



ICAEW committee member recruitment

INFORMATION PACK FOR APPLICANTS

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ICAEW OVERVIEW

ICAEW is a world-leading professional membership organisation representing over 178,500 chartered accountants and students worldwide. We train, develop and support each one of them so that they have the knowledge and values to help build local and global economies that are sustainable, accountable and fair.

We've been at the heart of the accountancy profession since we were founded in 1880 to ensure trust in business. We share our knowledge and insight with governments, regulators and business leaders worldwide as we believe accountancy is a force for positive economic change across the world.

ICAEW's regulatory expertise and history

Regulation has been central to ICAEW's work for more than 130 years. Since our **Royal Charter** was granted in 1880, we have been responsible for maintaining the highest professional standards as well as delivering technical excellence in the public interest.

ICAEW members, students, affiliates, employees of member firms and, where applicable, member firms, in all of their professional and business activities, whether remunerated or voluntary must comply with **our bye-laws** and regulations and the **ICAEW Code of Ethics**. We pioneered the principles-based threats and safeguards approach to codes of ethics in the accountancy profession internationally. Ethics is more than merely complying with laws, rules and regulations; it's about doing the right thing in the circumstances. This is fundamental to establishing trust – the complexity of the work our members and firms do means that they must be trusted by their clients and anyone else who could reasonably be expected to rely on their work.

In the last 25 years, our regulatory role has been enhanced by the addition of statutory regulatory roles in the areas of audit, practice assurance, insolvency, investment business and probate.

ICAEW is¹:

- the largest recognised supervisory body (RSB) and recognised qualifying body (RQB) for statutory audit in the UK with over 2,500 registered audit firms and over 7,200 responsible individuals;
- a prescribed accountancy body (RAB) and prescribed accountancy body (PAB) for statutory audit in Ireland, registering 38 firms and 253 responsible individuals under the Ireland Companies Act 2014;
- the largest RSB for local audit in England, registering 8 firms and 101 key audit partners under the Local Audit and Accountability Act 2014;
- the largest insolvency regulator in the UK, licensing over 840 insolvency practitioners as a recognised professional body (RPB) under the Insolvency Act 1986, out of a total UK population of 1,550;
- a designated professional body (DPB) under the Financial Services and Markets Act 2000 (and previously a RPB under the Financial Services Act 1986) currently licensing over 1,900 firms to undertake exempt regulated activities under that Act;
- a supervisory body recognised by HM Treasury for the purposes of the Money Laundering Regulations 2007, dealing with over 12,000 member firms;

¹ Dates correct as at end of 2020.

And:

- Over 330 firms are accredited to perform ATOL returns work under the ICAEW Licensed Practice scheme for ATOL Reporting Accountant work. This was set up in 2016 after the Civil Aviation Authority (CAA) gave approval for ICAEW to license, register and monitor firms which perform ATOL returns work;
- Over 12,000 firms are monitored to ensure they comply with the Practice Assurance standards.

Our work in these regulated areas is overseen by a number of oversight bodies. In the same way as we monitor the work of our members, students, affiliates and firms, these oversight bodies monitor our work to ensure we maintain the highest standards in our regulation.

