



Institute
and Faculty
of Actuaries

Summary of consultation responses

Proposals for a revised APS X2 and your feedback
on existing guidance

by the Regulatory Board

Contents

Foreword	3
1. Overview	4
2. Consultation process	4
3. Consultation results	4
4. Conclusions	4
Appendix 1 – List of respondents.....	5
Appendix 2 – Summary of responses by percentage	6
Appendix 3 – Comments from organisations	7
Appendix 4 – Comments from individuals.....	11
Appendix 5 – Summary of roundtable feedback	13

Foreword

Sam Younger, Regulatory Board Chair



I am pleased to introduce this summary of the feedback received in response to the consultation on proposals for a revised *Actuarial Profession Standard (APS) X2: Review of Actuarial Work* and feedback on existing guidance issued by the Regulatory Board. APS X2 sets out the duties and responsibilities of all IFoA members in relation to the application of work review, which may include independent peer review, to promote the quality of actuarial work.

The consultation focused on seeking feedback on the existing APS X2 guidance, asking members to let us know how material published to support APS X2 could better support members in applying the standard.

APS X2 helps protect the public interest and enhance the reputation of the actuarial profession by providing reassurance to actuaries and the users of actuarial work that the work has been performed to relevant technical and ethical standards. My sincere thanks, therefore, to all who took time to provide responses to the consultation and who took part in our series of roundtable discussions.

We received 8 written responses to the consultation, which showed broad agreement with the minor amendments proposed to the existing APS X2. We also received a volume of insightful feedback on the existing guidance and case studies, including feedback from the 18 individual members, who attended one of a series of roundtable events to discuss these supporting materials during October 2025.

The Regulatory Board has agreed to publish a revised APS X2, with minor amendments, in line with the original consultation proposal. We will now take time to reflect on the feedback received with respect to the associated guidance and case studies and look forward to launching new material in early 2026.

Thank you again to all those who took time to participate in this exercise.

A handwritten signature in black ink, appearing to read 'Sam Younger', with a stylized flourish at the end.

Sam Younger CBE

Regulatory Board Chair

1. Overview

1.1 We consulted on Proposals for a revised APS X2 and your feedback on existing guidance between June and October 2025. The aim was to share proposals for minor amendments to APS X2 (to bring references in the standard up to date) and to gather member feedback on how best the materials accompanying APS X2 can support members when applying APS X2. We are grateful to everyone who took part in this exercise.

- 3 respondents indicated that their main area of practice was pensions, 1 general insurance, and 1 life insurance.

1.2 Of the organisations which responded:

- All 3 were solely based in the UK.
- 2 were actuarial consultancies, and 1 was a public body of regulator.
- 2 had 101 or more IFoA members working for them and 1 had 11 to 50 IFoA members working for them.

2. Consultation process

2.1 Proposals were published on 16 June 2025 and open for responses until 15 October 2025. Members, the organisations for which they work, and other interested parties were invited to comment on the proposals by completing one of two questionnaires: one for individuals and one for organisations.

2.2 Members were invited to a series of four roundtable events held during October 2025, with each session chaired by a practitioner member of the Regulatory Board. Two sessions were promoted with an insurance focus, and two with a consultancy focus. The events were an opportunity to capture additional feedback on the APS X2 guidance and case studies.

2.3 The Financial Reporting Council (FRC), in its capacity as our UK oversight body, was informed of our plans for a regulatory consultation and its scope.

3.3 Responses to the consultation, as well as feedback received at the abovementioned roundtable events, were broadly supportive of the proposals to make only minor amendments to APS X2.

3.4 More detailed feedback, provided in the written responses received, as well as at the roundtable events, indicated various areas of improvement for the associated guidance. That feedback also identified various scenarios on which it would be helpful for the IFoA to provide case studies

3.5 Further details of the responses are appended below.

3. Consultation results

3.1 The consultation had 8 responses, including 5 from individuals, 3 from organisations.

3.2 Of the individuals who responded:

- 4 were based in the UK and 1 was based in Switzerland.
- 4 respondents indicated that they held the “Fellow” category of membership, and one indicated that they held the “Retired” category.

4. Conclusions

4.1 Given the generally supportive responses regarding the proposed minor amendments to APS X2, the IFoA has issued a revised APS X2 which will come into effect from 30 January 2026.

