

# Transforming Data Collection: Terms of Reference for Governance and Delivery Groups

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## Background

1. The Bank of England and Financial Conduct Authority's February 2021 'Dear CEO' letter laid out their vision for Transforming Data Collection, and three long-term reforms to pursue to achieve that vision: common data standards, modernised reporting instructions and integrated reporting. That vision was laid out in full in the Bank's transformation plan for data collection (published on 23 February 2021). The Dear CEO letter also announced the intention to create a vehicle to collaborate with industry to help deliver those reforms: the 'Joint Transformation Programme'.
2. These Terms of Reference (TORs) describe the purpose and roles of the various governance and delivery groups that make up the Joint Transformation Programme. As the nature and scope of the work programme will evolve over time, these TORs will be updated periodically to address any changes in operational structure required to support further work on reporting transformation.
3. The Bank and FCA will make up the Secretariat and share practical duties relating to the governance and organisation of the activities of the governance groups and delivery groups. However, the governance groups are independent of the Bank and FCA, and will not carry out responsibilities on behalf of either organisation. These groups are focused on expanding industry-wide understanding of the challenges ahead, and their possible fixes.

## Governance groups

### Purpose

4. Three independent groups will govern different elements of the programme:
  - The '**Reporting and Data Standards Transformation Board**' will act as the voice of the industry at senior levels on the topic of reporting and data standards transformation. The Board's role is advisory. It advises the Joint Transformation Programme and its Committees on how the programme should function in order to be effective and deliver maximum value for the industry.
  - The Committees will seek the Board's advice on the overall strategy and short- and long-term goals for the Joint Transformation Programme, as well as the strategic implications of plans and outputs for individual project phases (including resourcing and investment considerations). The Committees will also consult the Board about its preferences during the selection of use cases for transformation projects.
  - The Secretariat may seek the Board's advice on issues relating to the wider Transforming Data Collection work.
  - Direct decision-making responsibility for the programme's recommendations sits with the Reporting Transformation Committee and Data Standards Committee.
  - The '**Reporting Transformation Committee**' is the primary governing body directly overseeing the ongoing activities of the Joint Transformation Programme. It will focus on overseeing the design of solutions for parts of the reporting process where the Bank, FCA and reporting firms interact directly. This will cover aspects of modernising reporting instructions and creating a better integrated end-to-end reporting process. The Committee will:
    - Discuss proposals from the Secretariat about the specific reporting transformation projects that the delivery groups should focus on, including projects related to agreed use cases that will deliver value in the short-term and more experimental projects that aim to demonstrate future benefits. The Committee will express its preferences and will be the key industry stakeholder

group during the use case selection process. The Bank of England and FCA reserve final decision making power for the selection of use cases.

- Direct the work of the Joint Transformation Programme at key points during transformation projects, including recommending whether to start, stop or extend work on key initiatives and providing feedback on the delivery groups' draft solution proposals and designs.
  - Review the work of the delivery groups and the effectiveness of the solutions proposed; where the Committee deems appropriate, it will approve these as its 'Recommendations' to the regulators and/or industry as appropriate.
  - Monitor the risks and issues of the Joint Transformation Programme and advise on steps necessary to mitigate and/or resolve them.
- The **Data Standards Committee** will serve as a forum for relevant stakeholders including reporting firms, trade bodies and relevant standard setting bodies to propose solutions in the area of data standards. The Secretariat will consult the Committee about its preferences during the selection of use cases, from the perspective of data standards. The Committee will:
    - Discuss issues relating to the more general topic of data standards (not specific to any use cases) and may also publish Recommendations to industry in this regard.
    - When starting work on each use case, review the discovery work performed by the delivery groups and define the current standards problem (e.g. absence of standard, differing interpretations of standards). Agree an approach to forming standards that are sufficiently granular to allow consistent implementation across the industry.
    - For specified use cases, recommend data standardisation solutions that participants and others may subsequently choose to implement. The delivery groups will work on the detailed design work and produce draft documents for the Committee's discussion at their meetings. The Committee will provide views on draft standards and accompanying documents, make suggested changes and approve final versions for publication as 'Recommendations' of the Committee.
5. The Secretariat will consider when and how to appropriately align (and even merge) the work of the two Committees, should the solution design process require this. This may include presenting solutions to both Committees for their consideration, or requiring that Committees work collaboratively.
  6. The activities, discussions, and outputs of the governance groups described above (including Recommendations) should not be taken as an indication of future policy by the Bank or FCA. They do not bind either regulator in relation to any future policy development or decisions.