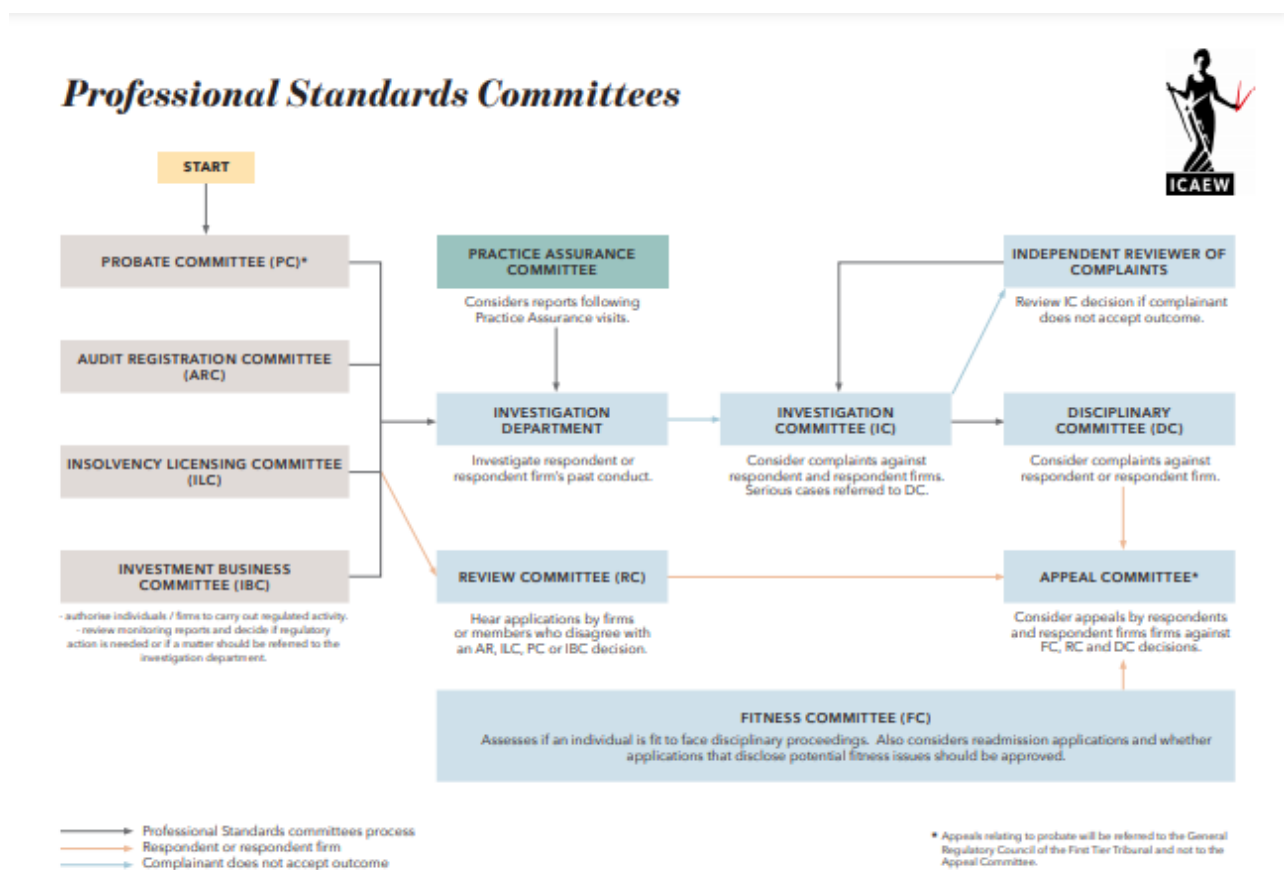
We regularly review our regulatory governance processes to make sure ICAEW remains at the forefront of regulation. As a result of the latest independent review carried out at ICAEW's request by Sir Christopher Kelly, we created a clearer distinction between ICAEW's representative and regulatory functions. This was achieved through two main changes:

1. the creation of the ICAEW Regulatory Board (IRB) whose chair is independent of both ICAEW Board and Council. This board replaced the Professional Standards Board; and
2. an equal or majority number of lay members (someone who is not/has never been a member, affiliate or employee of ICAEW or any other accountancy body) on all our regulatory and disciplinary committees.

These changes were made to ensure that we can continue to carry out our role of maintaining the highest professional and ethical standards within the accountancy profession in a proportionate, accountable, consistent, transparent and focussed manner, in the current environment.

THE REGULATORY AND DISCIPLINARY COMMITTEES

Our professional conduct and regulatory committees support the operation of the Professional Standards department. The department is responsible for developing, maintaining and supporting high standards of practice and professional conduct.



Statutory regulation

The following committees are responsible for regulatory matters. They oversee the application process for registration to practice in the regulated areas of audit, investment business, insolvency and probate and then monitor compliance with regulatory requirements.

