

Disciplinary Sanctions Policy

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Associated regulations and policies

<i>Code of Professional Ethics</i>	<i>Insolvency Policy</i>
<i>Disciplinary Regulations</i>	<i>Publication Policy</i>
<i>AAT Regulations</i>	
<i>Licensing Regulations</i>	
<i>Delegated Powers Policy</i>	
<i>Appeals Regulations</i>	
<i>Health and Disability Policy</i>	
<i>Protected Characteristics Policy</i>	
<i>Civil Sanctions Policy</i>	
<i>Criminal Convictions Policy</i>	

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1. Introduction

- 1.1. As a supervisory body under the *Money Laundering Regulations*, AAT takes its responsibilities seriously and must take steps to ensure that professional accountancy services are not exploited by those involved in serious organised crime to launder their criminal proceeds.
- 1.2. A disciplinary sanction is a risk indicator, raising a question whether an individual is a *fit and proper* person to enter the accountancy profession. AAT has a robust approach to assessing whether a member is, and continues to be, a *fit and proper* person. This policy and guidance are intended to support the AAT in meeting that obligation.

2. Scope and applicability

- 2.1. AAT endeavours to ensure that all *applicants* and *members* are treated fairly and consistently in accordance with the policy framework. This policy applies to any individual who discloses a *disciplinary sanction* to AAT.

3. Purpose and Objectives

- 3.2 AAT considers *disciplinary sanctions* made by other professional bodies body or regulators, as well as findings made by AAT's *Disciplinary Tribunal* or *Investigations Team*. This policy sets out the criteria used to determine whether *an applicant* or *member* is considered a *fit and proper* person to hold membership and/or a *licence*. For the avoidance of doubt, it does not set out the decision-making process for any active investigations being considered under the *Disciplinary Regulations*.

4. Terms and definitions

- 4.1. The words and phrases set out in the following table only have the meanings set opposite them for the purpose of our regulations and policies as published by AAT.

Words	Meaning
<i>applicant</i>	An individual applying for entry to the Register under AAT's Regulations or for a licence under the <i>Licensing Regulations</i> .
<i>application</i>	An application for entry to the Register under <i>AAT's Regulations</i> or for a licence under the <i>Licensing Regulations</i>
<i>disciplinary sanction</i>	A sanction imposed under the <i>Disciplinary Regulations</i> ; or equivalent finding concerning an individual by another professional body or regulator in the British Islands or elsewhere.
<i>Disciplinary Tribunal</i>	A panel with a quorum of three consisting of two lay and one professional panellist drawn from the pool of the Disciplinary and Conduct panel to hear cases brought under the <i>Disciplinary Regulations</i>
<i>fit and proper</i>	A person considered to be suitable for entry into the accountancy profession by virtue of their conduct, who has not acted or is not likely to act in a way that poses a risk to the public or is likely to undermine confidence in AAT or its members.
<i>Investigations Team</i>	A team, consisting of a member of Professional Standards and an appointed member of the Discipline and Conduct Panel, who conduct investigations of complaints of misconduct and decide

	whether to refer such a complaint to a <i>Disciplinary Tribunal</i> under the <i>Disciplinary Regulations</i> .
<i>licence</i>	A licence to provide <i>accountancy and/or bookkeeping services</i> to the public under the <i>Licensing Regulations</i> .
<i>member</i>	A person admitted to the membership of AAT in accordance with the provisions of the <i>AAT Regulations</i> (where the context so permits), this term includes <i>associate members, full members, and fellow members</i> , whether past or present.
<i>misconduct</i>	A member committing any act or omission that falls short of the standards reasonably expected of them, including but not limited to those matters listed in the <i>Code of Professional Ethics</i> , which brings, or is likely to bring, discredit to the member, the accountancy profession, or AAT.
<i>Professional Standards</i>	The department of AAT responsible for investigating misconduct and bringing cases under these <i>Disciplinary Regulations</i> .
	An associate member, full member or fellow member engaged in public practice by offering or providing <i>accountancy services</i> or <i>bookkeeping services</i> to the public, or holding themselves out to provide <i>accountancy services</i> and/or <i>bookkeeping services</i> to the public as: a sole practitioner; or a director of a limited company and holds at least 5% of the shares* of the company; or a partner in any type of partnership arrangement (whether salaried or equity); or a member of a limited liability partnership (designated and non-designated members); or a principal in any other corporate entity and holds at least 5% of the shares* of the entity. * <i>Shares belonging to anyone in the member's household or family are treated as belonging to the member</i>
<i>Specific condition</i>	A condition or conditions on a licence imposed under the <i>Licensing Regulations</i> .