#### Membership and Structure

7. The governance groups described above will be convened by the Bank and FCA after a public call for nominations. Participation in the governance groups is at the invitation of the Bank and FCA, and drawn from a broad range of PRA/FCA dual-regulated reporting firms (including UK banks, international banks, building societies, credit unions, insurers and FMIs) as well as FCA solo-regulated firms. In addition, other bodies that represent specific relevant interests may be invited to participate.
8. Firms can nominate individuals to be members of the governance groups. Criteria for selection include:
  - Has a senior role within their organisations, with managerial and strategic planning responsibilities within their functional areas
  - Can make an initial commitment for a period of 9-12 months
  - Has relevant experience and skills

9. The governance groups will comprise a diverse set of knowledgeable and experienced financial markets participants.
- For the Reporting and Data Standards Transformation Board we expect individuals to have a role with a significant external profile, an interest in data or reporting and significant influence in setting their organisation's strategy for data and reporting change.
  - For the Reporting Transformation Committee we expect individuals to have a background in, or responsibilities for the delivery of regulatory or statistical reporting.
  - For the Data Standards Committee we expect individuals to have a background in data, policy or technology, and a strong interest in data management or improving the sharing of data and information.

Membership may be expanded by the Bank and FCA to include individuals not nominated by firms (such as standards bodies, academics, public bodies) doing related activities, who have made important contributions to the field.

Membership will be made up of both generalists who should work in the area of data or reporting and have a broad enough remit to allow them to participate in the relevant governance groups' general discussions, and use case specialists to consider the specific use cases under discussion at the time.

The programme and project managers will also attend the governance groups. The Secretariat will invite individuals from the delivery groups to attend meetings of the governance groups as necessary during the project e.g. to present the results of discovery work, proposed solution features.

The expected size of both the Reporting Transformation and Data Standards Committees is 18 – 22 members. If the Committees do not receive enough nominations, the Secretariat may extend the period for which they accept new nominations until all positions are filled.

10. Subject to paragraph 14, membership of the Reporting Transformation and Data Standards Committees will last for one phase (approximately 9-12 months) of the Joint Transformation Programme. This continues until the start of the next phase. Past Committee members will continue to be engaged via ad-hoc meetings and emails on the outcomes of the recommendations from their phase. For each new phase of the Joint Transformation Programme, the Secretariat will issue a new call for nominations of Committee members. Past members may nominate themselves again for future phases of the programme.
11. A member who steps down cannot automatically pass on their seat to a replacement within their organisation. As vacancies arise, the Bank and FCA will select replacement or additional members as required, and may seek nominations, including by publicising vacant positions on the websites of the Bank and the FCA.

#### Responsibilities of governance group members, Chair and Secretariat

12. Governance group members are expected to
- attend meetings convened by the (co-)Chair(s);
  - provide technical, analytical, and business perspectives and inputs to the meeting discussions;
  - contribute to the group with a view to furthering the interests of the market as a whole, rather than solely representing the interests of their individual organisations; and
  - promote the work and findings of their governance group, both within their organisation and in the wider financial sector.

13. Chairs are responsible for approving the agenda for each meeting and guiding and moderating the meeting discussions. Chairs for the Reporting and Data Standards Transformation Board, Reporting Transformation Committee and the Data Standards Committee will be selected from among their members, by names being proposed, seconded and securing a majority vote.
14. Chairs will hold their position for two phases of the project cycle. After a chair's tenure has ended, a new chair will be selected from the Committee members for the next phase with the same process as above. Chairs are automatically renominated to sit on their respective Committee for both phases of their tenure as chair.
15. The Secretariat will be responsible for
  - the day-to-day organisation and coordination of meetings and activities, including timely circulation of minutes and publication of summary minutes on the websites of the Bank and the FCA;
  - preparation of agenda and materials for the meetings; and
  - co-ordinating the Committee's outreach to other market participants and stakeholders, if required.

