

FINANCIAL REPORTING COUNCIL

Minutes of a meeting of the Regulatory Standards & Codes Committee (the 'Committee')
held at 10am on 17 November 2021 at FRC, 125 London Wall,
London EC2Y 5AS

PRESENT:	Hannah Nixon John Coomber	Chair Committee member
OBSERVERS:	Clare Cole Mark Holmes	FCA BEIS
SENIOR ADVISORS:	Rosemary Beaver Paul Cox Richard Lawrence	
IN ATTENDANCE:	Mark Babington Anu Bhartiya Merrik Bousfield Sarah-Jayne Dominic Alex Kuczynski Vanessa Leung David Styles	Executive Director, Regulatory Standards Committee Secretary Project Director, Accounting and Reporting Policy Head of Policy Programmes and Strategy Executive Director, Corporate Services and General Counsel Director of Actuarial Policy Director, Corporate Governance & Stewardship
APOLOGIES:	None	

1. WELCOME AND DECLARATION OF INTERESTS

1.1 The Chair noted the meeting was quorate and opened the meeting.

1.2 There were no conflict of interests declared.

2. MINUTES OF MEETING HELD ON 14 OCTOBER 2021 AND ROLLING ACTION POINTS

2.1 The minutes of the meeting held on 14 October 2021 were approved for publication.

2.2 The Committee noted the Rolling Action log.

3. REPORT OF THE EXECUTIVE DIRECTOR, REGULATORY STANDARDS

3.1 The Executive Director of Regulatory Standards provided an update on the report which included:

- Stewardship Code. The second window for applications to sign the new Stewardship Code closed at the end of October 2021.
- COP 26. The Lab published its Taskforce for Climate-related Disclosures report. The IFRS Foundation launched the International Sustainability Standards Board which would be important for the narrative agenda going forward.
- The meeting with ISSB/IESB National Standard Setters attended by the Executive Director, Regulatory Standards.
- DLUHC consultation on new arrangements for the regulation of local public sector and health body audit, which included the FRC as Systems Leader.

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- The JFAR's report to the Pensions Minister on Pensions Dashboard. The FRC is working with DWP on the proposals for maintaining AS TM1.
- 3.2 With regards to the Stewardship Code, the Committee noted that the Corporate Governance & Stewardship Team had considered the tiering suggestions made by the Committee at the last meeting. The Committee noted the importance of continuing to raise awareness of the Code and acknowledged the need to strike the right balance towards encouraging more signatories and achieving better quality reporting. A decision on the nature of any tiering would need to reflect this. The Committee noted the actions underway to develop the assessment process for next year. A paper on the direction of travel on assessment and signatories would be presented to the Committee at a future meeting.
- 3.3 Whilst the Committee commended the work of the FRC in liaison with JFAR in respect of Pensions Dashboard, it acknowledged the strain on the Actuarial Policy Team which was working on limited resources. The Committee noted that the forthcoming plan and budget for the FRC included resources for the expansion of the Team.
- 3.4 The Committee briefly discussed the role of FRC as the Systems Leader in respect of Local Public Audit and noted that the limitation of the powers should be made clear so that ARGAs' scope and role are well understood.
- 4. FRS 101 REVIEW – 2021/2022 CYCLE**
- 4.1 The Committee received an update on how the FRC reviews FRS 101 *Reduced Disclosure Framework* annually to determine whether any changes to IFRS should lead to changes in FRS 101, either to provide additional disclosure exemptions or to address any inconsistency with UK company law.
- 4.2 The Committee noted that since the last review performed in August 2020, the IASB had issued the following amendments:
- Disclosure of accounting policies (Amendments to IAS 1);
 - Definition of accounting estimates (Amendments to IAS 8);
 - Covid-19-related rent concessions beyond 30 June 2021 (Amendments to IFRS 16);
 - Deferred Tax related to Assets and Liabilities arising from a single transaction (Amendments to IAS 12).
- 4.3 The Committee supported the view that no amendments were required to be made to the FRS 101 as a result of these changes to IFRS. The Committee approved FRED 79 FRS 101 *Reduced Disclosure Framework 2021/22* cycle for publication, with a three-month comment period.
- 5. PUBLICATION OF POSITION PAPER FOR TECHNICAL ACTUARIAL STANDARDS POST IMPLEMENTATION REVIEW**
- 5.1 The Committee received an update on the feedback received in relation to the Call for Feedback and the outreach programme and noted the Post Implementation Review of Technical Actuarial Standards Position Paper on how to revise the main generic TAS and its framework. The Committee also noted the high-level plan of the Post Implementation Review.
- 5.2 In response to a query relating to the quality of responses, it was noted that in drafting the Position Paper extensive stakeholder engagement including outreach with users of actuarial information, working parties of professional bodies and wider industry was taken into consideration.

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5.3 The Committee suggested reviewing the drafting in relation to IFRS17 in the Position Paper. The Committee also suggested reaching out with the user groups of funeral plans as the Review progresses.

5.4 Subject to the above, the Committee approved the publication of *the Technical Actuarial Standards Post Implementation Review – Position Paper*.

6. REGULATORY STANDARDS & CODES COMMITTEE'S FORWARD PLANNER

6.1 The Committee noted the forward planner.

7. ANY OTHER BUSINESS

7.1 There was no other business discussed.

8. REVIEW OF THE MEETING

8.1 The Committee Members, Observers and Senior Advisors shared their views on the conduct of the meeting and a number of points were made, including:

- The Regulatory Standards Division's Away Day discussion included the merits and challenges of virtual meetings. A guidance on how to manage hybrid meetings would be developed by the Division and shared with the Committee.
- For those attending the meeting virtually, there are difficulties in recognising faces in the meeting room; future meetings of the Committee were moved to a smaller room to manage the issue.
- The meeting papers addressed the right issues and right amount of time was spent on discussing them.

9. DATE OF NEXT MEETING

9.1 The Committee noted that the next meeting would take place on 9 February 2022 which could be followed by an Away Day on the same day if new members join the Committee.

Chair

Date