

Disciplinary Panel Hearing

Case of

Mr Qi Shi MRICS

On

Thursday 22 November 2018

At

55 Colmore Row, Birmingham

Panel

Carolyn Tetlow (Chair)
Rosalyn Hayles (Lay Member)
Ian Hastie (Surveyor Member)

Legal Assessor

Alastair McFarlane

Hearing Officer

Maria Choudhury

RICS Presenter

Kelly Sherlock

The Formal Charge is:

That between 1 January 2016 and 1 February 2017 you have failed to comply with RICS' requirements in respect of Continuing Professional Development (CPD) in that you have not completed and recorded or caused to be recorded at least 20 hours of CPD on the RICS CPD portal

Contrary to Rule 6 of the Rules of Conduct for Members 2007 version 6.

And that you are therefore liable to disciplinary action under Bye-law 5.2.2(c).

Notice

1. The Panel received a witness statement from Maria Choudhury, Regulatory Tribunal Executive for RICS, dated 16 October 2018. The statement confirmed that the Notice of Hearing dated 4 September 2018 had been sent to the Relevant Person, at the postal address held on RICS' system. The postal letter was exhibited to the statement of Ms Choudhury. The Panel also had sight of the delivery receipt confirming delivery of the Notice of Hearing. The Panel noted from the witness statement of Tony Hong, RICS Regulatory Reviewer, that the documentation had been translated into Mandarin.
2. The Panel accepted the advice of the Legal Assessor and was satisfied that the notice of hearing had been sent in accordance with the Rules.

Proceeding in Absence

3. The Relevant Person has not attended in person or by phone and is not represented
4. The next considered whether it was in the interests of justice to proceed in Mr Shi's absence. The Panel accepted the advice of the Legal Assessor. The Panel was mindful that Mr Shi had a right to attend the hearing and to participate, and that the discretion to proceed in his absence must be exercised with the utmost care and caution.
5. The Panel noted that RICS' Notice of Hearing, dated 4 September 2018 sent to Mr Shi's address in China, offered him the opportunity of attending via telephone conference. Mr Shi had not availed himself of this opportunity or made any contact with

RICS about attending this hearing. He had not engaged substantively with RICS about the case at all. The Panel was therefore satisfied that Mr Shi was aware of the proceedings and had voluntarily absented himself. The Panel also noted that the Notice of Hearing had been signed for by Mr Shi.

6. The Panel was satisfied that all reasonable attempts had been made to secure Mr Shi's attendance at the hearing. He had not engaged with the substantive proceedings and the Panel was not persuaded that any adjournment would increase the chance of Mr Shi attending or participating in the case on a future date. On the information before it and bearing in mind its duty to ensure the expeditious conduct of its business and the wider public interest, the Panel was satisfied that it was in the interests of justice to proceed in the absence of Mr Shi. The Panel reminded itself that his absence added nothing to RICS's case and was not indicative of guilt.

Response

7. Mr Shi had not responded to the charge.

Documents

8. The Panel received the hearing bundle prepared by RICS numbered pages 1 – 46.

Summary

9. All RICS members are required to undertake a minimum of 20 hours Continuing Professional Development (CPD) each calendar year (January to December).
10. Rule 6 provides: "Members shall comply with RICS' requirements in respect of continuing professional development."
11. CPD requirements for members are set out in RICS' document "CPD Requirements and obligations".

12. Members must complete at least 20 hours CPD (of which 10 hours must be formal) and must record their CPD activity on line by 31 January through the RICS portal.

13. The Panel had sight of a witness statement of Ms Annabel Joester, dated 4 August 2017, which confirmed that on inspection of the CPD records relating to the Relevant Person, no CPD hours had been recorded by or on behalf of the Relevant Person for the year 2016 by 31 January 2017. Print outs of the Relevant Person's CPD record were exhibited to the witness statement.

Liability to Disciplinary Action

14. RICS submitted that it implemented a system in relation to CPD requirements. The requirement was reasonable and designed to ensure consistent standards within the profession. Members are required to maintain up to date knowledge in their area of expertise and, crucially, to demonstrate their compliance by completion and recording of CPD. RICS submitted that the CPD scheme is in the interests of the maintenance of professional standards and hence of public protection.

15. RICS submitted that it had introduced a system for dealing with breaches of CPD obligations and that breaches must be treated as serious by RICS as the Regulator and by its disciplinary panels.

16. By his failure to comply, the Relevant Person had disregarded a clearly expressed rule and a requirement imposed by his regulator. As a member of RICS he had accepted the obligation to comply with RICS' Rules, guidance and Bye-laws and also that he may be liable to disciplinary action if he failed to do so.

17. RICS submitted that a single breach of the requirements was sufficient to give rise to a liability to disciplinary action.

18. RICS submitted that the Relevant Person was liable to disciplinary action under Bye-law 5.2.2(c).

Legal Advice

19. The Panel received and accepted the advice of the Legal Assessor. The Panel was mindful that the burden of proof of facts in RICS proceedings is upon the RICS, which brings the charges. The standard of proof in RICS disciplinary proceedings is the civil standard, that is the balance of probabilities, meaning that before finding a fact proved, the Panel must be satisfied that it is more likely than not that it occurred.

20. The issue of whether there was liability to disciplinary action was a matter for the Panel's own judgment rather than the legal standard of proof. Before finding liability established, the Panel should be satisfied that the failings in question were sufficiently serious to reach the threshold for liability to disciplinary action.

Panel decision on facts

21. The online CPD print out record was in the documentation. The Panel noted the evidence of Ms Joester, which confirmed that if no entry appeared in the CPD print out for any particular year, this indicated that no CPD had been recorded for that year. The Panel examined the record for Mr Shi and was satisfied that it showed that he had not recorded any hours of CPD for the year 2016 and that Mr Shi did not have any relevant concessions for 2016.

