

Disciplinary Sanctions Policy

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V1.1	6	Removal of mandatory character reference requirement	09/06/2021
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Associated regulations and policies

Code of Professional Ethics

AAT Regulations 2016

Disciplinary Regulations

Licensing Regulations

Insolvency Policy

Civil Sanctions Policy

Criminal Convictions Policy

Professional Standards Investigations Policy

Disclosure Policy

Health and Disability Policy

Indicative Sanctions Guidance

Appeals Regulations

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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.

Scope and applicability

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*. Depending on the circumstances, AAT may resolve these *complaints* informally or take disciplinary action.

Purpose and objectives

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*
 - c) *Disciplinary Regulations*
 - d) *Licensing Regulations 2016*

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) *Professional Standards Investigations Policy*
 - e) *Disclosure Policy*
 - f) *Health and Disability 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 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.

Terms and definitions

8. In these *Regulations* 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 body or regulators, 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
15. To ascertain information detailed in paragraph 13 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. A number of circumstances exist whereby AAT can determine whether an applicant can be admitted as a member. These are detailed in Schedule 1 to this policy.
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 16 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 if is imposed. If a *member* does not do this, the failure to notify will normally amount to *misconduct*, in accordance with the *AAT Regulations*.
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 or regulator.
26. AAT will reject an *application* for a *licence* from any *member* who has been subject to a *disciplinary sanction* by another professional body or regulator, 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 or regulator, 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 26, 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 11 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 – Delegated Powers

Schedule 1 - Delegated powers

AAT's *Professional Standards* may make the following decisions on suitability for membership, without remitting the *application* to a membership assessor, unless they consider there is good reason not to do so.

Category	Recommended outcome
Applications for membership	
Any expired disciplinary sanction that meets the <i>fit and proper</i> requirements, taking into consideration what they have declared and the circumstances surrounding it.	Admit to membership on a case by case basis
Reinstatement (in addition to <i>application</i> permissions)	
Any disciplinary sanction which arose whilst the <i>applicant</i> was a <i>member</i> , which was not disclosed in accordance with the <i>AAT Regulations</i> .	Refuse membership and debar from reapplying for a period of five years
Licences	
<i>Application</i> – any <i>member</i> subject to a <i>disciplinary sanction</i> by another professional body or regulator which is not expired from their record.	Refuse application

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