



# Society of Actuaries in Ireland

## Actuarial Standard of Practice PA-1

### Continuing Professional Development (CPD)

#### Classification

Mandatory

**MEMBERS ARE REMINDED THAT THEY MUST ALWAYS COMPLY WITH THE CODE OF PROFESSIONAL CONDUCT AND THAT ACTUARIAL STANDARDS OF PRACTICE IMPOSE ADDITIONAL REQUIREMENTS UNDER SPECIFIC CIRCUMSTANCES.**

#### Legislation or Authority

Council of the Society of Actuaries in Ireland

#### Application

Such Fellow, Associate, Affiliate and Student members of the Society of Actuaries in Ireland as specified in section 2.1 below.

#### Version Effective from

1.0	06.09.2006
1.1	30.12.2006
1.2	01.11.2010
1.3	01.07.2014
1.4	02.02.2016
1.5	01.07.2017
2.0	01.09.2021
2.1	01.09.2022

#### Definitions

Words in italics in this Actuarial Standard of Practice shall be construed in accordance with the following definitions:

**Actuarial Services:** Services based upon actuarial considerations, provided to intended users, that may include the rendering of advice, recommendations, findings or opinions and may include part or all of a work assignment. For this purpose, services are based upon actuarial considerations if:

- the use of principles and/or techniques of actuarial science is central to the provision of the services, and
- the exercise of professional judgement is required.

**Applicable Member(s):** means any *member* or *members* of the *Society* who at any point during any *CPD year* are in Categories R or G as specified in section 2.1 and applies for that *CPD year*.

**Appropriate:** when referring to CPD means any CPD that might assist a *member* in carrying out their job or a reasonable potential future job by way of increasing knowledge or acquiring and/or enhancing skills or attributes.

**Code:** The Code of Professional Conduct issued by the Society of Actuaries in Ireland.

**CPD year:** The year from each 1 September until the following 31 August.

**CBI:** The Central Bank of Ireland.

**Domestic Actuarial Regime:** “Domestic Actuarial Regime and Related Governance Requirements under Solvency II” as issued by the *CBI* in 2018 or (if applicable) as subsequently amended.

**Identifiable:** when referring to CPD means CPD that can be identified as relating to a specific activity at a particular time.

**Member:** A member of the Society of Actuaries in Ireland.

**Professionalism CPD:** CPD related to professional ethics as defined in section 3.3.3.

**Role-Relevant CPD:** CPD relevant to a role as defined in section 3.2.1, and is any CPD that might assist a *member* in carrying out that role by way of increasing knowledge or acquiring and/or enhancing skills or attributes.

**Society:** means the Society of Actuaries in Ireland.

## **1 Introduction**

1.1 The purposes of the CPD requirements set out in this ASP are:

1.1.1 to ensure that all *applicable members* develop and maintain the knowledge, skills and attributes they need; and

1.1.2 to ensure that others can confidently trust that they have done so.

1.2 The principles underlying the CPD requirements are as follows:

- 1.2.1 It is important to continue to develop as professionals. Consequently, all *applicable members* must complete CPD each year and keep records that allow them to demonstrate that they have done so.
  - 1.2.2 *Applicable members* need to discuss, share and debate ideas with others, including those outside their normal work colleagues and clients.
  - 1.2.3 *Applicable members* need to consider their own developmental needs and plan future learning.
  - 1.2.4 There is a full range of activities that can contribute to a *member's* development. It may be necessary and desirable for *applicable members* to undertake CPD activities from outside the actuarial profession, including those provided by employers.
- 1.3 The requirements contained within this ASP represent a minimum. All *members* are required by the Code of Professional Conduct to have sufficient knowledge and experience to carry out their duties competently. The requirements in this ASP should not be taken as being sufficient for this purpose. In particular *members* undertaking new roles may find that they need to devote considerably more time to learning that role than the CPD requirement.

## 2 CPD categories and exemptions

- 2.1 Fellow and Associate *members* fall into one of three categories for the purpose of determining the amount and type of CPD they are required to complete to satisfy the *Society's* requirements. Student and Affiliate *members* are also required to satisfy the *Society's* requirements if they fall into Category R or, in the case of Affiliate *members* only, Category G.