22. The Panel found the factual allegation proved based on the documentary evidence produced by RICS.

Panel decision on liability to disciplinary action

23. The Panel concluded that the Relevant Person's failure to comply with the CPD requirements and Rule 6 of the Code of Conduct for Members amounted to a serious falling short of his professional obligations.

24. It was the Relevant Person's responsibility to ensure he was aware of and complied with his professional obligations regarding CPD. The Panel was concerned that the failure to record CPD tended to undermine public confidence in the profession.

25. In the circumstances, the Panel was satisfied that Mr Shi was liable to disciplinary action.

Sanction

26. At the sanction stage, the Panel considered a further hearing bundle prepared by RICS, numbered pages 1-67.

27. The documents presented included a statement from Ms Zoe Mobley, dated 4 August 2017, which informed the Panel of the Relevant Person's CPD history. She confirmed that he was issued with a Caution for non-compliance with CPD requirements for the year 2013, when he recorded 22 hours (but recorded them late) and that he was issued with a Caution and a fine for the year 2015,

when no hours were recorded. Ms Mobley's statement further confirmed that having checked RICS' systems, it was evident that the Relevant Person had been sent notification of these decisions.

28. The Panel's attention was directed to RICS' Sanctions Policy in respect of CPD breaches. Paragraph 21.1 provides that policy is as follows:

- the appropriate order for a single breach is a Fixed Penalty (Caution);
- for a second breach within 10 years of receipt of a Caution, a Fixed Penalty (Caution and fine);
- and for a third breach within 10 years of receipt of a Caution, referral to Disciplinary Panel with a presumption of expulsion.

Decision on Sanction

29. The Panel bore in mind that the purpose of a disciplinary sanction is not to be punitive, though that may be its effect. The purpose of a sanction is to declare and uphold the standards of the profession, to safeguard the reputation of the profession and of RICS as its regulator and to protect the public. Sanctions must be proportionate to the matters found proved.

30. The Panel paid careful heed to the advice of the Legal Assessor and to RICS' Sanctions Policy. It considered carefully whether any mitigating or aggravating factors were present in this case. The Panel considered the issue of proportionality in weighing up the most appropriate response.

31. Having carefully checked the Relevant Person's CPD record, the Panel noted Ms Joester's statement did not include reference to the informal CPD completed. The Panel therefore considered that the following mitigating factors were present:

- The Relevant Person had undertaken 22 formal and 31 informal hours CPD in 2013 (but recorded them late).
- The Relevant Person had undertaken 23 formal and 33 informal hours CPD in 2014

32. The Panel considered that the following aggravating factors were present:

- The Relevant Person had previously been sanctioned in respect of CPD breaches on two occasions, namely a Caution for 2013 and a Caution and Fine for 2015. The fine remains unpaid

- The Relevant Person had been sent 10 explicit reminders by email (some of which were opened) and 1 by post of the requirements from RICS, as well as SMS reminders.
- There has been no engagement with RICS
- He has demonstrated no insight as to the importance of the Regulator being able to verify compliance and thereby ensure public protection,

33. RICS is a professional membership organisation and sets standards for its members as a condition of membership. It is not difficult to record CPD online. Compliance is not optional.

34. The Panel first considered whether to impose a sanction. The Panel concluded that the repeated failure to record CPD was serious and in the absence of exceptional circumstances imposing no sanction would be neither proportionate nor appropriate.

35. The Panel went on to consider a Caution, but concluded that the failure could not be described as minor. It concluded that a Caution would not reflect sufficiently the seriousness of the case, recognising the cumulative pattern of non-compliance over two previous years and the fact that a Caution had already been imposed for the years 2013 and 2015. The Panel did not consider that its concerns in this case, including the risk to the public, would be adequately addressed by the imposition of a reprimand or by a fine or conditions. The Panel was mindful of the fact that the Relevant Person does not appear to recognise the importance of undertaking and recording CPD. Recording is necessary so RICS can ensure that members comply with the requirements and this promotes professional standards and enables RICS to protect the public.

36. The Panel was mindful that paragraph 21.1 of the Sanctions Policy provides for a presumption of expulsion where there is a third breach of Rule 6 of the Rules of Conduct for members within 10 years of a receipt of a caution for breach of the same rule. However, the Panel had considered carefully its own discretion in relation to the appropriate sanction. It was satisfied in this case that the only proportionate and appropriate sanction in the circumstances was expulsion.

Costs

49. RICS applied for costs in the sum of £1,950 pursuant to Supplement 2 to the Sanctions Policy. The Panel noted that a schedule of costs had been provided to Mr Shi with the Notice of Hearing. RICS indicated that a paper hearing was not offered because of its concerns about service in China, but these concerns were not detailed to the Panel.

50. The Panel was unclear why in this case RICS did not refer this case as a paper hearing under Rule 43a. In those circumstances, it considered it sees no reason why it could not have dealt with

this case as a paper hearing and therefore concluded that it was fair and reasonable to direct that Mr Shi pay the costs of RICS in the sum of £600, (the “standard” amount for a paper hearing).

Publication

52. The Panel considered the policy on publication of decisions, The Sanctions Policy Supplement 3 - Publication of Regulatory Disciplinary Matters. This decision will be published on the RICS website and in the RICS Modus.

Appeal Period

54. Mr Shi has 28 days, from the service of the notification of the decision, to appeal this decision in accordance with Rule 58 of the Rules.

55. In accordance with Rule 59 of the Disciplinary, Registration and Appeal Panel Rules, the Honorary Secretary of RICS has 28 days, from the service of the notification of the decision, to require a review of this Decision.