4.2 A broad range of feedback was received with respect to the APS X2 guidance and case studies. The Regulatory Board will now reflect on this feedback ahead of launching new materials in early 2026. These considerations will be made in conjunction with the feedback provided in the 2024 APS X2 member survey.

Appendix 1 – List of respondents

Below are the names of organisations and individuals who responded to the consultation who agreed for their names to be disclosed as part of the consultation process.

Organisations

Government Actuary's Department

Lane Clark & Peacock LLP

Spence & Partners Limited

Individuals

Charchit Agrawal

Jon Neale

Nick Foster

Richard Nobbs

Appendix 2 – Responses to multiple-choice questions

Respondents were provided with 4 questions to which they could provide one response from a list of possible responses. The following table sets out how both organisations and individuals responded to those questions.

In total 3 organisations and 5 individuals responded to the consultation, all of whom responded to the tabulated questions (ie there were no nil responses).

Question	Possible responses	Organisations	Individuals
To what extent are you supportive of the proposed changes to APS X2?	Very supportive	0	1
	Supportive	3	3
	Neutral	0	1
	Unsupportive	0	0
	Very unsupportive	0	0
How would you rate the effectiveness of the existing non-mandatory guidance and case studies?	Very effective	0	1
	Effective	2	1
	Neutral	1	3
	Ineffective	0	0
	Very ineffective	0	0
Are there ways in which you believe the guidance could be improved, or any additional topics or areas on which it would be helpful to have guidance or new case studies?	Yes	3	3
	No	0	1
	Don't know	0	1
Do you anticipate any practical or resource implications from these proposals?	Yes	0	1
	No	2	4
	Don't know	1	0

Appendix 3 – Comments from organisations

For each multiple-choice question, respondents were asked to provide further details. Where the organisation responding to the consultation agreed for their response to be published, their full comments in follow up to those multiple-choice questions have been included below. If an organisation wanted their responses to remain confidential, no entry appears.

At the top of each table, a line has been given prior to the verbatim responses, to indicate how the organisation responded to the associated multiple-choice question. Tables have only been included for each multiple-choice option for which at least one response was received.

Question 1

To what extent are you supportive of the proposed changes to APS X2?

Comments from those who responded “Supportive”

"Most of the refinements appear to be presentational in nature. Replacing the “General Professional Obligations” preamble with Section 3 (“Interpretation and application”) improves clarity and readability.

Removing the sentence “Members are required to comply with all applicable provisions of APSs” arguably creates uncertainty around the extent to which Members must comply. Although it is implied within the proposed paragraph 3.1. "

“We support the review of APS X2 and are encouraged by the minimal amount of changes the IFoA is recommending. We believe APS X2 remains effective, and this reflects the simplicity and generality of its drafting. We are content that the principles remain relevant and sufficient to guide members in their decision-making. Replacing the ‘General Professional Obligations’ section with the new ‘Interpretation and application’ section aids brevity and clarity.

The other changes are minor, and we have no material concerns to raise. That said, the amendment to the definition of actuarial work would introduce (minor) inconsistency with APS X1, which uses the same term (there may also be other APSs affected). You may wish to consider whether this is acceptable and/or ensure subsequent APS reviews make the same change.”

“We agree with the principle that references to the IFoA Disciplinary Scheme are brought up to date.

We note that the sentence “members are required to comply with all applicable provisions of APSs” has been removed and replaced with 3.1 “a failure to comply with this APS may result in a finding of misconduct in terms of the IFoA’s Disciplinary Scheme”. This is a useful clarification.

We also note the differences in definitions between the proposed APS X2 and the current APS QA1 (version 3.0). While mostly consistent, with additional explanations in some cases, it would be helpful if these terms are defined in the same way. These include “Actuarial work” and “member”.”

Question 2

How would you rate the effectiveness of the existing non-mandatory guidance and case studies?

Comments from those who responded "Effective"

"The document entitled "Guidance APS X2: Review of Actuarial Work" and Case Studies serve as helpful supplements to APS X2 itself. They provide practical guidance and examples on the factors IFoA members should consider to help us comply with APS X2.

The Guidance and the Case Studies would likely benefit from a refresh and we are supportive of the IFoA holding roundtables to discuss these areas following the submission the consultation responses."

Question 2

How would you rate the effectiveness of the existing non-mandatory guidance and case studies?