- The Audit Registration Committee
- The Investment Business Committee
- The Insolvency Licensing Committee
- The Probate Committee

The **Practice Assurance Committee** considers reports following Practice Assurance visits. It may require a member firm to take certain remedial action to address concerns, for example, in relation to the handling of client monies or the firm's compliance with the requirements of the Money Laundering Regulations. If the concerns are serious or persistent, the committee can refer the firm to the ICAEW Professional Conduct Department for further investigation. The committee normally meets six times a year.

The **Review Committee** allows members or firms to ask for a review of certain decisions made by the Audit Registration Committee, the Investment Business Committee or the Insolvency Licensing Committee. Members of the Review Committee sit in panels of three and are made up of two lay members and one ICAEW member.

Discipline

The following committees are responsible for disciplinary matters. Once a complaint has been received, they decide whether an offence has been committed and, if so, what penalties, if any, should be imposed.

- The **Investigation Committee** considers complaints and, if it decides there is a case, it can, among other things, offer a consent order to settle the matter or refer the matter to the Disciplinary Committee.
- The **Disciplinary Committee** hears cases referred to it by the Investigation Committee and has similar powers to the Investigation Committee. In addition, it can exclude members from membership or prohibit a firm from using the description 'Chartered Accountants'.
- The **Fitness Committee** was introduced following changes to the disciplinary bye-laws. It meets as a panel; each panel comprises two lay members (one of which is the chair) and one accountant. Its primary role is to decide if an ICAEW member is fit to participate in disciplinary proceedings. Panels also consider applications from individuals registering as provisional members (ACA students) whose applications disclose potential fitness issues, such as previous criminal convictions. The panels also consider applications for readmission to membership. Membership of the Fitness Committee is drawn from the members of the Disciplinary Committee.

Appeals

The Appeal Committee hears appeals from either the Review Committee or the Disciplinary Committee.

In order to achieve a clear separation of responsibility for policy making and enforcement, members of ICAEW's Council are not appointed to serve on any of these committees.

Serving on one of ICAEW's professional standards committees

Each committee meets between 3 and 12 times a year. Disciplinary hearings are usually held at the International Dispute Resolution Centre on Fleet Street. We will reimburse travel expenses to and from meetings for all committee members. You will need to undertake some pre-reading and preparation before each meeting.

ABOUT THE ROLE

ICAEW is seeking to appoint a number of individuals as members of its regulatory or disciplinary committees. We are looking for both lay and accountant members who can demonstrate high levels of integrity, objectivity and fairness and an ability to look forward and see the bigger picture. The ability to work effectively in a team and hold others to account in a constructive and open manner will be essential.

There are currently vacancies on the following committees:

- Disciplinary Committee (4 x accountant members 2 x lay members and 4 x Disciplinary Committee Chairs)
- Appeal Committee (2 x accountant members 4 x lay member)
- Investigation Committee (5 x accountant members 4 x lay members)
- Investment Business Committee (3 x accountant members 3 x lay members)
- Probate Committee (3 x technical or accountant members 3 x lay members)
- Insolvency Licensing Committee (1 x accountant member)
- Audit Registration Committee (3 x accountant members 3 x lay members)

We are particularly interested in hearing from accountant members who currently work and/or have expertise in Investment Business, Insolvency, Audit and Probate.

Role of committee members

- Read and assimilate case papers quickly and effectively, with excellent attention to detail.
- Participate in meetings with other panel members, as required, demonstrating tact, respect, discretion and reasonableness.
- Weigh up the evidence from the paperwork to reach objective, well-reasoned and fair decisions.
- Act lawfully and in the public interest, including exercising sound judgement in seeking legal advice where necessary.
- Ensure that equality and diversity considerations are reflected when considering cases.
- Contribute to, and abide by, the collective committee's decisions.
- Participate, when required, in periodic reviews of delegated powers aimed at improving procedures.
- Participate in training programmes designed for committee members and report any additional training needs to the secretary of the committee.

Qualities required for the role

The table below shows the core competencies and the evidence that we will look for when assessing candidates.

