



# Public Minutes

## DPB Board meeting

04 March 2020, 10.30 – 14.00

Via VC

|                         |   |                   |     |
|-------------------------|---|-------------------|-----|
| <b>Attending:</b>       | James Smith, Chair (JS)<br>Andrew Allsopp (AA)<br>Alan Kershaw (AK)<br>Darius Mayhew (DM)<br>John Birkenhead (JB)<br>Tim Russell (TR) | <b>Apologies:</b> | N/A |
| <b>Via phone:</b>       | N/A   |                   |     |
| <b>Executive Staff:</b> | Judith Joy (JJ)<br>Gina Thomas (GT)   |                   |     |

| Item | Title   | Action       |
|------|---|--------------|
| 1.   | <b>Welcome and minutes</b>  |              |
| 1.1  | <b>To approve minutes of December 2019</b><br><br>The minutes from the December Board meeting were approved.  |              |
| 1.2  | <b>To review live action list</b><br><br>Action 6, May 2019 meeting:<br>JJ advised in the annual report to the FCA a comment will be included that the issues around FRNs have not been resolved. JJ has tried to follow this up on numerous occasions with colleagues at the FCA. JJ will continue to chase this up.<br><br>Action 3, September 2019 meeting:<br>The proposal to amend the DPB Risk Model will be put on hold. The status is to be changed to “on hold”.<br><br>Action 13, September 2019 meeting:<br>Collaboration on documents uploaded to Egress is still not possible and unsupported by the software. If collaboration is needed in the future, documents will have to be downloaded, amended and the amended version be uploaded again.<br><br>Action 17, December 2019 meeting:<br>The Board discussed a confidential matter.<br><br>Action 15, December 2019 meeting:<br>The Board discussed a confidential matter | JJ<br><br>GT |



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|------|---|---------------------|
| 2.   | <b>Standing items</b>   |                     |
| 2.1  | <p><b>To declare any conflicts of interest</b></p> <p>A conflict was declared in relation to a confidential matter.</p> <p>No further conflicts of interest were declared.</p>  |                     |
| 2.2  | <p><b>To discuss the DPB Board Work Plan</b></p> <p>The Work Plan was noted and no changes or amendments made to it.</p>  |                     |
| 2.3  | <p><b>To discuss the DPB Board Risk Register</b></p> <p>The Board was asked to review items 7, 8 and 9 of the DPB Risk Register. At the December meeting the Board discussed item 14 and JJ advised this has been brought to attention of the IFoA risk team given the risk remained high.</p> <p>DPB07:<br/>The Board raised questions about the IFoA's data retention policy and whether data relating to DPB that they hold should be deleted. JJ advised there are different types of data (e.g. personal data) with different periods of retention. JJ will liaise with the Data Protection Officer David Hood and prepare advice for the Board. It was agreed that Board members should currently delete all data they hold outside of Egress and speak to JJ if there are any documents they are concerned about deleting.</p> <p>DPB08:<br/>"Legal advice from the Executive" is to be added in the current controls column, along with a note of the details the Board take into account when granting a licence.</p> <p>DPB09:<br/>This risk is to remain high as the current implications are not clear, and there is a great deal of uncertainty.</p> | <p>JJ</p> <p>JJ</p> |
| 3.   | <b>Firm specific matters</b>  |                     |
|      | <p><b>To note developments, and matters arising since the last meeting.</b></p> <p>The paper was noted.</p>   |                     |



