

# Consumer Advisory Panel -Terms of Reference

## Introduction

The Financial Services Regulatory Authority of Ontario (FSRA) is a new regulatory agency mandated to safeguard public confidence and trust in Ontario’s financial institutions, promote public education and knowledge, and protect the rights and interests of consumers. To achieve this mandate, we are committed to an open, transparent and collaborative approach that ensures consumer input and perspectives inform our direction and decisions.

“Consumers” are those who purchase or benefit from products and services delivered by the sectors that FSRA regulates, including pension plan beneficiaries and credit union members.

The Terms of Reference is intended to inform the creation and operation of the Panel.

## Purpose

The Consumer Advisory Panel (the “Panel”) will serve as an advisory body to FSRA (through Consumer Office), and provide ongoing advice from a consumer perspective, on proposed FSRA policy changes.

Overall, the Panel is intended to:

- Act as an advisory body to provide ongoing advice from a consumer perspective on proposed FSRA policy-related matters and changes;
- Provide external input and personal perspective/experience to proposed policy-related matters and changes;
- Identify topics covered by FSRA’s mandate to be considered by the Consumer Office for potential consumer policy, outreach and education discussions that would enhance consumer protection/confidence when engaging in market activities that are delivered by the sectors that FSRA regulates; and

**Commented [HN1]:** The concept of providing “ongoing” advice is a noble one but is not likely to be achievable with the proposed maximum of 4 meetings a year and the limited resources available to Panel members.

**Commented [HN2]:** There is that concept again of ongoing advice.

- Inform and assist the Consumer Office in becoming the voice of the consumer in FSRA with regard to rule making, policy initiatives, business planning, and consumer protection.

## Panel mandate

The mandate and responsibilities are:

1. Provide **feedback** on FSRA developing and articulating a robust framework for meaningful consumer engagement;
2. Provide input on matters in, or which should be in, FSRA's Statement of Priorities;
3. Act as a voice for the consumer perspective during the FSRA management consultation processes on proposed policy priorities (e.g. guidance) within the framework of FSRA's Annual Business Plan/Priorities;
4. Provide **ongoing advice** on emerging consumer policy, outreach and education matters, either identified by the Panel or brought forward by the Consumer Office;
5. **Identify topics for information purposes**, for consideration of the Consumer Office, or for potential policy discussion that would enhance consumer protection/confidence when engaging in market activities that are delivered by the sectors that FSRA regulates;
6. **Review and provide input on consumer research** undertaken by FSRA, or undertaken by third parties that may be relevant;
7. Oversee the production of an annual report by the Consumer Office outlining the key activities of the Panel; and
8. Provide feedback to FSRA on the functioning of the Panel.

Note: The Panel is not intended to replace [FSRA's Stakeholder Advisory Committees \(SACs\)](#), which will also include representation of consumers by sector.

## Panel authority

The Panel's role is advisory. Their advice and recommendations will be considered **as input to the Consumer Office** for review and consideration and may or may not result in action or policy change.

**Commented [HN3]:** Rather than providing only feedback, I believe that the Panel's best and most effective role would be to provide input at the earliest possible stage when frameworks and/or policies are still being developed.

**Commented [HN4]:** That concept of ongoing advice is again repeated here.

**Commented [HN5]:** Unclear how the Panel will go about identifying these topics and accomplish its other prescribed deliverables given its limited resources and infrequent meetings.

**Commented [HN6]:** What resources will be available to the Panel to undertake these reviews?

**Commented [HN7]:** Does that mean that its advice will only be considered by the Board of FSRA if approved/supported by the Consumer Office?

## Application and appointment of consumers advisory panel members

Appointments to the Panel will be made through an open, transparent and merit-based application process posted online. Selections will be made by FSRA's CEO and Chief Consumer Officer, based upon the relevant experience, skills, knowledge and perspectives of the applicants. The Chief Consumer Officer also reserves the right to select a member who, in the Chief Consumers Officer's view, has expertise or represents interests that may help advance the Panel's work.

FSRA will publish the names of the members of the Panel on its website.

## Panel composition

We are seeking members who can provide evidence-informed consumer-focused insights to help us understand and deliver on Ontarians' expectations of our services and policies.

The Panel shall be comprised of individual consumers, representatives from consumer associations, financial literacy experts, academics with background in consumer law or other recognized consumer experts in the financial services sector.

Ideally, the Panel's membership will:

- Bring insights from all the sectors we regulate that will help address consumer harm;
- Include perspectives from a variety of consumer demographics including, but not limited to, seniors, Indigenous peoples, newcomers, youth and low-income Ontarians;
- Represent a mix of both high-level expertise and experience representing consumer interests in ongoing interactions with regulatory authorities and industry; and
- Provide insights from across Ontario.

Taking into consideration a balancing of consumer perspectives the specific composition could include sectoral representation from :

- Individual consumers;
- Consumer associations;

**Commented [HN8]:** I think that the Stakeholder Advisory Committees will address industry specific matters and that members of the Panel, particularly in light of the blurring of product and service distinctions across sectors, should bring an overall understanding and appreciation of the full range of financial services overseen by FSRA.

