

minutes



Meeting: Regulatory Board
Location: 29 Lincoln's Inn Fields, London, WC2A 3EE
Date: 26 January 2011

PRESENT:

The Chairman (Katrina Wingfield), Steve Barrow, Peter Cadman, Barbara Duffner, Christine Fraser, Raphael Joseph, Alan Kershaw, David Lock and Robert Stenhouse.

IN ATTENDANCE:

Executive Director – Governance (Peter Large), Executive Director – Brand (Neil Stevenson), Director – Practice Monitoring (Sha Ali Khan), Director – Professional Conduct (Nicole Ziman), Director – Regulation (Sundeep Takwani), Head of Planning (Andrea Pinner/Rachel Sood) and Planning Officer (Catriona Spedding).

1. MINUTES OF THE LAST MEETING

The Board agreed the minutes of the meeting held on 30 November 2010.

2. APOLOGIES FOR ABSENCE

Apologies for absence were received from Mr Akhtar.

3. ACTIONS NOTE

The Board noted a paper providing a summary of the actions taken since the last meeting.

The Board discussed concerns raised regarding the suitability of the proposed keynote speaker for the Board's Regulatory Event in June and agreed that an invitation should no longer be sent to him.

The Board agreed that:

- two other parties should be approached
- and

- taking into account the current regulatory and economic climate, the event should focus on regulation and growth.

4. PRESENTATION FROM THE EXECUTIVE DIRECTOR – BRAND

The Board noted a presentation on ACCA's branding, technical and public policy activities from the Executive Director – Brand.

5. PRESENTATION FROM THE EXECUTIVE DIRECTOR – GOVERNANCE

The Board noted a presentation on recent developments from the Executive Director – Governance.

6. ANNUAL REPORT OF THE REGULATORY BOARD TO ACCA'S COUNCIL

The Board reviewed its 2010 annual report to ACCA's Council and agreed that the final report, incorporating amendments identified at the meeting, should be circulated to the Board by email for approval.

7. FILE REVIEWS

The Board noted a report from the Chairman on her review of files relating to complaints, licensing, monitoring and complaints about ACCA's handling of these matters.

The Board agreed to endorse the file review protocol set out at Appendix 1 to these minutes, subject to the incorporation of amendments identified at the meeting.

8. LEAD REGULATOR UPDATE

The Board noted a paper on ACCA's recent interaction with its lead regulators.

9. REPORT FROM THE APPOINTMENTS SUB-COMMITTEE

The Board noted an update by the Chairman of the Appointments Sub-committee on progress in recruiting panel members, chairmen and deputy chairmen and disciplinary assessors.

The Board noted:

- the Appointments Sub-committee's concerns in relation to the shortage of practising accountants and lawyers
- that the deadline for issuing outcome letters to interview candidates will be delayed by one week
- that a panel member who had received several poor performance appraisals will be stood down from the panel of Committee Members

and

- the draft minutes of the Sub-committee meeting held on 30 November 2010.

10. AGGREGATED SUMMARY OF DECISIONS OF DISCIPLINARY AND REGULATORY HEARINGS AND REPORTS OF OTHER HEARINGS

The Board noted an aggregated summary of decisions of disciplinary and regulatory hearings covering the period 19 October 2010 to 16 December 2010.

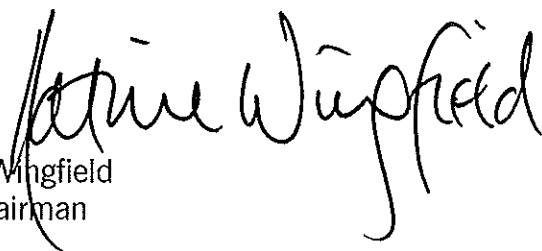
11. REGULATORY BOARD WORK PLAN

The Board agreed to approve the work plan set out at Appendix 2 to these minutes, incorporating the changes identified at the meeting.

12. DATES OF FUTURE MEETINGS

The Board noted the dates of Regulatory Board meetings in the Council year 2010 – 2011.

K Wingfield
Chairman

A handwritten signature in black ink, appearing to read 'K Wingfield', written in a cursive style.

ACCA REGULATORY BOARD

FILE REVIEW PROTOCOL

1. Introduction

- 1.1 Pursuant to the Bye-laws and Regulatory Board and Committee Regulations the Board is required to report to ACCA's Council annually on the operation of ACCA's disciplinary and regulatory arrangements, including the resourcing and performance of the Professional Standards function.
- 1.2 One means of assessing performance is by inspecting files or other documents concerning the complaints, monitoring and licensing processes. The responsibility for carrying out inspections rests with the Chairman of the Board who may seek the assistance of other members of the Board.
- 1.3 In July 2009 the Board considered a paper in relation to the inspection of files and it was agreed that, for the present, the inspections would be undertaken by the Chairman.

