2 will not apply to such applications.

4. CPD Requirements

4.1. **Members** that hold a **Practising Certificate** are required to carry out 15 hours of **PC CPD activities** in addition to the requirements of the **CPD Scheme**.

4.2. The requirements in 4.1 do not apply to **Members** that are within the scope of the **QAS CPD Scheme**.

5. Conditional Practising Certificates

5.1. **Members** that are granted a **Conditional Practising Certificate** must ensure they fulfil the conditions, including within the prescribed timescales, or their certificate will no longer be valid.

6. Interpretation and application

6.1. A failure to comply with this PC Scheme may result in a finding of misconduct in terms of the **IFoA's Disciplinary Scheme**.

6.2. This PC Scheme uses the word "must" to mean a specific mandatory requirement.

6.3. In the event of any inconsistency between this PC Scheme and the **Actuaries' Code**, the **Actuaries' Code** prevails.

Term	Definition
Actuaries' Code	The ethical professional code for Members issued by the IFoA
Annual Renewal	A short form through which a Member holding a Practising Certificate renews their Practising Certificate, declares they still meet the criteria and provides any relevant information about changes to their circumstances over the last year.
APS	Actuarial Profession Standard issued by the IFoA.
Appropriate Actuary	An actuary appointed by a Friendly Society in accordance with Non-Solvency II firms. Further defined in APS L1.
CPD Scheme	The requirements imposed by the IFoA upon Members in relation to Continuing Professional Development and the wider development and learning requirements of the Actuaries' Code.
Chief Actuary – Life and Non-Life	The person appointed to have responsibility for the Chief Actuary function including any person to whom the Chief Actuary function is outsourced. Further defined in the following IFoA APS's: APS L1 and APS G1.
Competency Framework	A framework published by the IFoA setting out the required competencies for a role for which a Practising Certificate is required.
Conditional Practising Certificate	A Practising Certificate to which the IFoA has attached conditions requiring the Practising Certificate Holder to take certain steps within specific time limits.
Fellow	An individual that holds the Membership category of Fellow, obtained either through passing the appropriate IFoA examinations or admitted as a Fellow under the terms of a Mutual Recognition Agreement with another actuarial organisation.
IFoA	The Institute and Faculty of Actuaries.
IFoA's Disciplinary Scheme	The currently in force Disciplinary Scheme of the Institute and Faculty of Actuaries, as may be amended from time to time.
Initial Application	An application to obtain a Practising Certificate by someone who does not currently hold one.
Lloyd's Syndicate Actuary	The Actuary providing an Actuarial Opinion for a Lloyd's Syndicate
Member	A member of the IFoA of any category.
Practising Certificate	A certificate valid for 1 year, issued by the IFoA to individuals that certifies that they have been assessed as meeting the criteria set out in this PC Scheme

PC CPD activities	CPD Activities (as defined in the IFoA's CPD Scheme) that are relevant to the role (or roles) covered by the Practising Certificate that they hold.
PC Handbook	A Handbook produced by the IFoA setting out the processes and procedures relating to Practising Certificates and setting out guidance on how to comply with those.
Full Renewal Application	An application through which a Member renews their Practising Certificate and provides information about how they continue to meet the criteria, for assessment by the IFoA.
Reviewing Actuary	An actuary independent of a life insurance company or Friendly Society who is acting as an auditor's expert. Further defined in APS L1.
Scheme Actuary	An actuary appointed to advise the Trustees of a defined benefit pension scheme in accordance with section 47(1)(b) of the Pensions Act 1995.
Small Insurer Chief Actuary	The person appointed to have responsibility for the Small Insurer Chief Actuary function as defined in Non-Solvency II Firms, Senior Insurance Managers Certification Regime, Rule 4.1 of the PRA Rulebook: including any person to whom that function is outsourced. Further defined in APS L1.
QAS CPD Scheme	The outcomes-focused CPD scheme available to organisations accredited under the Quality Assurance Scheme.
With Profits Actuary	A Member appointed in accordance with either: (1) the PRA Rulebook: Solvency II Firms: Actuaries Instrument 2015 2.2 or 2.4 to perform the role in 5.1; or (2) the PRA Rulebook: Non-Solvency II Firms: Actuarial Requirements 2.1(2) or 2.3 to perform the role in Actuarial Requirements 6. Further defined in APS L1.