- Consumer advocates;
- Academics;
- Financial literacy experts;
- From other regulatory agencies

## Administration, meetings, agendas and deliverables

The Panel will meet up to four times a year (minimum of two meetings), and additional meetings may be called as required.

**Commented [HN9]:** Putting a cap of 4 on the number of Panel meetings does not align with the responsibilities and expectations of the Panel set out in this Terms of Reference.

The Panel will be chaired by the Chief Consumer Officer and/or their designate.

**Commented [HN10]:** The optics of the CCO acting as Chair is not good. The Panel already reports in to the Consumer Office, I think an independent Chair would send a much better message.

The Consumer Office may also invite observers and/or experts to assist the Panel in its duties. The CEO and other FSRA staff from Core Regulatory areas, Policy, Legal and Public Affairs, are ex-officio members of the Panel (non-quorum) and will attend when relevant matters are raised at meetings.

**Commented [HN11]:** The Panel, rather than the Consumer Office, should have the ability to identify and invite observers that it would like to meet with

**Commented [HN12]:** Not clear why these individuals need to be ex-officio members rather than invitees when their presence would be of value.

The Consumer Office will provide all Secretariat, Administrative and Policy support. A member of the Consumer Office will attend each Panel meeting as an observer and note taker.

The Consumer Office will prepare a summary of each Panel meeting and distribute it, including any accompanying written submissions, to members, typically within three weeks following a meeting.

FSRA also intends to publish a high-level summary of the Panel's work on FSRA's website within approximately three weeks of each meeting.

**Commented [HN13]:** Excellent initiative

The agenda for each meeting will be prepared by the Consumer Office, and will be provided to each Panel member, targeting seven days in advance of each meeting, together with appropriate briefing materials.

**Commented [HN14]:** Independent Chair of Panel (in consultation with Consumer Office) would be my preferred choice for preparing agenda for each meeting.

A quorum for a meeting of the Panel will be more than 50% of its members present either in person via remote conferencing.

Where possible, the Panel members will use best efforts to develop consensus and to identify any issues where consensus does not exist and the reasons for an absence of consensus.

Minutes will be recorded at each meeting of the Panel outlining general discussion topics and encapsulating formal recommendations and will be accepted and approved by the Panel at its next meeting. The Minutes may also be posted on FSRA's website.

The Panel, through the Consumer Office secretariat, is intended to provide an annual report to FSRA on its key activities and the report may be published on the FSRA website, incorporated in to the FSRA annual Report or published elsewhere.

The Panel may be asked to attend other meetings (e.g. Board) as required to discuss the work of the Panel.

## Public process, input from others and disclosure issues

*The Freedom of Information and Protection of Privacy Act*, R.S.O. 1990, c.F.31, as amended, will (unless otherwise specified by FSRA) apply to information provided to the Panel and to material prepared by or for the Panel for presentation or delivery to FSRA's Chief Consumers Officer.

Panel members may be required to sign a Non-Disclosure Agreement (NDA) before assuming a position on the Panel or for specific meetings.

Members of the Panel are permitted to obtain assistance from colleagues or collaborators. However, members and those who assist them are required to maintain the confidentiality of all information provided to the Panel, or prepared by or for the Panel for presentation or delivery to FSRA (with the exception of information made public by FSRA, including any submissions by the Panel or its members as part of a public comment process sponsored by FSRA).

## Costs

Panel members will be paid travel expenses in accordance with FSRA's Travel, Meal and Hospitality Directive. To be reimbursed, members must receive approval from

**Commented [HN15]:** Not a typical provision in the Terms of Reference of a panel or committee. While I believe that it is appropriate for FSRA to prescribe expected deliverables from the Panel, I think it should be the prerogative of the Panel to determine how it will operate in order to be able to achieve those deliverables.

**Commented [HN16]:** Why 'may' be published and not 'will' be published?

FSRA prior to making travel arrangements and will be required to submit a travel expense claim with receipts.

No additional expenditures or commitments will be made without the prior authorization of the FSRA.

## **Term limits and reappointment**

The Panel members will be appointed for an initial term of one year, with a possibility for extension to a maximum three year term.

## **Attendance at meetings**

Each Panel Member is expected to devote sufficient time to Panel affairs, including the review of materials and attendance at all meetings of the Panel.

## **Termination of membership**

The Chief Consumer Officer can choose to add or remove any member of the Panel at any time and a Panel member may resign by giving written notice.

**Commented [HN17]:** In my view, when established the Panel should appoint a third of its members for a term of 2 years; a third of its members for a term of 3 years; and a third of its members for a term of 4 years. Every member will be eligible for one extension, but no member can serve more than 6 consecutive years on the Panel.

**Commented [HN18]:** One year – particularly for a nascent entity strikes me as too short

**Commented [HN19]:** Maximum of 3 years also seems too short to me

**Commented [HN20]:** Is this ability to remove a member neither qualified nor limited in any way?