

# minutes



**Meeting:** Regulatory Board

**Location:** Reading Room, 29 Lincoln's Inn Fields, London, WC2A 3EE

**Date:** 20 May 2014, 09.30 – 12.15

---

## **PRESENT:**

The Chairman (Katrina Wingfield), Peter Cadman, Christine Fraser, Raphael Joseph, Robert Stenhouse, David Thomas, Antony Townsend, Anthony Tyen, Frances Walker and Rosalind Wright.

## **IN ATTENDANCE:**

Executive Director – Governance (Peter Large), Non-Executive Advisers to the Chief Executive (Julia Bond and Barrie Jackson), Director – Practice Monitoring (Sha Ali Khan), Director – Regulation (Sundeep Takwani), Investigations Manager (Sheelagh Wilson), Compliance Manager (Andrew Teague, present for item 9 only) and Regulation Officer (Catriona Spedding).

## **APOLOGIES:**

No apologies for absence were received.

## **1. MINUTES**

The Board approved the minutes of the meeting held on 11 February 2014, subject to the amendment of final section of Minute 3 as follows:

“The Board was concerned that this matter had arisen and agreed that:

- if any members of the Board have any points of detail then these should be raised with the Director – Regulation
- it should be provided with an update on the matter at the May meeting  
and
- ACCA should review the FRC public report, which covers all RSBs/RQB, to identify any areas of concern and review its own processes in these areas.”

## **2. ACTIONS NOTE**

The Board noted a report on follow-up to actions from the last meeting.

### 3. PRESENTATION FROM THE EXECUTIVE DIRECTOR - GOVERNANCE

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

The Board agreed that:

- if any Board members would like to meet with the consultant reviewing the Investigation Department's processes and procedures to discuss this work, they should contact the Regulation Officer to make arrangements  
  
and
- the PowerPoint slides of the presentation should be circulated by email to all Board members following the meeting.

*[Post meeting note: the PowerPoint slides were circulated to the Board on 20 May 2014]*

### 4. ANNUAL PUBLIC REPORT ON REGULATION

The Board agreed that:

- ACCA should receive the Financial Report Council's (FRC) public report before it publishes the Regulatory Board's public report
- there should be a statement on the FRC's comments and recommendations in the report, which should be aligned with the tone of the FRC's public report
- the updated report, tracked with the suggested changes should be circulated to the Board for final approval  
  
and
- the Director – Practice Monitoring should send Anthony Tyen the Regulatory Statistics on global monitoring, together with some narrative explaining the figures.

*[Post meeting note: The global monitoring statistics, together with an explanation of the figures was sent to Anthony Tyen on 21 May 2014 by email]*

## 5. ANNUAL REPORT TO THE GOVERNANCE DESIGN COMMITTEE

The Board agreed that an updated report on the performance of the Board in 2013-14 for submission to the Governance Design Committee, incorporating the amendments identified at the meeting, should be circulated by email following the meeting for approval.

## 6. EXTERNAL DEFERRAL CASES

The Board noted a report on those cases placed on external deferral and was encouraged by the improvements made.

## 7. LEAD REGULATOR UPDATE

The Board noted an update on ACCA's interactions with its lead regulators, particularly in regard to the process changes implemented to guard against errors in audit qualification awards as highlighted by the FRC.

The Board agreed that:

- ACCA should seek to identify and then inform members who may in future be impacted by the exemptions issue that they may not have the necessary passes in law and/or tax to achieve the audit qualification
- and
- a letter from the Board should be sent to inform the FRC that it is fully seized of the matter.

*[Post meeting note: a letter was sent to the FRC on 20 May 2014]*

## 8. UPDATES TO THE GUIDANCE FOR REGULATORY ORDERS (GROs)

The Board endorsed updates to the GROs, subject to the incorporation of amendments identified at the meeting.