APPENDIX 1

1. **Scheme Actuary**
2. **Chief Actuary – life and non-life**
3. **Lloyd's Syndicate Actuary**
4. **Small Insurer Chief Actuary**
5. **Reviewing Actuary**
6. **Appropriate Actuary**
7. **With Profits Actuary**

NOT YET IN FORCE

Chief Actuary

Communication	Leadership/Accountability	Professionalism	Knowledge, Awareness and Understanding	Technical skills
<ul style="list-style-type: none"> Effectively communicates with specialist and non-specialist stakeholders and audiences Provides clear and concise analysis and advice, focussing on key issues and making complex aspects accessible and meaningful Participates in group and Board/Committee-level (or similar) discussions, contributing to decision making processes Aware of limitations or areas of uncertainty in the advice they are providing, and explains this to the Board/Committee when appropriate 	<ul style="list-style-type: none"> Builds strong relationships with members of the Board/Committees, key individuals within the firm, and other professional advisors Leads and exercises responsibility for a team of actuaries and/or other technical /financial staff Accountable for work at Board/Committee level and able to respond effectively to challenges from a Board/Committee 	<ul style="list-style-type: none"> Able to identify and effectively manage conflicts of interest arising from different objectives of various stakeholders Able to pose appropriate challenge to the decisions or actions proposed by; the Board of Directors/Executive level Committees, senior individuals within the firm, and/or other advisors Provides an independent opinion and is willing to re-consider their opinion if insight from other stakeholders or new information justifies doing so Capable of speaking up to, and raising concerns with, decision makers regulators or others, where appropriate Able to stand up and challenge views and proposals of senior stakeholders in an organisation 	<ul style="list-style-type: none"> Good awareness of external factors and how they may influence the future development of the business, and factors this into the advice Sound understanding of the legal and regulatory requirements relevant to UK insurance business, as well as the approach and focus of the UK government and other UK regulation and tax setting bodies High level of familiarity with the fundamental principles and practices of the other key technical and operational areas relating to the financial position, risk profile, or management of an insurance business Knowledge and understanding of UK insurance business, including the different product lines sold by insurers, relevant to the role being undertaken 	<ul style="list-style-type: none"> Sound understanding of the technical areas relevant to the role of Chief Actuary, such that they can advise on them, review and/or critique actuarial work from others and communicate the wider context of the work to both users and other team members. <p>Those areas include (but are not limited to):</p> <ul style="list-style-type: none"> the appropriate bases and methodologies for valuing the assets and liabilities of insurers; the appropriateness of pricing bases for insurance contracts; the appropriate reinsurance arrangements for insurers; measurement, management and mitigation of issues and risks to which an insurer is exposed; the requirements for capital for insurers; analysis of the matching of assets and liabilities and advising on investment strategy; the underwriting policy; and the Own Risk and Solvency Assessment (ORSA) process

Chief Actuary

COMPETENCY	Please explain how you meet each competency?	Competency questions	Please set out your answer to each question below
Communication		<p>Please provide an example of a time where you were able to explain a complex topic clearly to a Board and/or Committee (or other similar senior decision making body), where there was opportunity for challenge.</p> <p>This might include:</p> <ul style="list-style-type: none"> ➤ your understanding of the topic, how you produced the advice or led the team supporting you and used your judgement to produce the final advice; ➤ how you explained the advice in a straightforward and succinct manner without losing the detail relevant to the issue being considered; 	
Leadership/Accountability		<ul style="list-style-type: none"> ➤ how your approach helped the Board/Committee reach their conclusion; ➤ if relevant, how you stood behind and defended your advice and recommendations and responded to challenge which addressed the stakeholder's concerns or lack of understanding. ➤ if you were required to alter your opinion based on the insight from other stakeholders or new 	

Chief Actuary

Professionalism		<p>information, please also provide details of this.</p> <p>Please provide an example of a time where you have had to identify and accommodate significant differences in opinions at Board (or equivalent senior) level.</p> <p>This might include:</p> <ul style="list-style-type: none">➤ how you were able to consider the issue from different perspectives, taking into account all relevant information;➤ whether you had to change or adapt the advice provided in response;➤ if you had to justify how expert judgement was exercised in arriving at the conclusions; and➤ how you were able to communicate effectively to facilitate effective discussion and agree a suitable outcome	
Knowledge, awareness and understanding		<p>Please provide an example of where you have had to consider external factors that may influence the future development of the business and how you factored this into your advice.</p>	

Chief Actuary

Technical skills

This might include:

- how you ensured you had sufficient knowledge and understanding of the issues to be able to incorporate this into your advice and communicate this effectively;
- if you had to explain any limitations or uncertainty in relation to the advice you were providing; and
- if you had to provide more careful guidance and explanation to non-actuary users of your advice

