

## Actuarial Society Update – January 2019

### Key Dates for the Year

Event	Cape Town	Johannesburg	Other venue	
<b>Seminars</b>				
Life	3 April@			
Health	5 April@			
Investments		13 June		
Retirement	2 April@			
Short term	4 April@			
Risk mgt				
Banking		24 July		
Education				
Wider fields		20 August		
IAA meetings			Washington Tokyo	15-18 May 18-22 Nov
IAA Colloquium	1-5 April			
Annual general meeting				
Convention		22-23 Oct		
Africa Seminar		21 Oct		
A100/A200 & F106 exams	03-23 April & 20 Sept – 10 Oct			
A301 exams	2-3 May & 2-3 Oct			
A302 exam	15 May & 24 Oct			
F201-F206 exams	10 May# & 18 Oct			
F101-F105	22-31 May & 29 Oct – 08 Nov			
<b>Normative skills workshops</b>	3-26 June & 4-28 Nov			

@ These seminars are held as part of the curriculum

# This date is under review and may be revised

### Colloquium and practice area seminars

Members who wish to attend the **Life**, **Retirement Matters**, **Health** or **Short-term** seminars must note that these are happening earlier than usual in the year as part of the IAA colloquium. As can be seen in the table above, these will occur in Cape Town during the first week of April.

This will provide opportunities for members working in multiple practice areas to attend seminars on consecutive days and, for members specialising in particular areas of practice, the opportunity to get a wider perspective through attending all 3 days of the colloquium for their area of practice.

Details of the colloquium can be found on <https://www.colloquium2019.org.za/>. There are a range of packages available for ASSA members ranging in price from R1 750 (single ASSA practice area seminar) to R12 750 (access to the full 4 days of the colloquium including the Social events)

### **Transformation sessionals**

As stated in the previous edition of the Update (November 2018), transformation sessionals will be continuing during 2019.

Five sessional meetings are being planned for 2019:

- February: Conscientising unconscious bias
- April: How to have crucial conversations
- June: Having a conversation around privilege
- September: Creating an environment for inclusion
- November: Legacy and sustainability

Dates for the February sessionals have been finalised – 18 February (Johannesburg) and 27 February (Cape Town).

### **Administration Issues**

The first two months of the year are traditionally very busy for the ASSA office due to the combination of existing members renewing membership, new members joining and registrations for exams and other education initiatives.

For 2019 this has been significantly aggravated by the addition of the changes to the education syllabus as well as preparing to implement changes to the work-based learning system. These education changes have led to questions for guidance from student members of the nature that would usually be answered by either HR practitioners or actuarial mentors in employers.

The combined impact of the seasonal workload and the changes being implemented, is an increased number and complexity of queries resulting in a slower response times. I ask members to first check the website and communications from ASSA before sending queries to the office and appeal for patience in waiting for responses from the office.

### **Impacting the national debate**

During the 2018 ASSA strategic review, Council recognised that ASSA has an effective track record at providing strong comment on proposed regulations and legislation.

However, this role has always been reactive and very late in the process. A need to be involved in the process earlier with the intention of establishing awareness of the impacts (including unintended consequences) of possible policy positions was identified.

After an extensive process, a shortlist of three candidates made written submissions and were interviewed for the part-time role of actively engaging with key policy makers with the intention of being a trusted adviser acting in the public interest to enrich the debate on the impact and consequences of policy options. I would like to congratulate **Lusani Mulaudzi** has been appointed to the role. We wish Lusani every success in this role and hope that through his initiatives the standing of the actuarial profession will be enhanced and we will contribute to the increased effectiveness of policy making and policy implementation in the public interest.

Lusani will be establishing an interest group of members working in and with the public sector and other members who wish to serve the public interest through working with the public sector.

### **Actuarial Society Academy**

The Actuarial Society Academy kicked off the year with double features – while induction sessions for newly employed student members were running in Cape Town, the A311 Support Programme was in full swing in Johannesburg. Attendees rated the induction sessions as very favourably, with most respondents rating it as either essential or very valuable for newly employed students. Magda Wierzycka and Themba Gamedze addressed new students in Cape Town and Johannesburg respectively with the vast majority of respondents rating them as inspirational.

After very successful support initiatives for A2 level subjects during the previous exam session (Academy students performed 17% better than the average student), the A213 support programme for the April exams has started. For students in Cape Town, this meant a status exam on a Saturday. So much for “Slaapstad”!

