

Accountancy AML Supervisors' Group (AASG) of the Anti Money Laundering Supervisors Forum

TERMS OF REFERENCE

Composition : Chair
Vice Chair
Members of staff from the Accountancy Professional Body Supervisors (PBSs) and HMRC

Reports to : Anti Money Laundering Supervisors Forum

1. Purpose

To provide an open forum focussing on sector specific issues arising in relation to AML/CTF obligations arising either for members of the regulated sector as supervised, or supervisors themselves.

2. Membership

2.1 The AASG is constituted of at least one staff member of each body undertaking supervisory activity of auditors, insolvency practitioners, external accountants and tax advisers including HMRC and the professional bodies as listed in the current Money Laundering Regulations

2.2 The Chair and Vice-Chair are elected annually by the professional body members and have a maximum term of 2 years unless current AML/CTF activity undertaken by the Chair or Vice-Chair dictates that longer terms are required for the purpose of continuity Extension of terms must be agreed by majority of members.

3. Objective

To share best practice on the supervision of our relevant person populations, minimising the risk that the sector will be used as a conduit for money laundering and/or terrorist financing.

4. Frequency of meetings

4.1 No less than three times per year prior to the AMLSF, but as required depending on volume, and urgency of business.

4.2 The AASG may also organise ad-hoc meetings and/or workshops on specific topics.

5. Activities that rotate with Chairmanship

5.1 The Chair shall represent the AASG where context and circumstances so dictate, ensuring members are provided with a strong understanding of the Chair's representative activities away from meetings. The Chair shall delegate work to AASG members as required.

- 5.2 The PBS holding the Chair shall be responsible for:
- setting the timing and agenda for Forum meetings and inviting relevant guests to attend or address the Forum;
 - setting the location for meetings;
 - circulating an agenda in advance of the meeting;
 - ensuring accurate minutes are recorded, approved, retained and distributed in a timely manner to all members; and
 - maintaining a fully up-to-date list of members and invited representatives.

Scope of work

6.1 Act as point of contact for government, government agencies, law enforcement and regulators

6.2 Effective operation of AML/CTF compliance by the AASG members:

- (i) supporting each other and the objectives of the AML regime supervisory requirements of current anti-money laundering legislation and the OPBAS Sourcebook
- (ii) sharing good practice to facilitate regulatory consistency, for example, regulatory intelligence; knowledge, skills, experience, materials.
- (iii) Developing a shared understanding of risk-based supervisory practices

6.3 Shared Policies and Approaches

- (i) Demonstrating consistency of approach by providing coordinated input (where appropriate) to consultations and revisions to regulations and guidance on AML
- (ii) Development of shared AML policies and, where appropriate, a coordinated approach when making recommendations outside the group (to AMLSF, OPBAS and other relevant stakeholders).
- (iii) Collaboration with and participation in Government initiatives that relate directly to PBS AML supervision
- (iv) Nominating members as representatives to any permanent or ad-hoc bodies requiring AASG input where these bodies do not have representatives from each PBS in their own right, and receiving feedback as a group from these representatives at meetings or by email.

6.4 Intelligence and Information Sharing Between PBSs and with Stakeholders

- (i) Sharing information and intelligence with each other, as well as with law enforcement, OPBAS and other groups to ensure timely supervisory action where necessary.

- (ii) Co-ordinated engagement with relevant stakeholders including NCA, Home Office and Law Enforcement) and adherence to any information sharing requirements and protocols
- (iii) The AASG will monitor the external information sharing requirements imposed on the PBSs to ensure they are the most effective approach.
- (iv) All information and intelligence shared between supervisors is limited to what is allowed by law and all such information shared must be treated as strictly confidential.
- (v) Where queries are raised between supervisors, all supervisors will aim to meet a three working day turnaround for provision of urgent information, otherwise within 10 working days or as agreed on an individual case basis between supervisors. Requests for information and intelligence will be acknowledged.
- (vi) AASG members shall maintain an up to date list of all members for the purpose of effective information sharing.

6. Rules of engagement

6.1 Attendance at meetings

- (i) Attendance at meetings is restricted to employees of member bodies.
- (ii) Attendees should meet the following criteria (unless otherwise agreed by the AASG Chair):
 - Willingness and ability to contribute to the AASG
 - Delegated responsibility and authority within their PBS for and expertise in AML related supervisory activity within the organisation
 - Fit and proper as attested by the organisation's Chief Executive Officer or equivalent
 - Sufficient seniority to have the authority to deal with issues and approve decisions
 - Maintain the principles of confidentiality within meetings to enable frank discussion and robust decisions
- (iii) Guests may be invited to attend with agreement of the Chairman in advance of the meeting for all, or any of the discussion items, subject to space.
- (iv) Where a member is unable to attend a meeting, a colleague may attend, provided that colleague meets the criteria detailed above. The Chair must be notified of apologies for absence and attendance by substitutes

6.2 Meeting protocol

- (i) This section applies to face to face and remote meetings as well as communications between members.
- (ii) Decisions will be taken in the interests of effective operation of the anti-money laundering regime, and on the basis of the majority view.
- (iii) All discussions and communications will be conducted constructively and courteously. Members will observe the requirement for providing a secure environment for full and frank discussions and maintain confidentiality where required.

- (iv) Discussion is restricted to topics that fall within the scope of work under 6 (above), which affect all or the majority of members.

6.3 Communication outside meetings

- (i) Bilateral discussions may take place outside the meetings with any resulting principles being reported back for discussion within the forum.
- (ii) Where decisions are required outside the meeting, clear deadlines will be given to indicate a view and/or respond, non-response will be taken as agreement with a proposal.
- (iii) Members are expected to take a share of coordinating comments and responses for initial drafts of collective consultation responses, guidance or statements
- (iv) The AASG has ownership of, and the ability to review/amend as appropriate, AASG policies, guidance and other documentation which is collectively owned and adhered to.

7. Agreed documents and policies

The following AASG documents will be reviewed periodically and confirmed formally at the time of chairmanship handover:

- (i) Table of supervision profiles for each AASG member body
- (ii) Compliance Definitions (2011)
- (iii) Consent flowchart (2015)
- (iv) Supervision within the accountancy sector (2015)
- (v) Risk Matrix (not sure of date)
- (vi) Document on “high risk circumstances”?
- (vii) Simplified alerts

A central repository of documents will be kept and will be the responsibility of a nominated member to maintain. All the above will contain original date and date of most recent review/update