The CPD categories are:

Category R All Fellow, Associate, Affiliate and Student *members* who

- (a) hold a practising certificate issued by the *Society*; or
- (b) act as Reviewing Actuary for the purposes of compliance with:
  - regulations made under Section 51A of the Pensions Act, 1990, or
  - the *Domestic Actuarial Regime*, or
  - "Reserving Requirements for Non-Life Insurers and Non-Life and Life Reinsurers", as issued by the *CBI* in 2014; or
- (c) have been appointed to a *CBI* Pre-Approval Controlled Function role, including but not limited to Head of Actuarial Function (for the purposes of compliance with the *Domestic Actuarial Regime*), Executive director, Non-executive director or Chief Risk Officer.

Category G All Fellow and Associate *members* who are not in Category R and are either working on a paid basis or are engaged in the provision of professional services (as defined in the *Code*) on a non-remunerated basis. All Affiliate *members* who carry out *actuarial services* and who are not in Category R.

Category E All Fellow and Associate *members* who are not in category R or G and are not in work or seeking work (because, for example, they are retired or on a career break). The period of not working must be at least 90 days.

2.2 For *members* who fall within one of the first two categories, the requirement for competence is not waived merely because the *member* works in a non-actuarial area or works less than full-time.

2.3 Requests for exemption from some or all of the requirements of this CPD Scheme will be considered on a case-by-case basis. Exemptions will be granted only in exceptional circumstances (such as long-term illness) and may be subject to such conditions as the *Society* decides.

2.4 All *members* must ensure that their CPD category is correctly recorded in the “My CPD” section of their profile on the *Society’s* website.

### 3 CPD requirements

#### 3.1 General requirements

3.1.1 *Applicable members* must complete sufficient CPD allocated to each *CPD year* to meet the requirements of sections 3.1.3 and 3.1.4 but subject also to the provisions of section 3.4. There is no CPD requirement for non-*applicable members*.

3.1.2 All CPD must be *identifiable* and *appropriate*. CPD excludes day-to-day work activities that form a routine part of a *member’s* role. *Members* must not count work activities as CPD unless they can demonstrate that the activities in question are non-routine and contribute in a substantive way to their professional development.

#### 3.1.3

If, throughout the <i>CPD year</i> , the <i>member</i> is in:	Minimum amount of CPD	<i>Role-Relevant CPD</i> : (see section 3.2)	<i>Professionalism CPD</i> : (see section 3.3)
Category R	25 hours (including <i>Role-Relevant</i> and <i>Professionalism CPD</i> )	5 hours for each role that causes the <i>member</i> to be in Category R	2 hours
Category G	20 hours (including <i>Professionalism CPD</i> )	Nil	2 hours
Category E	Nil	Nil	Nil

3.1.4 *Applicable members* who change CPD category during the *CPD year* are required to complete CPD according to a time weighted average of the requirements of the Categories they were in. If

any requirement when averaged is less than 30 minutes it shall be rounded down to zero. If all the CPD requirements for an *applicable member* are rounded to zero then that member will be considered to not be an *applicable member* for that *CPD year*.

- 3.1.5 Where a *member* becomes an *applicable member* during the *CPD year* (e.g. a *member* transfers from Student to Fellow membership mid *CPD year*), their CPD Category requirements are calculated on a pro-rata basis based on the date of change of status. Rounding is applied as outlined in section 3.1.4.

### **3.2 Role-Relevant CPD Requirements**

- 3.2.1 *Applicable members* in Category R must undertake 5 hours of CPD activities relevant to each role that causes them to be in Category R within each *CPD year*. Where a *member* holds more than one such role, CPD activities may be relevant to one or more of those roles.
- 3.2.2 This is included in the overall CPD requirement as specified in section 3.1.3 above.

### **3.3 Professionalism CPD Requirements**

- 3.3.1 *Applicable members* who are in Category R or G for the whole *CPD year* must complete 2 hours of *professionalism CPD* in each *CPD year*. This requirement is reduced by a time weighted average for any period in the *CPD year* that the *applicable member* is not in Category R or G.
- 3.3.2 This is included in the overall CPD requirement as specified in section 3.1.3 above.
- 3.3.3 *Professionalism CPD* is any event or activity that enhances understanding of professional obligations by doing any of the following:
- Enhances *members'* understanding of principles of ethical behaviour and how to apply these in making professional judgements;
  - Equips *members* to make reasoned and justifiable decisions in resolving ethical dilemmas;
  - Enhances *members'* understanding of what it means to act in the public interest;
  - Helps *members* to demonstrate ethical behaviour in conducting professional life; and
  - Enables *members* to recognise ethical dilemmas and take appropriate action.

