

Meeting: Standards Board
Location: Zoom call
Date: 11 November 2021, 13.30 – 16:00

PRESENT:

The Chair (Richard Cooper), Alastair Cannon and Hilary Mundella.

IN ATTENDANCE:

Director – Practice Regulation (Sundeep Takwani), Standards Manager (Laura Murphy) and Regulation Officer (Catriona Calnan).

1. MINUTES

The Board approved the minutes from the meeting held on 23 September 2021.

The Board noted the actions log.

2. APOLOGIES FOR ABSENCE

Apologies for absence were received from Ronnie Patton.

3. CONFLICTS OF INTEREST

Each member of the Board confirmed that they had no conflict of interest.

ITEMS FOR DISCUSSION

4. CHAIR'S UPDATE

The Board noted the update from the Chair on recent developments.

5. WORK PLAN FOR 2021-2022 COUNCIL YEAR

The Board agreed the Work Plan for the 2021-2022 Council year.

ITEMS FOR ACTION – RULEBOOK CHANGES TO BE IMPLEMENTED 1 JANUARY 2022

6. MEMBERSHIP REGULATIONS

The Board noted the proposed amendments to the Membership Regulations (Regulation 4(3)(e)), which reflect annual changes in the rates for admission fees and annual subscriptions.

7. DESIGNATED PROFESSIONAL BODY REGULATIONS (DPBRs)

The Board considered proposed amendments to Regulation 3(7) of the DPBRs, which clarify the requirements relating to the receipt of remuneration and remove a specific requirement relating to the timing of disclosure. The Board had some concerns about the disclosure requirements and agreed:

- to endorse the proposed changes to Regulation 3(7) of the DPBRs, subject to the incorporation of further amendments identified at the meeting, including a requirement to disclose remuneration ‘at least annually’

and

- that ACCA should circulate the amended wording to the Board by email following the meeting.

ACTION: ACCA to circulate the revised wording for the proposed changes to the DPBRs for approval by email.

[Post meeting note: the amended proposed wording was circulated to the Board on 12 November 2021 and subsequently approved.]

8. GLOBAL PRACTISING REGULATIONS (GPRs)

The Board endorsed proposed changes to Annex 1 (Appendix 2) and Annex 2 (Appendix 2) to the GPRs, which correct a drafting error relating to the recognition professional qualification with regards to recording practical training.

9. CODE OF ETHICS AND CONDUCT

Section 310

The Board considered proposed amendments to paragraph 310.17 which align with the examples of safeguards provided in paragraph 330.5 A2 of the Code and remove guidance to disclose amounts and terms ‘as soon as practicable’.

The Board had some concerns about the requirements for safeguards in paragraph 310.17 and agreed that further amendments are required to align the requirements with the Designated Professional Body Regulations and guidance for practitioners. The Board agreed that ACCA should circulate the amended wording to the Board by email following the meeting.

ACTION: ACCA to circulate the revised wording for the proposed changes to Section 310 of the CEC for approval by email.

[Post meeting note: the amended proposed wording was circulated to the Board on 12 November 2021 and subsequently approved.]

Section B2

The Board endorsed the proposed changes to Section B2 in respect of AML requirements, which remove guidance on client identification that is deemed unhelpful for ACCA and is contrary to what accountants are required to do in order to comply with legislation. Indeed, accountants do need to identify their clients irrespective of personally knowing them.

10. PROPOSED RULEBOOK CHANGES FOR REGULATORY BOARD APPROVAL

The Board considered a paper to the Regulatory Board, setting out the background to the proposed changes to the *ACCA Rulebook* that have been agreed by the Standards Board at the meeting. The Board noted that the paper will form part of a package of proposed changes to the *ACCA Rulebook* (effective 1 January 2022), which the Board has agreed to recommend to the Regulatory Board for approval.

The Board approved the paper, subject to the incorporation of the following amendments:

- paragraph 3 of the paper should be removed
- and
- paragraphs 9 and 11 should be updated to reflect the concerns raised by the Board in respect of the proposed changes to the DPBRs and Section 310 of the Code of Ethics and Conduct and the subsequent amendments.

The Board also agreed that approval of the proposed changes should be delegated to the Chair of the Regulatory Board and the Chair of the Standards Board.

ACTION: ACCA to update the paper on Rulebook changes with the amendments identified and circulate to the Chair of the Regulatory Board and Chair of the Standards Board, together with the package of Rulebook changes for approval.

[Post meeting note: the above amendments were incorporated into the paper and subsequently approved by the Board. The paper and package of changes were sent to the Chair of the Regulatory Board and Chair of the Standards Board on 15 November 2021 and subsequently approved.]

ITEMS FOR NOTE

11. DATES OF FUTURE MEETINGS

The Board noted the dates of Standards Board meetings in the 2021-2022 Council year are as follows:

4 February 2022 (am)
5 May 2022 (am)
14 September 2022 (am)
9 November 2022 (am).

The Board noted that remote meetings have worked well but would like the occasional face to face meeting.

The Board noted that it was Hilary Mundella's final meeting as her Term of Office comes to an end on 30 November 2021. The Board thanked Hilary for her valuable contribution to the Board.