5. Policy detail

Disciplinary sanctions on application

- 5.1 When required to do so, *applicants* must declare any *disciplinary sanction* imposed on them by another professional body or regulator.
- 5.2 AAT will consider the following criteria in determining whether an *applicant* is a *fit and proper* person to be admitted to membership:
- i. the underlying conduct on which the finding was made
 - ii. the nature of the finding of the professional body
 - iii. the date the sanction was imposed
 - iv. whether the sanction is current, or has expired
 - v. any remedial action taken since the sanction was imposed
 - vi. information available in the public domain
 - vii. the applicant's present circumstances.
 - viii. the level of insight demonstrated by the *applicant* into the failings which led to the finding
 - ix. any other representations put forward by the applicant.
- 5.3 To obtain information detailed in paragraph 5.2 above, AAT may contact the professional body or regulator who made the finding for further information. Applicants must provide their consent for AAT to do so if consent is required. If consent is not given, AAT may reject the application without further assessment.
- 5.4 The test to be applied to determine whether an *applicant* meets the *fit and proper* requirements is whether the *applicant*, based on 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*.
- 5.5 Several circumstances exist where AAT can determine whether an applicant can be admitted as a member. These are detailed in AAT's *Delegated Powers Policy*.
- 5.6 If AAT becomes aware that an *applicant* failed to disclose a *disciplinary sanction* as required, the matter may be investigated under AAT's *Disciplinary Regulations*.
- 5.7 AAT will not normally approve an *application* for fellow membership from an *applicant* with a *disciplinary sanction*. Once the *applicant's* disciplinary sanction has expired, AAT will consider the *application* in accordance with this policy.

Disciplinary sanctions on reinstatement

- 5.8 AAT will consider applications for reinstatement of membership in accordance with the provisions detailed in paragraphs 5.1 to 5.5 above.

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- 5.9 If AAT becomes aware that an applicant chose to resign or allow their membership to lapse without notifying AAT of *disciplinary sanction* as required in accordance with paragraph 5.12, their application for reinstatement will be rejected and they will be barred from making another application for a period of five years.

Disciplinary sanctions of AAT

- 5.10 AAT will consider *disciplinary sanctions* made by its own *Disciplinary Tribunal* and *Investigations Team* when considering an *application* for reinstatement.
- 5.11 AAT will not consider an *application* for reinstatement until such time has elapsed as was required under the *disciplinary decision*.

Disciplinary sanctions whilst a member

- 5.12 A *member* must notify AAT of *disciplinary sanction* within 30 days of the date it is imposed. If a *member* does not do this, then the failure to notify will normally amount to *misconduct*, in accordance with the *AAT Regulations*.
- 5.13 If a *member* discloses 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:

- 5.14 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 or regulator.
- 5.15 AAT will normally reject an *application* for a *licence* from a *member* who is subject to a *disciplinary sanction* by another professional body or regulator until that *disciplinary sanction* expires from their record.
- 5.16 If a *member* holding a *licence* is subject to a *disciplinary sanction* by another professional body or regulator, AAT will investigate the matter under the *Disciplinary Regulations* in the first instance.
- 5.17 AAT may, at its discretion, impose specific conditions on a *member's licence* whilst an investigation is ongoing.
- 5.18 Upon conclusion of the investigation referred to in paragraph 5.16, AAT will determine whether a *member* is a *fit and proper* person to keep their *licence*.
- 5.19 AAT may impose specific conditions on a *member's licence* if the decision is taken not to terminate the *licence*.
- 5.20 Termination of a *licence* will normally result in removal of all *membership* unless written confirmation and evidence, as required, is provided to AAT demonstrating the *member* is no longer providing *self-employed accountancy services*.

Disciplinary Sanctions from other jurisdictions

- 5.21 This policy applies equally to *disciplinary sanctions* imposed in jurisdictions outside the UK.

Right of appeal

5.22 *Applicants* and *members* have the right to appeal any decisions made under this policy. Appeals will be dealt with in accordance with AAT's *Appeals Regulations*.

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