## 9. REGULATORY EVENT

The Board discussed a second Regulatory Board public event and agreed that:

- the theme should be 'regulating globally mobile professionals'
- Robert Stenhouse should be asked to prepare a proposal for the Officers' consideration with regard to whether the public event might take place in 2015 during the slot traditionally reserved for the joint Council/International Assembly meeting, to enable Council and International Assembly members to attend in addition to members of the public.

**10. FRC ACCOUNTANCY SCHEME**

The Board approved the changes to the Accountancy Scheme of the FRC.

**11. REPORT FROM THE APPOINTMENTS SUB-COMMITTEE**

The Board noted the minutes of the Sub-committee meetings held on 21 March 2014 and 22 April 2014.

The Board noted a report from the Chairman of the Appointments Sub-committee following its meetings on 21 March 2014 and 22 April 2014.

**12. REPORT FROM THE REGULATIONS REVIEW SUB-COMMITTEE**

The Board noted the minutes of the Sub-committee meeting held on 11 February 2014.

The Board noted a report from the Chairman of the Regulations Review Sub-committee following its meeting on 19 May 2014.

**13. BREAKDOWN OF CASES UNDER INVESTIGATION BY AGE OF COMPLAINT**

The Board noted an up-to-date breakdown of the number of cases under investigation by age of complaint.

**14. REGULATORY BOARD WORK PLAN**

The Board approved the work plan (as amended), set out at Appendix 1 to these minutes.

**15. AGGREGATED SUMMARY OF COMMITTEE DECISIONS OF DISCIPLINARY AND REGULATORY HEARINGS AND REPORTS OF OTHER MEETINGS**

The Board noted:

- an aggregated summary of decisions of disciplinary and regulatory hearings covering the period between 9 January 2014 and 3 April 2014

and

- the draft notes of the Meeting of Chairmen and Legal Advisers held on 28 March 2014.

The Board agreed that, in the summary of decisions of disciplinary and regulatory hearings, the date of each monitoring visit should be included for those Admissions and Licensing Committee cases where the firm received an unsatisfactory outcome.

**16. DATES OF FUTURE MEETINGS**

The Board noted the date of remaining Regulatory Board meeting in the 2013-14 Council Year.

Chairman

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

## Appendix 1

### REGULATORY BOARD WORK PLAN FOR THE 2013-2014 COUNCIL YEAR

1. The following provides a general narrative schedule for the items of business to be addressed by the Board at its meetings during the Council year. The work plan is ordered to reflect the Council, not calendar year, and each bulleted item is cross-referenced to the Board's Terms of Reference. It is noted that the list is not exhaustive and that agenda items might be introduced at any time, within the overall Terms of Reference.

#### May

- ~~update on the FRC's proposed direction notice and the process changes implemented to guard against errors in audit qualification awards~~ [2.5]
- ~~approve 2014 annual report to Governance Design Committee~~ [3.2]
- ~~approve 2014 public Report on Regulation~~ [3.2]
- ~~receive an update on those cases placed on external deferral~~ [2.1]
- ~~receive an update on the progression of cases where the complaint was received before 2007~~ [2.4]
- ~~discuss a second Regulatory Board public event~~ [6.9]
- ~~receive an update on how the FRC Accountancy Scheme has been operated~~  
[not specifically within Board's Terms of Reference]

#### September

- approve work plan for 2014-2015 Council year [2.1]
- receive a report from the Regulations Review Sub-committee on proposed changes to the 2015 Rulebook [2.3]
- review factors affecting the time taken to resolve complaints in order to meet the KPIs for investigation and for listing cases, including: [2.1]

- a review of the investigation times to consider whether the number of changes that have been implemented are addressing the delays in investigating times
- a review of the listing times to consider whether the current listing time target is appropriate
- receive a report on licensing, monitoring and complaints and disciplinary activities and highlight matters which are likely to be of concern to FRC-POT [2.1]
- discuss a second Regulatory Board event [6.9]
- note ACCA's response to the consultation in respect of the European Directive on Alternative Dispute Resolution [not specifically within Board's Terms of Reference]