#### Meetings and working arrangements

16. The Board will meet every four months, while the two Committees will meet monthly during each programme phase, and on an ad-hoc basis between phases. There may also be further optional workshops for Committee members to attend. Members should not normally send alternates to meetings, unless by prior arrangement with the Secretariat and the (co-) chair(s). Agreement to alternates attending meetings will only be granted in exceptional circumstances.
17. Wherever possible any conclusions or recommendations of the governance groups should be agreed by consensus. Where a consensus cannot be achieved, the conclusions or recommendations of the governance groups will be subject to a vote. Dissenting views will be noted in the minutes.
18. Each governance group requires a minimum attendance of half of its members including (in the judgment of the (co-)chair(s)) sufficiently broad representation of the range of organisations from whom membership of the group is drawn. If a governance group is not quorate, meetings may proceed but recommendations or conclusions cannot be approved.
19. Each governance group can, if necessary, make further arrangements for its decision-making process and quorum, subject to the principles set out above.
20. The (co-)chair(s) may also choose to meet for additional workshops throughout the year to explore certain issues in more detail. In which case, and depending on availability, the co-chairs may nominate other members to chair these workshops.
21. (Co-)chair(s), together with the members, will determine the agenda and specific topics to be discussed at each meeting. Agenda and additional materials will be shared by the Secretariat in advance of each meeting or workshop.
22. Minutes of governance group meetings, including topics of discussion, will be published after each meeting by the Secretariat.

#### **Delivery groups**

##### Purpose

23. The delivery groups will work on design of possible solutions for the specific challenges related to the use cases as well as broader issues relating to the three key reforms. All groups will adopt the Government Digital Service's Service Delivery Approach, and be actively involved in the discovery and alpha phases (plus beta phases on occasion).
24. The **'Core Delivery Group'** will undertake the various activities related to the work programme: understanding the problems through user research, mapping and investigating possible solutions, and designing aspects of the solutions.

25. The **'TDC Advisory Group'** will contribute to the work of the Core Delivery Group, by participating in user research, providing feedback on materials developed by the group, and assisting with the testing of solutions.
26. In addition to the Delivery Groups both the FCA and BoE will also conduct targeted user research and testing activities with industry. The **'User Research and Testing Participants'** will contribute to user research and testing activities, to provide feedback, opinions and views from users about possible solutions.
27. The activities, discussions, and outputs of the various delivery groups may result in practical suggestions for changes to the data collections process. However, each regulator and firm will be able to decide which solutions they wish to adopt. There is no commitment by either regulator to make regulatory changes or adopt any particular policy as a result of any suggestion or proposed solution that may result from the work of the delivery groups.

#### Membership and structure

28. All delivery groups will be convened by the Bank and FCA after a public call for nominations. Participation in the delivery groups is at the invitation of the Bank and FCA, and is drawn from a broad range of PRA/FCA dual-regulated reporting firms (including UK banks, international banks, building societies, credit unions, insurers and FMI) as well as FCA solo-regulated firms. In addition, other bodies that represent specific relevant interests may be invited to participate.
29. Firms can nominate individuals to these delivery groups. Criteria for selection include:
  - Experience in either the production or use of data in regulatory or statistical collections
  - Technical skills or knowledge relevant to the work of the delivery groups
  - Specific knowledge about a use case
  - Able to make an initial commitment for a period of 9-12 months

#### Responsibilities of delivery group members

30. Core Delivery Group members are expected to:
  - Commit most of their working time, but allowing time to report back to their organisation on progress. On an exceptional basis, some members may work on the group part time.
  - Provide technical, analytical skills relevant to the overall TDC goals, and the specific sprint goals
  - Take on a specific team role, and fulfil the tasks required to contribute towards the solutions designed by the team
  - Contribute to the group with a view to furthering the interests of the market as a whole, rather than representing the views or interests of their individual organisations.
31. The TDC Advisory Group are expected to:
  - Commit at least 2-4 days a month to the work of the TDC Advisory Group on a flexible basis.
  - Attend discovery interviews and workshops to provide insight about their role in the reporting process, and the issues they face on a day-to-day basis.
  - Help the Core Delivery Group to develop their solutions and proposals through exposure to alternative viewpoints and additional challenge.
  - Assist with the testing of solutions, to help the Core Delivery Group understand how designs can be improved, and what value they might add to their prospective users.
32. The TDC Advisory Group may:
  - Attend regular show and tell meetings to understand and offer feedback on the outputs of the Core Delivery Group's work.