2. Aim

To monitor the fairness, impartiality and integrity of ACCA's complaints, licensing and practice monitoring processes.

- 2.1 Inspection of files will take place annually and will cover four major groups of files namely
- **Complaints**
 - **Monitoring**
 - **Licensing**
 - **Complaints against professional standards.**
- 2.2 The process for inspecting files is as follows:
- ACCA to provide information to the Chairman to enable the Chairman to select appropriate files for inspection.
 - The Chairman to give reasonable notice of which files are to be inspected and when (at least 2 weeks).

- Inspection to take place at the premises of ACCA.

3. **Selection of files**

3.1 The following criteria will be used for ensuring sufficient breadth of coverage in the selection of files for inspection. Files will be selected at random within the categories mentioned below.

3.2 **Complaints**

A minimum of 12 files will be inspected and will include files from the following categories:

- A range of case types to include as a minimum the three statutory types:
 - insolvency
 - audit
 - investment business

and the most common types received:

- breach of exam regulations
 - carrying on public practice while not authorised
 - failure to provide clearance/transfer information/clients records
 - breach of fundamental principle of professional competence and due care
- In addition attention should be paid to ensuring files which have been closed at varying stages are inspected e.g.
 - after successful conciliation
 - after unsuccessful conciliation
 - after investigation, where some conciliation had taken place
 - after investigation, where no conciliation had taken place
 - after disciplinary hearing
 - attention should also be paid to the dates on which files have been opened during the preceding 12 months; the geographical location of the member/student/firm and the full range of member/student/firm.

3.3 Monitoring

- A minimum of 9 files will be inspected to include at least 5 files Audit - UK and Ireland, 1 Investment Business - Ireland, 1 Insolvency - UK, 1 ACCA Quality Checked and 1 Global Quality Assurance Monitoring, which will cover both Statutory and Non-Statutory monitoring.
- Attention should be given to reviewing files both where there were satisfactory and unsatisfactory outcomes.
- In addition at least 2 "approved employer" files should be reviewed.

3.4 Licensing

- A minimum of 20 files will be inspected to include at least 8 files relating to initial applications, 8 files relating to renewal applications and 4 files relating to waiver applications.

3.5 Complaints against professional standards

- A minimum of 2 files from each of complaints, monitoring and licensing will be inspected.

3.6 Complaints against professional standards

- A minimum of 2 files from each of complaints, monitoring and licensing will be inspected.

4. Reporting Process

4.1 Issues arising from the inspection of each group of files will be raised initially with the relevant department Director.

4.2 A draft report will then be prepared by the Chairman with a view to key findings being reported to the Council in the Board's annual report.

4.3 The draft report will be provided to ACCA for comment prior to being sent to the Board for its consideration.

4.4 The draft report together with any ACCA comments should be provided to the Board for its consideration.

REGULATORY BOARD ROLLING WORK PLAN

March 2011

Substantive business

- Approve the 2011 public *ACCA Report on Regulation* (annually recurring business)
- Review the publication of reasons (from 14 July 2009 Board meeting)
- Review progress of the implementation of the recommendations from the Listing Times Working Party (from 19 May 2010 Board Meeting)
- Receive a paper setting out the main causes of complaints (from Blue Skies session on 14 September 2010)
- Receive a breakdown of the number of cases under investigation by age (from 30 November 2010 Board meeting)

June 2011

Substantive business

- Approve the Board's report to Governance Committee (annually recurring business)
- Receive a report from the Regulations Review Sub-committee on proposed changes to the ACCA Rulebook (annually recurring business)
- Receive a paper setting out the global regulatory landscape of ACCA's membership (from 30 November 2010 Board meeting).
- Approve dates of Board meetings in 2012 (annually recurring business).

September 2011

Substantive business

- determine whether to revive the idea of benchmarking ACCA's regulatory governance practice with that of other comparable bodies (from 14 September 2010 meeting)

Meetings in the Council year 2011 - 2012

Substantive business

- Review a geographical breakdown of statistics (from 26 January 2011 Board meeting).

Annually recurring business

- The items identified above as 'annually recurring business' will repeat at roughly similar intervals in the Council year 2011 to 2012.

All meetings

Routine business

- Approve minutes of previous meeting
- Review actions taken since the last meeting
- Consider new policy statements and revise extant statements, as necessary
- Receive an update on recent developments and/or operational issues from the Executive Director-Governance and/or other Directors
- Approve a revised version of the rolling work plan
- Receive an update on lead regulator matters
- Receive and note minutes of Appointments and Regulations Review Sub-committee meetings (if any)
- Receive and note an aggregated report of disciplinary and regulatory hearings
- Receive and note minutes of meetings of assessors, the panel and chairs/deputy chairs (if any).

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