Scheme Actuary

Communication	Leadership/ Accountability	Professionalism	Knowledge, Awareness and Understanding	Technical skills
<ul style="list-style-type: none"> Effectively communicates with specialist and non-specialist stakeholders and audiences Provides clear and concise analysis and advice, focussing on key issues and making complex aspects accessible and meaningful Able to participate in Trustee discussions, contributing to decision making processes Capable of supporting Trustees in negotiations with stakeholders and influencing decision making Able to support Trustees in discussions with regulators 	<ul style="list-style-type: none"> Able to build strong relationships with Trustees, key individuals involved in management of the Scheme, and other professional advisors Able to lead and exercise responsibility for a team of actuaries and/or other technical /financial staff Accountable for work at a senior level and able to respond effectively to challenges from Trustees or other equivalent individuals Able to stand behind and defend their own advice and recommendations when challenged or put under pressure from: the Trustees, the sponsoring employer, regulators, other key individuals involved in the Scheme and/or other advisors 	<ul style="list-style-type: none"> Able to identify and effectively manage conflicts of interest, including the ability to understand and challenge Trustees on their own conflicts Able to pose appropriate challenge to the decisions or actions proposed by; the Trustees, the sponsoring employer, other key individuals involved in the Scheme and/or other advisors Aware of limitations or areas of uncertainty in the advice they are providing, and explain this to Trustees when appropriate Provides an independent opinion and is willing to reconsider their opinion if insight from other stakeholders or new information justifies doing so Capable of speaking up to, and raising concerns with, decision makers, regulators or others, where appropriate 	<ul style="list-style-type: none"> Good awareness of external factors and how they may influence the future development of the Scheme, and be factored into advice Sound understanding of the legal and regulatory requirements relevant to UK pensions High level of familiarity with the fundamental principles and practices of the other key technical and operational areas relating to the financial position, risk profile, or management of the Scheme, including the awareness of when it is appropriate to consult other advisors 	<ul style="list-style-type: none"> Sound understanding of the technical areas relevant to the role of Scheme Actuary (including those that are new and/or emerging), such that they can develop advice and communicate the wider context of the advice to both users and other team members. <p>Those areas might include (but are not limited to):</p> <ul style="list-style-type: none"> Funding in relation to actuarial valuations to Trustees of Defined Benefit Schemes (or equivalent); Setting and calculating Cash Equivalent Transfer Values (CETVs); Other actuarial factors relevant to DB Schemes; Areas of advice reserved for a Scheme Actuary under legislation; Areas of advice commonly required of a Scheme Actuary under scheme deeds and rules; Other scheme specific areas, such as winding up, DC benefits and ongoing accrual of benefits

Scheme Actuary

COMPETENCY	Please explain how you meet each competency?	Competency questions	Please set out your answer to each question below
Communication		<p>Please provide an example of a time where you communicated advice on a technical matter to a Board and/or Committee (or other similar senior decision making body), where there was opportunity for challenge.</p> <p>This might include:</p> <ul style="list-style-type: none"> ➤ your understanding of the topic, how you produced the advice or led the team supporting you and used your judgement to produce the final advice; ➤ if relevant, how you incorporated the latest technical thinking into your advice; 	
Leadership/Accountability		<ul style="list-style-type: none"> ➤ how you explained the advice in a straightforward and succinct manner without losing the detail relevant to the issue being considered; ➤ how your approach helped the Board/Committee reach their conclusion; ➤ if relevant, how you stood behind and defended your advice and recommendations and responded to challenge which addressed the stakeholder's concerns or lack of understanding; and 	

Scheme Actuary

Professionalism

- if you were required to alter your opinion based on the insight from other stakeholders or new information, please also provide details of this.

Please describe a situation where you spoke up about a decision or a course of action being proposed by others.

This might include:

- how you were able to challenge the decisions or actions proposed;
- how you were able to put forward a reasoned argument for why a particular course of action should be taken or avoided;
- how you were able to consider the issue from different perspectives, taking into account all relevant information; and
- how you were able to communicate effectively to facilitate effective discussion and agree a suitable outcome;

Knowledge, awareness and understanding

Please provide an example of a time where you have had to alter your advice or approach in light of

Scheme Actuary

Technical skills

external factors and how you factored this into your advice.

This might include:

- how you ensured you had sufficient knowledge and understanding of the issues to be able to incorporate this into your advice and communicate this effectively;
- if you had to consult with others, internally or externally, to obtain the information and evidence required to provide robust, reliable advice;
- if you had to explain any limitations or uncertainty in relation to the advice you were providing; and
- if you had to provide more careful guidance and explanation to non-actuary users of your advice

List of respondents

This is a list of all individuals, businesses and organisations that responded. Some respondents requested their names or their organisation's name remain confidential, so are not reported here.

Responses were submitted through different means. In cases where correspondence was received via email and it was not clear that it was a formal response, the contributor has been acknowledged and their comments considered, but their email not included

Individuals

Syed Muhammad Arsalan Farooq	Nick Dumbreck
Vinta	Stephen Farrar
Huw Evans	Joanne Buckle
Amanda Prest	Neil Bruce
Richard Hartigan	Hazel Truman
Ruth Bryson	Julian Ellacott
Julian Leigh	Sarah Elwine
David Downie	Penelope Stanley
Will Ellison	Burcin Arkut
Andy Goldby	Andrew Pugh
Grant Mitchell	Gail Higgins
Martin Godwin	John Burgum
Gillian Mathias	Lucina Parlett
Laura McMaster	Brian Nimmo
Catherine Thorn	Mark Rowlinson
Steve Hitchiner	Rory John Galloway
Keith Gourlay	Karen Goldschmidt
Ramaiah Divvela	Alison Blay
Dough Huggins	Deborah Cooper

Businesses and organisations

Hymans Robertson LLP

Society of Pension Professionals

First Actuarial LLP

Government's Actuary's Department

LCP LLP

Detailed responses to questionnaire

The detailed responses to the questionnaire are hosted in a spreadsheet available on the IFoA website:

<https://www.actuaries.org.uk/documents/pc-review-consultation-detailed-responses-redacted>