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|-----------|---|--------------|
|           | The Board then went on to discuss confidential matters.   |              |
| <b>4.</b> | <b>Confidential Matter</b>  |              |
|           | The Board then went on to discuss a confidential matter.  |              |
| <b>5.</b> | <b>DPB Seminar</b>  |              |
|           | <p><b>To agree agenda for the Seminar in May 2020</b></p> <p>The Board agreed the purpose of the biennial seminar is to protect the IFoA. The topics covered should improve firms' understanding of their responsibilities and reduce the risk to the IFoA.</p> <p>The Board discussed the content of the seminar.</p> <p>The Board also noted that COVID-19 needs to be monitored closely and JJ is to keep the Board up to date on IFoA events taking place or being cancelled until then. Although there would be the facility to hold the seminar remotely via VC, the Board noted a preference for the seminar to be rescheduled rather than held over VC should the seminar be cancelled. JJ will check if there is a timescale in which the seminar has to be held and share this with the Board.</p>  | JJ           |
| <b>6.</b> | <b>Annual Return Forms</b>  |              |
|           | <p><b>To update on completion of forms, discuss data and agree fees for 2020/21 year</b></p> <p>JJ reported that despite a few teething problems, the annual return process 2019 and the implementation of the online form was successful. Feedback has been collected from firms and changes will be made to better the process in 2020.</p> <p>JJ explained that the forms have been sent to the ICAEW and we are now awaiting the full report. The report will be shared with the Board and a representative from the ICAEW will join the June Board meeting for discussion.</p> <p>The Board discussed a confidential matter.</p> <p>The Board noted the spreadsheet at Paper 8 Appendix B, providing the information on the firms relevant to calculating the fees. Some inaccuracies were noted. JJ to correct any errors before submitting this information to the finance department.</p> | JJ<br><br>JJ |



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| Item      | Title   | Action                         |
|-----------|---|--------------------------------|
|           | <p>The Board discussed another confidential matter.</p> <p>JJ noted the information from the Annual Returns will also be used to prepare the annual report to the FCA and confirmed she will share the draft report with the Board prior to submitting it at the end of April.</p>  |                                |
| <b>7.</b> | <b>All Firm Communication</b>   |                                |
|           | <p><b>To agree all firm communication, including publication of the DPB Handbook</b></p> <p>The Board agreed a communication should be sent to all firms. The following topics will be covered within the communication:</p> <ul style="list-style-type: none"> <li>- Handbook</li> <li>- Seminar</li> <li>- Transparency</li> <li>- Any relevant articles from the FCA regulation round-up</li> <li>- The difference in PII requirements for firms that do IDA activity</li> </ul> <p>The communication should be as short and concise as possible. JJ will send a draft to the Board within a fortnight of the meeting.</p>   | JJ                             |
| <b>8.</b> | <b>DPB Guide</b>  |                                |
|           | <p><b>To discuss revising Guide</b></p> <p>The Board agreed that a limited review should be carried out to correct any errors or out of date information.</p> <p>Page three of the Guide should state that the regime for firms also offering “insurance distribution matters”, not just “investment matters”.</p> <p>A similar disclaimer to that of page three of the Guide is to be put on the DPB website, explaining that the Handbook will always take precedence over the Guide.</p> <p>The Board was asked to read the Guide offline and report back to JJ with any issues or changes required. JS will update the section on anti-money laundering.</p> <p>GT will upload a Word version of the Guide on Egress. The Board is asked to be mindful not to collaborate on Egress as the tracked changes function is unavailable.</p> | JJ<br>JJ/GT<br>All<br>JS<br>GT |
| <b>9.</b> | <b>Regulatory Governance and Transparency</b>   |                                |
|           | <b>To agree process for Board transparency</b>  |                                |



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|            | <p>JJ shared two versions of the December Board meeting minutes and agenda and asked the Board to consider which style would be more appropriate for publication.</p> <p>The Board agreed to publish the version where it is shown that an item was discussed, but the detail is removed and replaced with the wording "The Board then went on to discuss confidential matters".</p> <p>It was agreed that going forward, JJ and GT will prepare a version of the agenda and minutes in this form to be approved by the Board at the following meeting. These will be published on the DPB website. The webpages relating to DPB will be rearranged so all the published documents can be easily found.</p> <p><b>To update on Board remit/ Terms of Reference</b></p> <p>The DPB Terms of Reference are out of date. It was noted that the Board no longer reports to Management Board, but to Regulation Board instead. The Board no longer has to liaise with the FCA or HMT, as the Executive coordinates these relationships. The Board no longer has to monitor progress against the annual budget as, again, this is managed by the Executive.</p> <p>The Board noted this, and requested JJ prepare a record showing the split of responsibilities between the Executive and the Board.</p> <p>The Board agreed that the terms should be updated in due course.</p> | <p>GT</p> <p>JJ</p> |
| <b>10.</b> | <b>Regulation Round-up</b>  |                     |
|            | <p><b>To note and discuss</b></p> <p>The paper was noted and no actions are required.</p>   |                     |
| <b>11.</b> | <b>AOB</b>  |                     |
|            | <p>The seminar topics will be discussed and approved offline.</p> <p>No further business was discussed.</p>   |                     |