Competence	Attributes
Working effectively as part of a team	<ul style="list-style-type: none"> • ability to work collaboratively with other committee members, while still exercising independence of judgement • ability to make objective, reasoned decisions • ability to listen carefully to the views of others and show respect for the opinions of others • ability to intervene appropriately to clarify issues and to contribute effectively while allowing others to do the same • ability to reach consensus and support collective decisions • respect the need to maintain confidentiality

Assessing evidence, analytical skills and making decisions	<ul style="list-style-type: none"> • ability to assimilate, analyse and interpret large amounts of complex information in a fair and impartial manner • excellent attention to detail • ability to think logically • experience in weighing evidence, making thoughtful and unbiased evidence-based decisions • ability to review and understand written reports, relating to several cases, in advance of each meeting • understand the overarching duty of the relevant committees to protect the public and the public interest, particularly as it relates to decision-making
Demonstrating fairness	<ul style="list-style-type: none"> • demonstrate an understanding of, and commitment to, equality, diversity and inclusion • demonstrate an understanding of equality and diversity issues, particularly as they relate to fairness in decision-making • show a commitment to the principles which underpin the work of ICAEW
Experience and/or understanding of the accountancy profession and its regulation	<ul style="list-style-type: none"> • have experience as a user of accounts • be familiar with, or understand, the rules that govern the relevant committee • demonstrate an understanding of regulatory best practice • demonstrate a desire to positively influence the regulatory framework which governs ICAEW, to protect the public and maintain the integrity and reputation of the profession
Reflective practice	<ul style="list-style-type: none"> • demonstrate commitment to personal reflection and development • respond positively to feedback from others • be committed to training and development
Ability to manage and use technology as the primary mode of communication and as a means for reviewing documentation	<ul style="list-style-type: none"> • ICAEW sends papers to committee members via a secure application, so they can read confidential papers in a secure environment, thus minimising the risks of unauthorised disclosure of personal information. Applicants should be able to demonstrate the ability (with training) to use this application, and to review and annotate 'papers' on a laptop/tablet, since hardcopy papers will not usually be provided • experience of using an online case-management system is desirable
Commitment to attendance at meetings	<ul style="list-style-type: none"> • meetings will be scheduled at the beginning of the year • be able to attend all meetings, save in exceptional circumstances • be able to schedule time to prepare for and to review the papers pre-meeting which are sent one to two weeks in advance of meetings

ELIGIBILITY

What do we mean by a lay member?

An individual who is not and never has been a member, affiliate or employee of ICAEW or any other accountancy body. To enhance public confidence in the regulatory process, further relevant restrictions may be appropriate for each committee. We will give preference to individuals who are users of accountancy services.

DIVERSITY AND EQUALITY OF OPPORTUNITY

At ICAEW, we are committed to diversity. We believe the profession, and our own organisation, does best when it reflects the society we serve. We value and promote diversity and are committed to equality of opportunity for all appointments made on merit. We positively encourage application from people from all sections of the community, from all backgrounds and with a broad range of experience.

We are committed to the principles of equality, diversity and inclusiveness and we are determined to ensure that the decision-making committees reflect that commitment.

APPLICATION PROCESS

ICAEW will ensure that the appointment is made in a way that is open, transparent and fair to all applicants. All appointments are made on merit.

All applicants should carefully review this information pack, before completing an application form for the committee they wish to join.

Alternative formats of this information pack and the application forms are available on request. Call **+44 (0)1908 248 100**.

Please email an electronic application (Microsoft Word or PDF format only) to: committeerecruitment@icaew.com. We must receive your completed application form before the application closing date. Late applications will not be accepted.

We will acknowledge all applications with an automatic email. If you don't receive an acknowledgement, please ring ICAEW on the number above to check whether your application has been received.

After you apply

After the application closing date your application will be assessed to see whether you have the expertise required at the appropriate level for the post. We will only use the information you provide on your application form to assess your experience, so ensure that you provide evidence to show how you meet all the relevant criteria identified in the 'Qualities required for the role' section. How well you meet these competencies will decide if you will be long-listed and, thereafter, whether you will be invited to interview.