33. The User Research and Testing Participants are expected to:

- Attend discovery interviews and workshops on a flexible basis.
- Respond to surveys, provide insight about their role in the reporting process, and the issues they face on a day-to-day basis.
- Attend usability tests for the proposed solutions, to help the Core Delivery Group understand how designs can be improved, and what value they might add to their prospective users.
- Offer insight on other users and/or user groups that they believe should be involved in the user research sessions.
- Understand that participation is voluntary and agree to immediately raise any concerns they might have

#### Meetings and working arrangements

34. The Core Delivery Group will meet daily. The TDC Advisory Group members monthly, though this may change according to the cadence of each planned sprint. The participants in the User Research and Testing Participants will meet with the Core Delivery Team as required.

35. Additional workshops may be held throughout the year to explore specific issues in more detail.

#### Testing

36. Members of the delivery and governance groups may be asked to participate in testing of solutions developed by the Core Delivery Group. This is to understand the impact on firms of implementing these solutions.

37. The primary purpose of testing is not to identify errors in reporting. Rather it is to improve solutions, and understand better their possible benefits. For instance, testing may include trying to quantify the impact on the variation in data due to introduction of a proposed new process or solution.

38. Any information provided by the Advisory Groups will be handled as follows:

- Reviewed by members of the Bank of England or FCA staff on the TDC team
- High-level non-proprietary information will be extracted and anonymised
- Original submissions will be stored by TDC Secretariat securely and only accessible by those with appropriate permissions
- Original submissions will be deleted after six months
- High-level summary will be shared with TDC delivery team members

### **Transparency and broad engagement**

39. It is essential that the governance groups and the delivery groups operate in a transparent manner. This is necessary to provide the opportunity for the broadest possible engagement in the programme's work and to ensure that stakeholders who are not directly involved are appropriately informed of the programme's work.

40. As noted above, the governance groups and the delivery groups have been constituted, and will operate, in a way that ensures broad engagement.

41. The governance groups are expected to engage with a broad cross-section of stakeholders where appropriate, for example through hosting roundtable events.

42. In order to ensure that transparency is at the core of the programme's work, the Secretariat will publish meeting agendas, minutes of discussions, deliverables, and other artefacts when completed.

43. The key outputs will be published in a manner designed to bring them to the attention, in so far as practicable, of financial services market participants and other relevant stakeholders. This may include (but is not limited to) publication on the Bank and FCA websites.

44. The Bank and the FCA will disclose these Terms of Reference and the membership of the Board, the two Committees and the delivery groups on the Bank's website.

45. Any non-public information disclosed or opinions expressed during group meetings will be treated as confidential unless and until the members collectively have authorised their public release according to the majority opinion. Where there is no clear majority, the (co)chairs will make the final decision with a combined vote.

### **Conflict of interest**

46. Any actual or potential conflicts of interest by members (or their representatives) shall be noted by the relevant member and passed back to the (co-)chair(s). The (co-)chairs will assess any raised conflict of interest in conjunction with the impacted members' assignments and responsibilities and consider possible actions. The Bank and FCA may consider replacement of the conflicted members.

