

minutes

Meeting: Regulatory Board

Location: Olive room, The Adelphi, 1-11 John Adam Street, London,
WC2N 6AU

Date: 7 February 2017, 09.30 – 12.20

PRESENT:

The Chairman (Antony Townsend), John Cullen, Ronnie Patton, Geoffrey Podger, David Thomas, Frances Walker, Suzy Walton and Rosalind Wright.

IN ATTENDANCE:

Executive Director – Governance (Peter Large), Director – Regulation (Sundeep Takwani), Head of Standards (Ian Waters) and Regulation Officer (Catriona Spedding).

APOLOGIES:

No apologies for absence were received.

1. MINUTES

The Board approved the minutes of the meeting held on 23 November 2016.

2. CONFLICTS OF INTEREST

The Board noted that no conflicts of interest had been notified to ACCA following the distribution of the meeting papers.

3. FUTURE REGULATORY LANDSCAPE – “BLUE SKIES” SESSION

The Board held a blue skies session to discuss what it considers to be the key regulatory challenges facing ACCA and its members and what the Board should do in the future to ensure ACCA’s regulatory framework is fit for purpose and assures the “brand promise”. A detailed note of the points discussed is set out as an appendix to these minutes.

Following the discussions, the Board agreed the following actions:

- to highlight in the Board’s report to Council the wider context and regulatory challenges faced by ACCA, its members and the Regulatory Board
- the FRC should be invited to attend a Regulatory Board meeting for a positive discussion on the key regulatory matters

- the Board should produce a programme of learning sessions, which are intended to be informative, on particular areas of work that ACCA is undertaking, to inform the Board about the wider environment and to discuss the issues with the executive in a constructive setting
 - a template with a set of strategic high-level questions should be created and used for these learning sessions to enable the Board to assure itself that it is looking at all aspects of its remit over the period of a year
- and
- ACCA and the Chairman should work together to draw up the template and circulate the draft template by email to the Board for final approval.

4. 2016 REGULATORY BOARD REPORT TO COUNCIL

The Board approved the outline draft of the 2016 Regulatory Board Report to Council and agreed that:

- the blue skies session discussions should be reflected in the report
- and
- ACCA and the Chairman should continue to edit the report and circulate the final draft report to the Board by email for final approval.

5. REPORTS FROM THE APPOINTMENTS, QUALIFICATIONS AND STANDARDS BOARD

The Board received reports from the Chairmen of the Appointments, Qualifications and Standards Boards. The following key points were noted that:

Appointments Board

- the Appointments Board will be reviewing the appraisal policy and appraisal feedback forms
- the Appointments Board is continuing to address recent performance issues with two disciplinary assessors
- one legal adviser has tendered their resignation and a number of lay panel members will be leaving ACCA in March and May 2017 on the expiry of their full terms of office – but no recruitment will be necessary
- the relationship between ACCA staff and committee members continues to improve

- the Appointments Board carried out an evaluation exercise of its effectiveness
- and
- the Appointments Board discussed the work of the Hearings Project working group, in particular that the Adjudication department is working on a project on statistical differences between various committee members, chairmen and legal advisers.

Qualifications Board

- the Qualifications Board ratified the December 2016 examination results
- the Qualifications Board received a presentation, which outlined the proposed plans for moving to a psychometric approach to assessment for F5-F9 examinations
- and
- ACCA is considering moving to a new output-based Continuing Professional Development (CPD) model building upon the current hybrid model of both input- and output-based CPD.

Standards Board

- no meetings of the Standards Board have taken place since the last Board meeting
- and
- the Standards Board will be carrying out the evaluation exercise on its effectiveness at its next meeting on 22 February 2017.

6. PERFORMANCE DATA

The Board noted the performance data and staff report. In particular the Board noted that:

- a number of risks had been de-escalated as it was deemed that there were sufficient controls in place
- predictions are suggesting that ACCA will meet its target for audit monitoring visits

- it is difficult to ascertain the precise resourcing requirement to meet monitoring cycles
- and
- following the implementation of the EU Audit Regulation and Directive, ACCA has agreed with both FRC and IAASA that a strict six-year cycle will be retained for routine visits (as it is required by Irish legislation) but that up to three months' flexibility after the anniversary date of the previous visit will be permitted for accelerated (two- and four-year) visits.

7. LEAD REGULATOR UPDATE

The Board noted an update on ACCA's interactions with its lead regulators, in particular that:

- the initial report following FRC's RSB inspection in 2016 has been received but ACCA is still awaiting the RQB initial report

[Post meeting note: the FRC's RQB initial report was received on 8 February 2017]

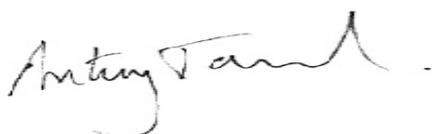
and

- ACCA received the draft report following the FRC's and IAASA's joint inspection visit of ACCA's arrangements for complaints and discipline in June 2016.

The Board agreed that, in future, any documentation within the reports that contains names of practitioners should be redacted or removed (if an appendix) before circulation to the Board.

8. DATES OF FUTURE MEETINGS

The Board noted the dates of remaining Regulatory Board meetings in the 2016-17 Council Year.

A handwritten signature in black ink, appearing to read 'Anthony Tamm', with a horizontal line extending to the right.

Chairman