DATA PROTECTION AND GDPR

Your personal information will be held in accordance with the Data Protection Act 2018 and General Data Protection Regulations. You will not receive unsolicited paper or electronic mail as a result of sending us any personal information. No personal information will be passed on to third parties for any commercial purpose. Your information will be shared internally for the purposes of the recruitment exercise. This includes with members of the committees' secretarial and administration team, interviewers involved in the recruitment process, internal and external auditors and IT staff if access to the data is necessary for the performance of their roles.

We ask that you:

- give us accurate information;
- tell us as soon as possible of any changes; and
- tell us as soon as possible if you notice mistakes in the information we hold about you.

If your application is unsuccessful, we will hold your data on file for one year after the end of the relevant recruitment process. If you agree to allow ICAEW to keep your personal data on file, we will do so for a further two years for consideration for future employment opportunities. At the end of that period, or once you withdraw your consent, your data will be deleted or destroyed. If at any time you wish your personal information to be removed from our records please contact us at: committeerecruitment@icaew.com

If your application for employment is successful, personal data gathered during the recruitment process will be transferred to your personnel file and retained during your employment. The periods for which your data will be held will be provided to you in a new privacy notice.

POST-APPOINTMENT

Appointment and tenure of office

Members are usually appointed to each committee for a three-year term. Reappointment can be made at the end of the first term for another three years, subject to consistently high performance and the needs of ICAEW. In exceptional circumstances, a member's appointment may be extended for a third term. Each reappointment will be considered, it is not automatic.

Remuneration

We pay non-ICAEW members (lay members) an allowance of £350 for attendance at committee meetings and for each day of a hearing or committee meeting. This includes full hearings or meetings which members attend using teleconferencing facilities.

Generally, ICAEW members are not paid an allowance for attendance at committee meetings or hearings, or for time spent on other committee work.

All committee members are eligible to claim expenses, at rates set centrally, for travel and subsistence costs necessarily incurred on ICAEW business. They will be reimbursed directly and must make their own arrangements for any payment of tax or National Insurance contributions. Remuneration and expenses are subject to periodic review.

Training

We will provide appropriate training. Each successful candidate must attend an induction and the annual committee training day on dates to be arranged, as soon as possible after appointment. The appointee will be invited to observe a committee meeting before taking up his/her duties as a committee member.

Standards

Committee members are expected to demonstrate high standards of corporate and personal conduct. The successful candidates will be asked to subscribe to a Code of Conduct and the standards of probity required by public appointees.

Committee members are expected to fulfil their duties towards ICAEW in accordance with the following principles, which are based on the Royal Charter and the ICAEW Code of Ethics.

Principles

Selflessness: Committee members should act solely in accordance with their duties to the public interest and to the wider membership of ICAEW. They should never do so in order to gain financial or other material benefit or advantage for themselves, their family, their friends or organisations with which they are associated.

Integrity: Committee members should never place themselves under any financial or other obligation to other individuals/organisations that might influence them in the performance of their duties as a committee member. They should be straightforward and honest in all their ICAEW relationships.

Objectivity: In carrying out ICAEW business, committee members should take decisions on merit alone. While they may be strongly influenced by the views of others, it is their personal responsibility to decide what view to take on any question after full consideration of the issues. They should not allow bias or conflict of interest to override their personal judgement.

Openness: Committee members should be as open as possible about the reasons for their decisions and actions. They should restrict information only when confidentiality clearly so demands, and make it known that they have done so.

Accountability: Committee members are accountable to the membership for their decisions and actions and should be prepared to submit them to appropriate scrutiny.

Honesty: Committee members should declare any material and relevant private or personal interests relating to any of their duties as a committee member. They should never otherwise seek information for their personal gain. They should always take appropriate steps to resolve any conflicts that may arise in a way that protects the public interest and the reputation of ICAEW.

Leadership and example: Committee members should support and promote these principles by leadership and example.

Threats and safeguards

Compliance with these principles may be threatened by a broad range of circumstances, including self-interest threats. Where the threat is anything other than clearly insignificant, you should weigh up the consequences of each possible course of action and determine the appropriate course of action that is consistent with the principles.

Conflict of interest

You should note particularly the requirement to declare any conflict of interest that arises in the course of ICAEW business and the need to declare any relevant business interests, positions of authority or other connections with organisations relevant to the business of ICAEW. The appointment panel will fully explore any actual or perceived conflicts of interest at shortlisting or interview stage.