We would again like to express our appreciation to Francois Johnson and the team at Sanlam, who continues to make their training facilities available free of charge to the Academy. This allows us to offer quality support at a very affordable fee, and make a small number of bursaries available.

## **Work-based learning**

Successful sessional meetings were held to explain the new online work-based learning system to students, students and ATO representative in Cape Town (99 attendees) and Johannesburg (237 attendees on a Friday afternoon!). Many arrived for the sessionals highly sceptical and wondering how ASSA was planning to make their lives more difficult! Feedback received is that most attendees left feeling that the new system will enable them to more effectively complete their work-based learning assignments. Testing of the system is almost complete. Students will be notified when it is live.

## **Education – syllabus change**

Changes to academic records to reflect the new syllabus are being finalised. All results will be reflected using the 2019 syllabus codes. Students who have previously passed A201 will see it reflected as A211. Students who have passed or been exempted from A202 and A204 will see exemptions for A212.

Students who have passed or been exempted from A202 or A204 will see no credit in the published academic record though we will retain the records of their results for these subjects. Students who have not yet applied or paid for exemptions that they have earned for either of these subjects (if they have passed the other) are strongly encouraged to do so now.

## **Disciplinary procedure – same case with different outcomes**

ASSA was made aware of a complaint lodged with the Institute and Faculty (IFoA) in 2013. After discussion, it was agreed that ASSA would investigate the complaint, as it targeted an actuary who was a member of both the IFoA and ASSA but resident in South Africa though the issues related to work done in Kenya. ASSA was the primary regulator for the individual. The ASSA Disciplinary Committee appointed a senior member as investigator, who conducted interviews with the accused, complainant and other relevant parties who then submitted a detailed report to the Committee. While the Committee was finalising its recommendations, it became aware of a successful appeal to the Kenyan Retirement Benefits Appeal Tribunal (RBA). The RBA found that the actuary's report had been made in accordance with the relevant instructions. This was crucial, as part of the complaint was that the actuary had exceeded his brief. The RBA directed the relevant retirement fund to settle claims in the manner calculated by the actuary and pointed out that clear flaws in the actuary's report had not been pointed out in the submissions and representations. The Disciplinary Committee accordingly dismissed the complaint, although it directed a past president of the Society and member of the Committee to discuss some aspects of the report with the actuary concerned.

The IFoA subsequently investigated the matter, and an IFoA tribunal decided to recommend expulsion of the member from the organisation. This has caused concern among some members of ASSA.

It should be noted that the IFoA tribunal did not give the same weight to the determination of the RBA. This determination basically condoned the actions of the actuary and was the main reason for the ASSA Disciplinary Committee dismissing the complaint. This lies at the core of the difference in outcomes.

Furthermore, we understand that the wording of the IFoA determination creates the impression that there had been no hearing by ASSA, and that ASSA had not considered the merits of the matter. We have discussed this with representatives of the IFoA. This is an incorrect interpretation of their understanding of the work done in ASSA. Their comment was made in the context that we had not convened a formal judicial hearing (tribunal), and not an assessment of the activities of the Disciplinary Committee. They also indicated that they took into account developments, mainly communication-related, that arose after ASSA had completed its investigation.

ASSA's lawyers have clarified the legal position. With regard to the principles of double Jeopardy, in the absence of substantial new evidence, it would be inappropriate for ASSA to re-open the investigation as we have previously investigated and concluded the matter.

In summary, then, the Society followed a proper process, but took into account an appeal determination that the IFoA regarded as less significant. The matter was discussed with the IFoA and we have agreed on a framework that will allow us to reduce the probability of such divergence in outcomes without compromising the independence of the disciplinary processes in the two organisations.

It must be noted that both ASSA and the IFoA have disciplinary processes that are fully compliant with the standards required by the IAA (International Actuarial Association). It is not unusual for this type of process to place different weight on different aspects of a case or on bits of evidence but hopefully such divergent outcomes occur less frequently.

## **Membership renewals**

I would like to thank all members who have renewed their membership for 2019.

Members who have not renewed are reminded that this is a member-initiated process and the invoice will only be generated once you have commenced the renewal process. You can begin the renewal process by logging into the member section of the ASSA website at <https://login.actuarialsociety.org.za/account/login>.

With the Colloquium, transformation sessionals, public interest focus, education changes and the continuing activities of the Academy, 2019 promises to be a year of growth and change as we continue to focus on transformation and enhancing the standing of the profession. I encourage all members to be active and involved in our activities.

Regards



Mike McDougall