

Scheme Advisory Board

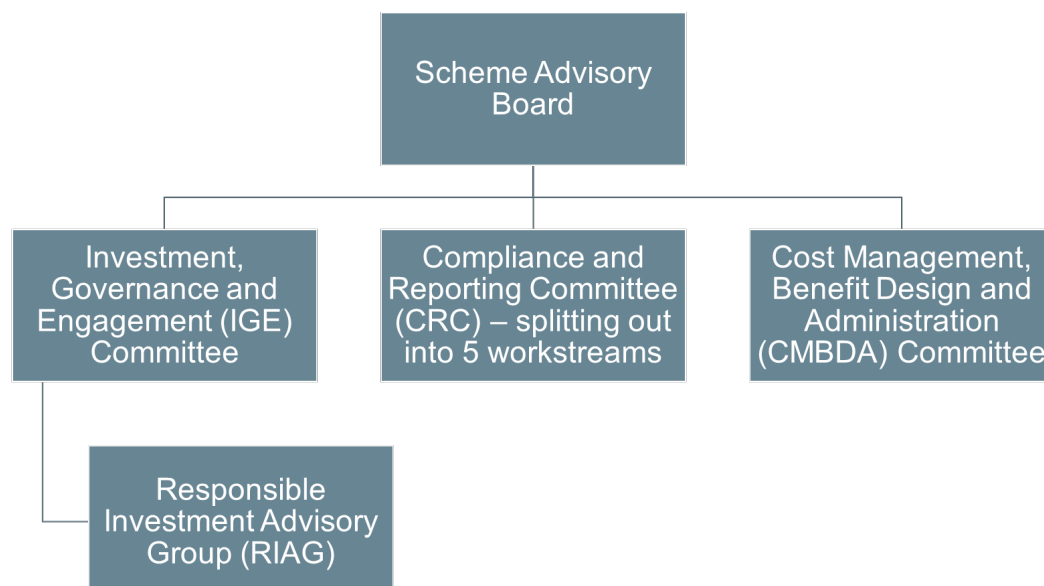
HYBRID MEETING – 4 DECEMBER 2023

ITEM 11 – PAPER F

TERMS OF REFERENCE AND COMMITTEE SCOPE

Background

1. The Board approved a change to its Terms of Reference at the July 2023 meeting to reduce its meeting frequency from four to three times a year. The Terms of Reference has been updated on the Board website.
2. It was also agreed that the Terms of Reference for all of the Committees would be similarly updated, and a revised Terms of Reference has been agreed at each Committee to change meeting frequency. Alongside this, the Secretariat have considered whether it is now time to undertake a broader review of the Board's Terms of Reference, as well as the Committees' Terms of Reference, names, workplans and remit.
3. Within the Committees' workplans it is acknowledged that there could be some overlap between their work; this is becoming particularly apparent now that the Compliance and Reporting Committee (CRC) has a more established workplan and remit. This wasn't the case the last time that the Committees considered whether their work areas may overlap with the CRC's work.
4. There appear to be overlaps with the CRC's work areas with both the Cost Management, Benefit Design and Administration Committee (CMBDA) and Investment, Governance and Engagement Committee (IGE).
5. The current committee structure is below:



6. The Secretariat believe that a more comprehensive review of all Terms of Reference and the Committee structure should now be undertaken, to ensure the most effective structure going forwards. The topics being covered in each of the recently agreed Committee workplans are confirmed below, for interest.

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Cost Management Benefit Design and Administration committee workplan topics for 2024

- McCloud
- Gender Pensions Gap
- Surpluses Working Group
- Exit Pay Reforms
- Survivor benefits
- Section 13 report
- Pensions Dashboards
- Optant outs
- New Fair Deal

Investment, governance, and engagement committee (IGE) workplan topics for 2024 [including Responsible Investment Advisory Group (RIAG)]

- Code of transparency compliance, and compliance system
- Investments consultation / pooling
- Climate risk reporting
- Increased engagement with the private markets sector
- Sharia compliance

Compliance and reporting committee (CRC) workplan topics for 2024

- Annual report guidance
- Audit issues and guidance
- Funding strategy statement guidance
- Knowledge and skills
- Good Governance

7. The Secretariat proposes to bring to the next Board meeting suggested changes to the Terms of Reference of the Board and its Committees, as well as any proposed changes to Committee names and remits. These proposals will be shared with the relevant Committees at their next meetings.

Recommendation – that the Board agrees for the Secretariat to proceed with a review of all Terms of Reference, as well as Committee names and remits.
