

Policy document

aat

# Disciplinary Sanctions

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# Disciplinary Sanctions

## Introduction

AAT expects its *members* to act with the highest levels of professionalism, both in and outside of their professional lives. Clients and employers rely on AAT to take ongoing steps to consider whether a *member* is, and continues to be, a *fit and proper* person to be a *member*. This policy and guidance is intended to support the AAT in meeting that obligation.

## The Association of Accounting Technicians

1. The Association of Accounting Technicians (AAT) upholds high standards of competence and professional conduct. Accountancy is a trusted and respected profession and AAT aims to ensure that *members*:
  - a) behave professionally and ethically
  - b) comply with *AAT Regulations* and relevant legislation
  - c) keep their skills and competence up to date.
2. In pursuit of that aim, AAT investigates *complaints* and *misconduct* allegations against AAT *members* and approved training providers. Depending on the circumstances, AAT may resolve these *complaints* informally or take disciplinary action.

## The compliance framework and procedures of AAT

3. AAT endeavours to ensure that all *applicants* and *members* are treated fairly and consistently in accordance with the compliance framework agreed by the *Council* so that users of *members'* services are protected and that the reputation of the profession is maintained. In developing its policies AAT has had regard to the principles of good regulation:
  - a) Proportionality
  - b) Accountability
  - c) Consistency
  - d) Transparency
  - e) Targeting
4. The compliance framework of AAT is governed by the AAT *Articles of Association* and sets out the following *Regulations* and guidance with which all *members* must comply:
  - a) *Code of Professional Ethics*
  - b) *AAT Regulations 2016*
  - c) *Disciplinary Regulations*

5. The *Regulations* and guidance are underpinned by publications covering specific areas of compliance policy and related procedures which include (as well as this policy):
  - a) *Insolvency* policy
  - b) *Civil Sanctions* policy
  - c) *Criminal Convictions* policy
  - d) *Investigation of Complaints and Referrals* policy
  - e) *Disclosure* policy
  - f) *Health* policy
  - g) *Indicative Sanctions Guidance*
  - h) *Appeals Regulations*
6. These publications explain the processes by which our compliance policy is put into practice. All *members* and *applicants* for membership must be aware of and follow this guidance. Further information on the compliance framework is available at [aat.org.uk](http://aat.org.uk) including the purpose of each publication and how they relate to each other.
7. The website is the definitive guide to all policies currently in force.
8. In this policy all words and phrases in italics, save titles of publications, shall have the meaning set out in the AAT Glossary.

## Policy detail

### Disciplinary sanctions

9. AAT expect its *members* to act with the highest standards of integrity, both in and outside their professional lives. Clients and employers rely on AAT to take steps to consider whether an *applicant* is a *fit and proper* person to be a *member*, whether applying to be an *associate member*, *full member* or *fellow member*.
10. As a supervisory body under the *Money Laundering Regulations*, AAT takes its responsibilities seriously, particularly to ensure that professional *accountancy services* are not exploited by those involved in serious organised crime to launder their criminal proceeds. As one of a number of professional bodies holding supervisory status, AAT will consider *disciplinary sanctions* made by other professional bodies, as well as findings made by AAT's *Disciplinary Tribunal* or *Investigations Team*, in order to assess the *fit and proper* status of an *applicant* or a *member*.
11. *Disciplinary sanctions* are a risk indicator, raising a question whether an individual is a *fit and proper* person to work in the accountancy profession. AAT will consider *disciplinary sanctions* in order to assure itself of the *fit and proper* status of *applicants* for membership, as well as *members*.
12. The test to be applied to the final determination whether an *applicant* meets the *fit and proper* requirements is whether the *applicant* or *member*, on the basis of the *disciplinary sanction* they have declared and the circumstances surrounding it, would pose a risk to the public or is likely, by virtue of holding membership, to undermine public confidence in AAT or its *members*.

### **Applications for membership**

13. *Applicants* are required to declare any *disciplinary sanction* made by another professional body or regulator.
14. AAT will consider the following factors in determining whether the *disciplinary sanction* declared adversely impacts on the *applicant's fit and proper* status:
  - a) the underlying conduct on which the finding was made
  - b) the nature of the finding of the professional body
  - c) the date the sanction was imposed
  - d) whether the sanction is current, or has expired
  - e) any remedial action taken since the sanction was imposed
  - f) the level of insight demonstrated by the *applicant* into the failings which led to the finding
  - g) any character references provided.
15. To ascertain information detailed in paragraph 14 above, AAT may contact the professional body or regulator who made the finding for further information. If consent is required of the *applicant* to do so, in order for the *application* to be considered further, the *applicant* must provide their consent. If consent is not given, then AAT may reject the *application* without further assessment.
16. All *applicants* must provide two character references. AAT's requirements for character references are detailed in Schedule 1 to this policy. Even if a character reference meets these criteria, AAT may still reject an *application*, if it does not consider that one or more reference demonstrates an *applicant's fit and proper* status.
17. AAT will normally reject an *application* for fellow membership if an *applicant* has a *disciplinary sanction* until such time as that sanction is no longer on their record, at which point their *application* may be considered in accordance with paragraphs 9 to 16 above.