Comments from those who responded "Neutral"

"The guidance and case studies provide useful additional context to APS X2. They are a helpful resource for members to gain greater understanding of what is needed in practice and the types of professional issues they may encounter. Having these resources available enables the standard to remain concise (although there is perhaps a counterargument that the standard has insufficient detail if you need guidance to help understand its intention).

Whilst the documents (subject to our comments below) seem as if they should be effective, it is not clear how aware members are of these additional resources. The results of the member surveys were not particularly encouraging – with 38% of all respondents not feeling confident to determine whether their work requires review. Our 'neutral' response to this question reflects this issue - the materials themselves may be 'effective', but they do not seem to be having the desired outcome amongst members. We would suggest the IFoA use this review to consider how to improve awareness and understanding amongst members."

Question 3

Are there ways in which you believe the guidance could be improved, or any additional topics or areas on which it would be helpful to have guidance or new case studies?

Comments from those who responded "Yes"

"The case studies are dated from 2015. The IFoA could consider refreshing these and bringing them up to date. This could be part of an initiative to remind IFoA members that such materials exist. We are supportive of the IFoA holding roundtables to discuss guidance and case studies areas following the submission the consultation responses.

The IFoA could consider guidance and/or new case studies around how the emergence of generative artificial intelligence may assist with actuarial review as well as risks associated with its use."

“The formatting of the guidance could be modernised – with more information on each page and better use of graphics to help engage the reader and illustrate the key points. We also feel the drafting could be made more concise, with key concepts introduced more clearly.

There are several references which are already out of date – for example quotes, footnotes or hyperlinks to the Reliability Objective, the Actuaries’ Code, APS QA1 and the conflicts of interest guidance. Either the text quoted is now incorrect or the web directions no longer work.

Other quotes will become out of date if the proposed changes to definitions go ahead (Actuarial Work, Work Review, Independent Peer Review).

The case studies include two examples of an actuary providing expert witness services. This feels disproportionate to the number of actuaries involved in such work. We felt that the issues covered in case study 3 (ensuring there is sufficient time for review) could equally arise in a range of more commonly encountered circumstances. We suggest that this case study be reframed, so that it no longer refers to expert witness work.

Whilst the case studies have not aged badly, we would encourage the IFoA to ensure any updates aim to make them more contemporary. For example, scenarios involving the use of AI or the development of climate risk disclosures might feel more relevant to members in the years ahead.

We would also encourage the IFoA to combine the guidance and the case studies into a single document. The fewer distinct documents there are to refer to, the more likely they are to be read.”

“The term “user” is used in various places in the guidance, for example the list of activities that might be carried out as part of the review process on page 7. This would benefit from some clarification – is it the same as an “intended recipient” used in the definition of actuarial work, the definition in APS QA1, the FRC’s definition of an “intended user” for TAS purposes, or some other meaning?

Our reading of APS X2 and the guidance is that independent peer review is thought to be more valuable than non-independent work review. We do not agree that that’s always the case, as it depends on the circumstances, since it could often be more valuable for the peer reviewer to be someone who knows the client’s circumstances, history and requirements than for the peer reviewer to be independent of the client team. This has led to several statements in the guidance that are unhelpful – for example, sections 3.4, 5.3, 7.2 and 7.5. It would also be helpful to have more examples of when a (non-independent) work review would be appropriate instead of an independent peer review.”

“APS X2 says (in paragraph 2.3) that review should be undertaken at such time as to be capable of influencing the conclusions and outputs of the work. This could be interpreted as meaning that the review can be after the work has been sent to the intended recipient, as long as it’s before the intended recipient acts on it (although paragraph 5.2 in the guidance may say otherwise). In any case, we think this should very much be the exception, rather than a regular occurrence, and suggest that the guidance makes it clear that work/peer review must take place before issuance (other than in exceptional circumstances that are explained to the intended recipient).

We suggest that the last sentence of paragraph 9.2 of the guidance is expanded. Whilst one member may be ultimately responsible and accountable to the user for a specific piece of work, where two members have been involved in that piece of work, they are both responsible for the work that each of them did.

A statement that APS X2 applies equally between members within QAS accredited organisations and other members, or examples where there might be differences (especially at organisational level), would be useful, as

QAS is mentioned in APS X2 and similarly Work Review, including Independent Peer Review, are mentioned in APS QA1.