### **3.4 CPD Averaging across CPD years**

- 3.4.1 *Applicable members* who were also *applicable members* in the previous *CPD year* and completed more than the required amount of CPD in the previous *CPD year*, may count the excess in the previous *CPD year* (up to a maximum of 10 hours) towards the current *CPD year's* requirements. This section does not apply to requirements relating to *Role-Relevant CPD* and *Professionalism CPD*, which must be completed in each *CPD year*.

3.4.2 An *applicable member* who does not complete sufficient CPD to meet their Category G requirements in the current *CPD year* may inform the *Society* that they wish to have the current *CPD year* and the next considered together. This must be done before the end of the *CPD year*. In this case the *applicable member* will be required to meet the sum of the two years' requirements over the course of those two years. This section does not apply to requirements relating to *Professionalism CPD*, which must be completed in each *CPD year*; nor does it apply to any *Category R* requirements.

3.4.3 An *applicable member* may not avail themselves of the provisions of section 3.4.1 and 3.4.2 in the same *CPD year*.

### **3.5 Alternative arrangements for actuaries practising outside Ireland**

3.5.1 The *Society* may at its discretion recognise the CPD requirements of actuarial bodies outside Ireland as being equivalent to the requirements of this ASP, in which event an *applicable member* in Category G who practises wholly or mainly in one of the countries concerned and whose practice is governed by those bodies may treat completing those requirements as fulfilling the requirements of this ASP. However, not later than four weeks after the end of the *CPD year*, the *member* must inform the *Society*, in such form as the *Society* may require, that they have adhered to the other actuarial body's CPD requirements.

### **3.6 Specific requirements relevant to renewal of practising certificates following extended leave**

3.6.1 Where a *member* is in Category E for a period of up to 18 months, and wishes to apply for renewal of a practising certificate on their return to work, they must complete 5 hours of CPD, to include 2 hours of *role-relevant CPD*, in the period commencing not more than 3 months before submitting their renewal application.

## **4 Recording CPD**

4.1 *Applicable members* must keep a record of their CPD activities. They must also be able to demonstrate on request, in such form as the *Society* may require, that CPD performed was *identifiable and appropriate*.

4.2 All *applicable members* must submit a CPD record in respect of each *CPD year* not later than four weeks after the end of the *CPD year*.

4.3 It is not necessary to record all CPD undertaken, provided that the minimum requirement has been met. It is, however, best practice to record all CPD undertaken. If more than the minimum is included on the *member's* CPD submission, it will be easier to verify that the minimum has been met and any items of marginal acceptability will matter less. This is particularly important as the CPD averaging procedure described in section 3.4.1 only applies to CPD reported within four weeks of the end of the *CPD year* in which it is completed.

## **5 Monitoring and compliance**

- 5.1 This ASP is classified as “Mandatory” and, in accordance with the Code of Professional Conduct, any material failure to comply with its requirements may result in investigation and possible public sanction under the *Society’s* Disciplinary Scheme.
- 5.2 All *applicable members* are required to submit an annual declaration to the *Society* stating, if it is the case, that, in respect of the previous or current *CPD year* (as applicable), they have adhered to the CPD requirements.
- 5.3 Each year, a sample of CPD records for members in Categories R and G, including *members* practising outside Ireland, will be subject to detailed review. This may include requiring justification of the claim that the CPD is *identifiable* and *appropriate*.

## **6 Failure to submit details of CPD**

- 6.1 Any *applicable member* who fails to submit full and accurate information to the *Society* in accordance with paragraph 4.2 within four weeks of the end of the relevant *CPD year*, or such later date as the *Society* may at its discretion permit, may, as an alternative to referral under the *Society’s* Disciplinary Scheme, be offered the opportunity to submit the relevant information before a later deadline subject to payment of an administration fee of such amount as Council of the *Society* may from time to time decide.

## **Explanatory Note**

ASP PA-1 V2.1 incorporates the following amendments from the previous version:

- Clarification of scope in section 2.1:
  - Previously Category G included those Fellows who were performing any voluntary work but this is now limited to those Fellows who are performing professional services (as defined in the Code of Professional Conduct) on a voluntary basis
  - Amended introductory paragraph to include reference to Affiliate members in Category G also being in scope
- Clarification that requirements are calculated on a pro-rata basis for students transferring to Fellow membership mid CPD year
- Addition of new section 3.6 to address the CPD requirements for those members seeking to renew a practising certificate following a period of extended leave. This change is in line with recent changes to the Rules and Guidance for Practising Certificates.