### **Disciplinary sanctions on reinstatement**

18. AAT will consider *applications* for reinstatement of membership in accordance with the provisions detailed in paragraphs 9 to 17 above.

### **Disciplinary sanctions of AAT**

19. AAT will consider *disciplinary sanctions* made by its own *Disciplinary Tribunal* and *Investigations Team* when considering an *application* for reinstatement.
20. AAT will not consider an *application* for reinstatement until such time has elapsed as was required under the *disciplinary decision*.
21. In addition to paragraph 18, and in respect of *disciplinary sanctions* of other professional bodies only, AAT will additionally pay due regard to the timing of the *disciplinary sanction* in the context of the *applicant's* membership history with AAT.
22. Where the information available demonstrates that the *applicant* had an obligation to disclose a *disciplinary sanction* to AAT in accordance with paragraph 23 below, but resigned or allowed their membership to lapse without notifying AAT, then their *application* for reinstatement will be rejected, and they will be debarred from making another *application* for a period of five years.

### ***Disciplinary sanctions whilst a member***

23. A *member* must notify AAT of any *disciplinary sanction* received within 30 days of the date it is imposed. If a *member* does not do this, the failure to notify will normally amount to *misconduct*, in accordance with Regulation 37 of the *AAT Regulations 2016*.
24. When a *member* discloses that they have been subject to a *disciplinary sanction*, this will be investigated in accordance with the *Disciplinary Regulations*.

### ***Disciplinary sanctions for those applying for, or holding, a licence***

25. It is a general condition of holding a *licence* under the *Licensing Regulations* that a *member* is not or does not become subject to a *disciplinary sanction* from another professional body.
26. AAT will reject an *application* for a *licence* from any *member* who has been subject to a *disciplinary sanction* by another professional body, until such time as that *disciplinary sanction* expires from their record.
27. If a *member* holding a *licence* is subject to a *disciplinary sanction* by another professional body, AAT will investigate the matter under the *Disciplinary Regulations* in the first instance.
28. AAT may, at its discretion, impose *specific conditions* on a *member's licence* whilst an *investigation* is ongoing.
29. Upon conclusion of the *investigation* referred to in paragraph 27, AAT will determine whether a *member* is a *fit and proper* person to keep their *licence*. This determination will be made in accordance with the test in paragraph 12 above.
30. AAT may impose *specific conditions* on a *member's licence* if the decision is taken not to terminate the *licence*.

### ***Disciplinary sanctions from other jurisdictions***

31. The provisions of this policy apply equally to *disciplinary sanctions* imposed in jurisdictions outside the UK.

### **Right of appeal**

32. *Applicants* have the right to appeal any decisions made under this policy. Appeals will be dealt with in accordance with the *Appeals Regulations*.

Attachment:

Schedule 1 – Requirements for character references

## Schedule 1 - Requirements for character references

1. AAT will accept character references from the following, in order to support an *application* for membership:
  - a teacher or tutor who has taught the *applicant* for a minimum of six months
  - the *applicant's* employer, if they have known the *applicant* for a minimum of 12 months
  - a parole officer
  - a solicitor or barrister
  - someone who has supervised the *applicant's* work experience for a minimum of six months
  - a member of parliament.
  
2. AAT will not accept character references from:
  - a relative of the *applicant*
  - a friend of the *applicant*, unless they also meet one of the criteria outlined in point 1 above
  - any person known by the *applicant* solely on a social basis
  - anyone who has known the *applicant* for less than six months.
  
3. AAT requires the following criteria to be met in a character reference for it to be accepted:
  - it must be on letter-headed paper
  - it must make clear the capacity in which the referee knows the *applicant*, and the length of time they have known each other
  - it must explain why they consider themselves qualified to give the professional character reference
  - it must demonstrate awareness of the *applicant's* disciplinary sanction
  - it must provide an explanation as to why the referee considers the *applicant* suitable to join AAT.

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