

Institute and Faculty of Actuaries, **Regulatory Board**

Subject	FRC Private Report
Meeting date	14 May 2024
Previous Steer/Approval	N/A
Related horizon scan code	N/A
International issues considered?	N/A
Author	Sarah Borthwick, Interim Regulatory Board Secretary
Reviewer	Emma Gilpin, Head of Regulatory Policy
Purpose	Noting

A: Executive summary

1. This paper provides the Board with a copy of the FRC's oversight report for 2023/24. The paper also provides the Board with the FRC's oversight plan for 2024/25.

B: Background

2. The FRC currently provides oversight of the IFoA's UK regulatory role by virtue of arrangements set out in a Memorandum of Understanding (MoU) between the FRC and IFoA. Each year the FRC provide a Private Report that sets out a summary of their oversight work in relation to the IFoA and provides some recommendations.
3. This report is confidential between the IFoA and FRC, although its contents will form the basis of the (much shorter) actuarial oversight section of the FRC's public Annual Report.
4. It had been intended that the FRC would be present at the 14 May meeting to present the report, but they are now intending to attend the July meeting to present the report.

C: The Report

5. The report covers the period of oversight from March 2023 to February 2024, although references in the report are to 2023.
6. Overall the report is positive and concludes that they have found 'no evidence to indicate that the IFoA's regulatory framework was not effectively implemented during 2023'.
7. There are no areas of significant concern raised in the report and there are very few recommendations.
8. There were three new recommendations made, one of which was already addressed before the report issued. The two other recommendations, which relate to the new Practising Certificates application process, are not controversial and should be fairly simple to implement.
9. There is also one prior year recommendation that remains open. This relates to the special outcomes-focused CPD arrangements in place for members employed by firms holding our Quality Assurance Scheme (QAS) accreditation. This is part of an ongoing conversation with the

FRC about that QAS CPD Scheme, where it was agreed that this would be picked up once the other CPD Scheme changes were embedded.

10. There were no recommendations arising out of the review of the IFoA as a professional body. The FRC have been kept up to date in relation to governance changes at the IFoA and the report includes supportive comments about the approach. There are also positive comments about the IFoA's risk management framework.

D: 2024-2025

11. The FRC have provided a plan for their 2024-2025 supervision activities (Appendix 3).

E: Appendices

- **Appendix 1** - Private Oversight Report 2023-2024
- **Appendix 2** - IFoA Recommendations 2023-2024
- **Appendix 3** - IFoA Supervision Plan 2024-2025