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What does the transition to ARGA's actuarial regime mean for me in a nutshell?

For members of the IFoA, the new regime will be very much a continuation of the current one, with an additional element of risk-based monitoring of public interest actuarial work. Currently, IFoA members are required to comply with the FRC's technical actuarial standards and this will continue under ARGA. IFoA members will also continue to be subject to our disciplinary scheme for matters affecting public interest, if within ARGA's scope.

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Is work within ARGA's scope going to be treated differently and how do I know if my work falls in scope?

There will be a defined scope of work which will be included under ARGA's regime, regardless of IFoA membership. The scope is defined by two required components:

- Is this actuarial work carried out in relation to Public Interest Entities, or large pension schemes or funeral trusts (as defined by legislation)?
- Is this actuarial work on the list of 'public interest actuarial work' as published by ARGA?

Work within this scope will be subject to ARGA's **standards, monitoring and enforcement**. The main change for IFoA members will be that work in scope of the above will be subject to ARGA's monitoring.

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Why will our public interest actuarial work be monitored – are you just trying to find people to fine?

No. Our objective is to assess the quality of actuarial work. Our monitoring programme will be informed by risk-based criteria and will aim to capture a broad spectrum of work carried out by individuals performing public interest actuarial work. In general, the work of individuals rather than entities will be assessed. Where we identify work that doesn't meet standards, there will be a proportionate set of actions ranging from feedback and correction to referral to the disciplinary scheme.

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Will competitors see my work through the monitoring? I'm worried about confidentiality.

This will not be the case. We will not look to outsource any monitoring work, and our staff are bound not to disclose or use for their own (or any other party's) benefit any confidential information acquired by them in their work.

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When will this happen? There's not enough time to prepare.

Our monitoring programme will not be in place before **April 2024**. Ahead of full implementation, we will run a pilot of our monitoring programme and give those carrying out actuarial work sight of our approach before it is in force. We want to allow practitioners time to familiarise themselves with the regime and comply with ARGA's standards before the annual monitoring cycle becomes business as usual.

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What does ARGA's oversight of the IFoA involve and how does that differ from the current arrangement?

We oversee the regulatory activities of the IFoA including education, qualifications, CPD, the Practising Certificate Scheme and the Disciplinary Scheme, and ARGA will continue to do this but on a statutory basis rather than the voluntary basis that currently exists. Practitioners don't typically see our oversight activities and that will still be the case in future. Bringing oversight onto a statutory basis will give the regulatory regime credibility and certainty, aligning with how other professional bodies are currently regulated.

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Get in touch

If you have further queries, please contact us at ARGAActuarial@frc.org.uk. We are also reaching out to practitioners through engagement with entities and trade bodies, so can be contacted via firms' usual regulatory contacts.



Financial Reporting Council