



Institute
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of Actuaries

IFoA

Governance Reforms

Life Conference

Background

We must modernise our Governance to protect the IFoA's long-term future

- For 175 years the IFoA has been at the heart of our profession, and we are obliged to protect its future
- Over the years, the people have changed and the governance has been tweaked, yet the IFoA has repeatedly faced the same difficulties - it is clear widespread reform is now necessary
- An independent review found the IFoA's governance structures were not fit for purpose
- Our current Governance structure is outside the IFoA's risk appetite
- Reforms which satisfy modern governance standards are essential and urgent
- In June Council agreed reforms, but it is early stages in a long process and there is still a way to go ahead of any implementation



Why the current structure doesn't work

An independent review found...

- Council is the ultimate authority within IFoA, however it's size and the way it is structured means it is challenging to deliver proper governance and oversight
- The way Management Board is formed means it often lacks the necessary capabilities needed to provide adequate oversight of the organisation
- The President/Presidential team wields significant influence outside of the Governance structure
- Accountability doesn't match decision making with many decisions being taken by those who are not subsequently accountable
- There appears to be a lack of trust and understanding between key bodies within the current structure



The agreed-upon reforms



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Element	Detail
Unitary Board Chair	Independent, non-executive director
Unitary Board Composition	Four independent non-executive directors (1 of whom is Chair) Four IFoA member non-executive directors (1 of whom shall be the President) IFoA Chief Executive
Unitary Board Appointment	An appropriately constituted Nominations Committee(s) will in future be responsible for filling non-executive vacancies on the Unitary Board (other than the President, who will automatically be a member of the Board). Appointments will be made following an appropriately objective skills and competency-based selection process
Presidential Terms	The term served by the President increases from the current one-year to a two-year term; the first official elected with this term is expected to serve from 2025



Share your views

Find out more at our governance session:
09:00 Friday 24th November in Hall 9

If you have any feedback, please email:
governance@actuaries.org.uk





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Questions?