

Institute and Faculty of Actuaries

Regulatory Board

Approval report

Subject	Scheme of Delegation	
Regulatory Board meeting	27 July 2021	
Previous Board Steer	Oct 2019	As part of the strategy day, the Board agreed to develop a Scheme of delegation that would also allow the executive to make decisions more quickly and progress matters more efficiently.
	May 2020	A draft Scheme was brought to the Board and agreed in principle, subject to changes in regulatory governance.
	May 2021	As part of the new ways of working discussion, the Board were advised that a draft Scheme of delegation would be brought for approval in July.
International Issues Considered?	Yes	
Author	IFoA Executive Team	
Purpose	Approval	

A: INTRODUCTION

1. The Regulatory Board ('the Board') previously agreed to introduce a Scheme of delegation ('Scheme') setting out the division of responsibilities between the Board and the Executive as well as the extent of any delegation of the Board's powers, to enable efficient decision making and implementation of Board policy.
2. The Board were provided with a draft Scheme in May 2020 for their comment and steer, which was approved in principle, subject to the new regulatory governance arrangements being finalised.
3. A further draft Scheme is attached for the Board's approval, which reflects the regulatory governance changes (included as **Appendix 1**).

B: BACKGROUND

4. The Board previously had no formal Scheme of delegation setting out the division of responsibilities between the Board and the Executive; any matters so delegated were done on an ad-hoc basis.
5. The consequence of this is that all decisions concerning Board business were required to be taken at board level, regardless of how routine or inconsequential. The broadened remit of the Regulatory Board has made this situation impractical.
6. The proposed Scheme is intended to empower and enable timely and effective decision making by the Board's committees and the Executive, freeing up the Board to focus on high public interest regulatory issues, IFoA regulatory strategy and deal with matters not capable of being

delegated. It also aims to provide external clarity around how the IFoA regulatory function operates.

7. In May 2020, the Board approved a draft scheme at a level of principle, with further refinements to be carried out to reflect the Board's comments and any decision of Management Board and Council regarding changes to the Board's constitutional and governance arrangements.
8. With the governance changes completed and new Regulatory Board now in effect, it is recognised that the Board's time is very limited and that steps need to be taken to ensure that it is focused on key policy decisions and on effective oversight of the Executive and its Committees.
9. The draft Scheme has now been reviewed, simplified and reflects the recent changes to the constitutional and governance arrangements for the Board. The new draft has also been reviewed and unnecessary wording removed, with an aim to streamline and improve accessibility of the document.
10. The attached draft Scheme sets out:
 - (i) how matters are delegated by the Board;
 - (ii) the division of responsibilities between the Chair, Board Members and IFoA Executive;
 - (iii) what matters are reserved for the Board; and
 - (iv) the roles and responsibilities of Committees of the Board.

C: DECISION

11. The Board is asked to:
 - a. approve the Scheme; and
 - b. provide any steer on its contents.

Appendices

Appendix 1: Draft Scheme of Delegation