FURTHER INFORMATION ON EACH OF THE ICAEW COMMITTEES

Disciplinary committee

The ICAEW Disciplinary Committee has a minimum of 14 members, of whom at least half must be lay members. Members are appointed for a term of three years which may be renewed once, with a further option for extension for one additional term. The requirements of the constitution of the committee are set out in Schedule 2 to the **disciplinary bye-laws**. (In addition, the committee has Terms of Reference and the power to make its own **regulations**.)

The primary function of the Disciplinary Committee is to consider all formal complaints referred to it in accordance with the disciplinary bye-laws. Members of the committee are allocated to panels to consider complaints about an individual member or member firm. Panels are formed of three committee members, two of whom must be 'lay' and one an ICAEW member. At present, the chair of the panel can be a lay member, who is appointed after serving a term as a panel member. If the chair is a lay member then legal advice is given to the panel by a legal assessor (solicitor or barrister experienced in regulatory matters). The role of a legal assessor is to provide independent advice on the law. He or she is not involved in the committee's decision making. However, in December 2017, the ICAEW Regulatory Board decided that the committee should move towards appointing legally qualified (QC) chairs to the committee, and to individual disciplinary panels. The benefit of legal chairs is that they are able to fully participate in the decision-making process, in that they will be full members of the panel appointed to hear the complaint, but they will also be able to give legal advice to the panel, dispensing of the need for a legal assessor.

There is therefore currently a dual system of panels running, in that the remaining non-legal chairs continue to sit with two other panel members and a legal assessor, whereas the newly appointed legal chairs will sit with two other panel members only. It is envisaged that this dual system will continue at least until the current chairs' terms expire. Consideration will then be given to appropriate replacements. It should be noted, however, that at least one non-legal chair will need to be retained to deal with complaints involving probate or reserved legal services, since the definition of 'lay' when dealing with such complaints excludes anyone with a legal qualification.

Operation of the committee

The quorum for a meeting of the committee, is four members: two lay and two non-lay members. However, it should be noted that the committee meet only once a year; at their AGM. Members also meet more informally at training sessions. The main function of the committee is to supply members to sit on disciplinary panels, which are required to be constituted of three panel members.

Panels sit over a day/number of days to hear evidence and submissions in relation to the complaints against a member/member firm. The format of hearings is set out in the Disciplinary Committee Regulations, and is similar to that adopted in civil and criminal proceedings, although a more informal approach can be adopted. Regulatory law is a well-established area and the hearings before panels of the ICAEW Disciplinary Committee have much in common with tribunals run by other regulatory bodies, such as the ACCA, GMC and NMC.

Panels may be asked to decide on preliminary issues, such as admissibility of evidence, whether a hearing should be held in public or whether a hearing should be adjourned. They will also have to ensure that their decisions follow the relevant regulations and bye-laws and adhere to the requirements of the ECHR. Decisions of a panel are judicially reviewable.

Decisions of a panel are reached after hearing evidence and submissions by both parties in relation to the complaint(s) before them. Decisions are reached on a majority basis, and the decision is reduced to writing in a 'record of decision' which will be sent to the member after the hearing. Currently, the record of decision is drafted by the legal assessor, after discussion with the panel members. The record is then approved by the panel members before being sent to the parties. The newly appointed legal chairs will be expected to draft the record of decision of the panel.

Appeal Committee

The Appeal Committee is established by the Council in accordance with the schedule to the disciplinary bye-laws. It is responsible for considering appeals against decisions made by the Fitness Committee, tribunals of the Disciplinary Committee and panels of the Review Committee. The committee carries out its responsibilities within the framework of the general duties and procedural requirements for committees set out in Annex 6 of the Scheme of Delegations (<https://www.icaew.com/-/media/corporate/files/about-icaew/who-we-are/icaew-governance/general-duties-and-procedural-requirements-for-committees.ashx>). It also carries out its responsibilities in accordance with the Appeal Regulations, the disciplinary bye-laws, its Terms of Reference and any guidance issued by the IRB.

