

## **Comments for Faculty Sessional Meeting on 17<sup>th</sup> January 2005**

I give below the comments which I had prepared for the Faculty Sessional Meeting on 17<sup>th</sup> January 2005 but which I did not make in view of the overall length of the meeting.

I would like to express some personal views on the CPD scheme. I stress that these are my views and not necessarily those of the Professional Competence Task Force (PCTF) although they have been influenced by discussions at the PCTF, of which I am a member. Some of my observations assume that the alternative approach to Practising Certificates, suggested by the PCTF, is adopted. I am aware that in some respects in the course of their review, the CPD Committee have reached the same conclusions.

I believe that the prime object of the CPD scheme is that all actuaries who are working should keep their knowledge of relevant subjects up to date. I question whether the present scheme achieves that for all actuaries.

Would a scheme judged on outcomes, whereby the individual assesses how his/her CPD activity meets his/her requirements be more appropriate? One of the tasks for PCTF was to consider the desirability of the Institute's work experience requirement. The objective of that was questioned and an outcomes solution based on work based skills developed

I think Practice Boards should have a rolling list of issues on which those Practising in the area should be competent. Items would be added to the list as they arose - on the other hand, some items would be removed if they were no longer considered relevant. Those practising in a particular area but without a Statutory Practising Certificate, might not need to be competent in respect of the complete list.

Actuaries who are not working in areas covered by GNs, would have to develop a list of issues relevant to their work. Thus for example actuaries who are non-executive directors would include in their list corporate governance issues.

In times of rapid change, such as at present on the regulatory front, the potential CPD requirements might be considerable compared with more normal circumstances.

The same principles should apply to all actuaries who are working even if on a part time basis, although special consideration needs to be given to those Retired actuaries doing work on a pro bono basis, although the latter would have to make clear to their clients their status and the fact that they are not necessarily updating their knowledge.

FIMC and/or Councils should consider to what extent changes from time to time in the examination syllabus should be reflected in the CPD requirements of those who are already qualified. Changes in Specialist Application

syllabuses will probably already have been reflected in CPD programmes but the same is less likely in the case of the earlier parts of the examination syllabus in particular or Core Technical.

In considering the delivery of CPD, whilst the conference programme would continue to be the principle source, it is not the only source and in some instances it is not the most convenient. For formal CPD, time spent on participation in inter-active discussion is probably the most valuable, that includes attendance at sessional meetings such as this and at meetings of FASS, GASS and the regional societies. I believe another source of valuable CPD is the informal discussions that take place immediately after the meetings.

For those who for a variety of reasons cannot attend Sessional Meetings, studying the transcript of the discussion is probably as valuable as actually attending the meeting and I see no reason why it should not count towards Formal CPD. External conference events should count – provided they involve inter-active discussion. There has been a reluctance to fully recognise “in-house” events – principally because they are likely to promote the “house view” but I believe that in house meetings to discuss new issues, from which a “house view” might develop should count towards CPD.

Since inception conforming with the CPD programme has been based on time spent – mere attendance at a conference counts even if the individual has been asleep. Whilst I think it reasonable that time spent to maintain competency might be equivalent to that prescribed by the present scheme – it is the maintenance of the competency that is the important measure. Admittedly time spent might be the only practical method by which the profession could monitor adherence to a CPD programme.

Individual actuaries should maintain a record of their formal CPD activity, indicating the relevance to the individual’s CPD requirements. Ideally this could be a web-based record which could be linked to the individual’s record on the profession’s database, thus reducing the cost of monitoring CPD.

For some aspects of CPD, including any technical catch-up resulting from syllabus enhancements, it would be desirable if the profession could develop some web-based education material possibly including some tests.

P H Grace  
17.1.2005