A minor point is that some of the case studies refer to an “employer”, whereas many members may be partners in consulting firms and so they do not have an employer, or are sole practitioners. Some more inclusive language or a footnote might be helpful to clarify that these case studies are still relevant for the self-employed.”

Question 4

Do you anticipate any practical or resource implications from these proposals?

Comments from those who responded “No”

“No practical or resource implications expected.”

Question 4

Do you anticipate any practical or resource implications from these proposals?

Comments from those who responded “Don’t know”

“If only APS X2 is updated (with the amendments as proposed), there will be minimal impact. The statement on the consultation webpage that “there is no intention to change the obligations of members” is helpful. At GAD, we may use the revisions as an opportunity to promote the standard, but that is a business decision rather than a direct implication of the proposals.

If the supporting resources are updated, some broader familiarisation will be needed (although perhaps centrally by our Excellence function rather than necessarily by individual members). Whilst the guidance is non-mandatory, we would want to check that our understanding of how to apply the standard remains in keeping with the IFoA’s intentions. This is not expected to be a material undertaking but it depends on the content of the new material.”

Question 5

If you wish to provide any other feedback not already covered then, please do so here.

Comments only

“The APS X2 framework works well at present and is fit for purpose. The proposed changes are minor refinements and as such we don’t expect there to be any material implications for us as an organisation of the implementation of them. The guidance and case studies provided are helpful albeit would likely benefit from a refresh (which we note the IFoA is keen to engage with members on).”

Appendix 4 – Comments from individuals

Where the individual responding to the consultation agreed for their response to be published, their full comments in responses to questions have been included below. If an individual wanted their responses to remain confidential, no entry appears.

At the top of each table, a line has been given prior to the verbatim responses, to indicate how the individual responded to the associated multiple-choice question. Tables have only been included for each multiple-choice option for which at least one response was received.

Question 1

To what extent are you supportive of the proposed changes to APS X2?

Neutral

“There has been little change to the existing standard”

Question 2

How would you rate the effectiveness of the existing non-mandatory guidance and case studies?

No comments provided for question 2.

Question 3

Are there ways in which you believe the guidance could be improved, or any additional topics or areas on which it would be helpful to have guidance or new case studies?

Yes

“It would be helpful to know when exactly a 'work review' is required, and when an 'independent peer review' is required. If this is not possible, then some clarity to say that it is upon the actuary's judgement to decide which one to go for.”

“A lot of actuarial work carried out within insurance companies is done by actuaries but is the responsibility of senior directors who are not. IFoA may wish to consider issuing more guidance for dealing with these conflicts and best practice for resolving these.”

“I am concerned that smaller consultancies may be deterred from considering work for independent peer review by the difficulties of organising this outside their businesses”

Question 4

Do you anticipate any practical or resource implications from these proposals?

Yes

“They should not be onerous, but a central register like the one kept for members willing to do reflective practice reviews would be a helpful resource to small businesses in my view”

Question 5

If you wish to provide any other feedback not already covered then, please do so here.

Comments only

"Paragraph 1.3 should include whether or not other actuaries can carry out an Independent Peer Review.

For example, I have been asked to report in court cases on pensions on divorce. In some cases, I have been asked to report in a jurisdiction outside my experience and for which there are no actuaries that I know of that can provide the report (or that a known actuary is conflicted as acting for the other ""side"").

In such circumstances, an actuary needs to be practical - do they reject the instructions because they can't comply with APS X2 or accept them and have a work review or other peer review but by someone who does not have ""...the appropriate experience and expertise...."" because it does not exist or is impractical."

Appendix 5 – Summary of roundtable process

In early October 2025, 4 roundtable events were held to gather member feedback on the guidance and case studies issued in association with APS X2.

2 of those events had an insurance focus, and 2 a consultancy focus. Each event was chaired by a practitioner member of the IFoA Regulatory Board with appropriate industry experience. Board members were supported by a member of the IFoA Executive, who captured the feedback received.

The events were hosted over MS Teams and promoted through the [IFoA Communities](#) platform, as well as directly to members through a number of other communication channels.

The dates, times, focus, and attendance of the four events was as follows.

Date	Time	Focus	Attendance
2 October 2025	13:00-13:45	Insurance	1
8 October 2025	12:00-12:45	Consultancy	9
9 October 2025	13:00-13:45	Insurance	4
15 October 2025	12:00-12:45	Consultancy	4



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