The committee has a minimum of 14 members, of whom at least half must be lay members. The requirements of the constitution of the committee are contained in its Terms of Reference. Members are appointed for a term of three years which may be renewed once, with a further option for extension for one additional term.

ICAEW office-holders are not members ex officio of the committee in accordance with Principal Bye-law 44. Members of Council do not serve on the committee.

In the case of appeals related to complaints about legal services, while still being chaired by either the chair or the vice-chair of the Appeal Committee, the panel must have a majority of members who are lay members.

Function of the committee

The committee is responsible for considering appeals against findings, decisions and/or orders of the Disciplinary Committee, the Review Committee and the Fitness Committee (fitness and readmission/re-registration cases). The main function of the committee is to supply members to sit on Appeal and/or Review Panels.

The chair or vice-chair is responsible for the nomination of a referee (Queen's Counsel) on a request made by the Chartered Accountants Compensation Scheme Limited in accordance with Regulation 10.03(b) of the Compensation Scheme Regulations.

Operation of the committee

The quorum for a meeting of the committee, usually referred to as a panel for the hearing of a case, is five members: two chartered accountant members, two lay members and a chair who must be a barrister or solicitor. The committee only meets once a year at the AGM. Members also meet more informally at training sessions.

The format of hearings is set out in the Appeal Committee Regulations, and is similar to that adopted in civil and criminal proceedings, although a more informal approach can be adopted. Regulatory law is a well-established area and the hearings before panels of the ICAEW Appeal Committee have much in common with tribunals run by other regulatory bodies, such as the ACCA, GMC and NMC.

Panels may be asked to decide on preliminary issues, such as admissibility of evidence, whether a hearing should be held in public or whether a hearing should be adjourned. They will also have to ensure that their decisions follow the relevant regulations and bye-laws and adhere to the requirements of the ECHR. Decisions of a panel are judicially reviewable.

Decisions of a panel are reached after hearing evidence and submissions by both parties in relation to the complaint(s) before them. Decisions are reached on a majority basis, and the decision is written in a 'record of decision' which will be sent to the member after the hearing. Currently, the record of decision is drafted by the legally-qualified chair, after discussion with the panel members. It is then approved by the panel members before being sent to the parties.

Investigation committee

The primary function of the Investigation Committee is to consider all formal complaints referred to it in accordance with the disciplinary bye-laws, its own regulations (The Investigation Committee Regulations) and its Terms of Reference.

The committee has Terms of Reference and the power to make its own regulations (paragraph 1.6 of Schedule – Bye-law 2 of the disciplinary bye-laws).

The committee has a minimum of 14 members, of whom at least half must be lay members. Members are appointed for an initial term of three years which may be renewed once, with a further option for extension for one additional term. The requirements of the constitution of the committee are set out in Schedule 2 to the **disciplinary bye-laws**.

The committee sits once per month, and all members of the committee are invited to attend each meeting. The quorum for a meeting of the committee is four members: two lay and two ICAEW members. Currently, the chair of the panel is a layperson. Where required, legal advice is given to the panel by the committee secretary, who is a solicitor. The committee secretary is not a member

of the committee making the decision, but is available to assist with legal and procedural advice, if needed.

Operation of the committee

The committee considers around 25 cases per month, being complaints against members and firms in relation to a wide range of matters. Complaints which have been investigated by ICAEW are referred to the committee by the Professional Conduct Department, who produce a detailed report for the committee, which sets out the complaint against the member, summarises the relevant facts and matters, along with any arguments advanced by/on behalf of the complainant (if any) and the member. Attached to the report will be the relevant documents, which will usually include correspondence between the member and the Professional Conduct Department, any source documents (such as accounts, audit working papers, contracts etc), and correspondence from the complainant and/or witnesses (if any). The attachments can be numerous and it is essential that committee members are comfortable with reviewing a large amount of documentation in a relatively short period of time.