### **Competition law**

47. It is the responsibility of the participants in the governance and delivery groups to ensure they understand their responsibilities under, and fully comply with, all applicable competition laws, and in particular UK competition law.
48. To the extent that any participant is unclear of these responsibilities, they should consult the legal and/or compliance teams at their respective institution for further guidance and ensure they receive appropriate training.
49. Members should take particular care to familiarise themselves with the concept of competitively sensitive information and not disclose or exchange it under any circumstance.
50. However, if any of the governance groups decided that the disclosure or exchange of particular potentially competitively sensitive information is absolutely necessary for the smooth functioning of the group then it may, in some cases, be possible to put procedures in place in advance to suitably anonymise and aggregate such information in order to ensure any disclosure would be compliant with relevant competition laws.
51. In addition, if, for instance, during a meeting, a participant has concerns about the discussion from a competition law compliance perspective – for example, due to sharing competitively sensitive information – the participant should immediately make their concerns known to the group as a whole and the discussion giving rise to such concerns should cease. If such discussion does not cease, the participant(s) concerned should leave the relevant meeting and request that their departure and the reasons for it are included in the minutes.
52. In line with the above, members of the various groups may not use their position for commercial advantage by citing participation in client promotional materials.

### **Intellectual Property**

53. Participants should be willing to be pragmatic around issues of intellectual property with regard to possible outputs.
54. The Participants agree in the first instance that all outputs will be made publicly available. If full openness is not found to be viable by the Participants, further options may be explored.
55. Participants accept that by participating in the governance and delivery groups they will not gain any ownership rights to any intellectual property in any of the output.
56. Nothing in these terms is intended to affect any pre-existing intellectual property rights in material brought into any group by Participants. It is the responsibility of the relevant Participant to draw attention to intellectual property rights subsisting in information shared with a group.

### **Data protection**

57. The Bank and the FCA are likely to be joint 'controllers' in respect of the personal data they process for the selection of members and the running of meetings. In other respects the Bank and FCA is each likely to be a separate 'controller' with respect to their own processing of personal data in connection with the TDC programme.

58. The Bank and the FCA will collect the name, work email address, job title, name of organisation, and summary of role and experience, from individuals who submit an expression of Interest in relation to the TDC programme. The Bank and FCA will also collect views, opinions and further personal data where this is shared either verbally or in writing (eg by using a 'chat' function) by individuals participating in online meetings for any of the governance or delivery groups.
59. The information will be used by the Bank and FCA for the purpose of reviewing and assessing applications to become a member of any group, to communicate with members of the various groups and to advance the purposes of the TDC programme as set out more fully in these Terms of Reference.
60. The Bank and the FCA will process personal data where necessary for the performance of tasks carried out in the public interest being the establishment of a programme to improve and transform data collections for the benefit of the wider industry. The Bank and FCA may share personal data with other members and with observers of the governance and delivery groups where necessary for this purpose, such as in minutes published on the websites of the Bank and FCA.
61. The Bank and the FCA are committed to information security and each uses a range of layered information security measures to protect such data. Personal data will only be retained for eight years to facilitate the TDC programme or otherwise in accordance with the Bank's or FCA's applicable document retention policies, which are available [here](#) and [here](#). Information provided during an online meeting such as a 'chat' function may be recorded by the Bank and/or FCA and stored for up to 30 days.
62. Participants can request that their personal data should no longer be used, by writing to the Secretariat at [TDCSecretariat@bankofengland.co.uk](mailto:TDCSecretariat@bankofengland.co.uk).
63. Further information about how the Bank processes personal data is set out in the Bank's Privacy Notice at: <https://www.bankofengland.co.uk/legal/privacy>.
64. Further information about how the FCA processes personal data is set out in the FCA's [Privacy Notice](#).
65. Where the Bank or the FCA uses an online services provider to run meetings then the following further privacy information will apply:
  - where Microsoft Teams is used: <https://privacy.microsoft.com/en-gb/privacystatement>;
  - where Zoom is used: <https://zoom.us/privacy>.

#### Participant data protection rights

66. Participants have a number of rights under data protection laws. To contact an organisation about those rights, including making a request for the personal data the organisations hold, visit the relevant website listed above. Participants can also report concerns to the Information Commissioner's Office, the regulatory authority for data protection in the UK. Contact details can be found on their [website](#).

#### **Disclaimer**

67. Neither the Bank nor FCA, or any of their staff, officials, or representatives, including but not limited to group chairs, are responsible for any views or statements expressed by other Participants.
68. Views expressed by any of the groups in its outputs may not reflect the views of the Bank or FCA.

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