In each case the committee decides whether there is a 'prima facie' case in relation to the complaint(s) alleged against the member. If they do find a prima facie case it will continue to consider what, if any sanction is appropriate. In doing this, the committee has reference to the Guidance on Sanctions. The committee has the power to impose unlimited fines and direct the firm to pay costs. It can also order that a member receive an unpublicised caution, reprimand or severe reprimand. However, the committee can only make an order with the consent of the member concerned, except in the case of an unpublicised caution. For all other matters, if the member does not accept the proposed order (Consent Order) s/he can exercise their right to an oral hearing before the Disciplinary Committee, and in these cases the Investigation Committee will refer the matter to the Disciplinary Committee as a formal complaint. For the most serious cases, where the recommended starting point for sanction is exclusion from membership, the committee will refer the complaint directly to the Disciplinary Committee as a formal complaint, as soon as they have found a prima facie case in relation to the matter. This is because the committee does not have the power to exclude a member.

The committee makes its decisions by majority, with the chair having the casting vote, if necessary. Members of the committee will be expected to review the reports and attachments in advance of the meeting and to actively contribute to the discussion of each matter.

Practice Assurance committee

The Practice Assurance Committee (PAC) is responsible for all operational matters relating to the Practice Assurance Scheme. It is appointed by the Council pursuant to [Principal bye-law 49\(a\)](#).

The Committee carries out its responsibilities within the framework of the general duties and procedural requirements for Committees set out in Annex 6 of the [Scheme of Delegations](#). It also carries out its responsibilities in accordance with the Practice Assurance standards and guidance, the Practice Assurance regulations, its terms of reference and any guidance issued by the IRB.

The Committee comprises of ten members, at least half of whom must be lay. The requirements of the constitution of the Committee are contained in its Terms of Reference. Members are appointed for a term of three years which may be renewed once, with a further option for extension for one additional term.

The Committee may not include any person who is a member of the Investigation, Disciplinary or Appeal Committees. Members of Council do not serve on the Committee.

Function of the committee

The primary function of the Committee is to consider reports arising from Practice Assurance visits where:

- serious areas of concerns have been identified in the provision of accountancy services to the public, particularly where the firm or practising certificate holder has been unwilling or appears unable to rectify them;
- there are failures by members or firms to comply with their obligations arising from the Practice Assurance Regulations.

The PAC is responsible for all operational matters relating to the *PA scheme*, including:

- a) considering reports arising from Practice Assurance *reviews* carried out by ICAEW's Quality Assurance Department;
- b) requesting that *PA firms* and *PC holders* carry out remedial action or activities based on such reports;
- c) obtaining assurances and/or undertakings from *PA firms* and *PC holders* to carry out remedial action or activities;
- d) directing, in accordance with *regulation 21*, that *PA firms* or *PC members* be subject to a further monitoring *review* and determining the fee payable for that *review*;
- e) considering issues or matters referred to the *Practice Assurance Committee* by the ICAEW Regulatory Board or ICAEW staff;
- f) making representations to the ICAEW Regulatory Board on policy matters relating to the *PA scheme*;
- g) referring potential disciplinary matters for investigation to ICAEW's Professional Conduct Department in accordance with *regulation 33*;
- h) proposing *PA penalties* to *PC holders* and *PA firms* in accordance with *regulation 35* with the consent of the individual / firm.

The Committee may also take the following action:

- consider issues where staff require practical advice on such matters as interpretation of the guidance and best and acceptable practice;
- consider issues raised by individual members and firms including any dissatisfaction with the handling of visits or other aspects of the Practice Assurance arrangements.

Regulatory Penalties

In cases where the supervision of firms highlights an actual or possible breach of its regulatory arrangements, the Practice Assurance Committee will act to protect the public interest and the interests of consumers. This may be through a range of measures outlined above, from obtaining an informal undertaking from the firm or individual to undertake remedial action to offering regulatory penalties for less serious compliance or conduct issues identified during Practice Assurance reviews.

- The penalties are only applied with the consent of the member or firm.
- This process allows the PAC to deal with Practice Assurance matters more quickly by applying a sanction where appropriate, for example for AML breaches (at the request of ICAEW's oversight regulators).

Operation of the committee

The Committee normally meets six times a year and meetings are normally held at Chartered Accountants' Hall. The quorum for a meeting of the Committee, is two lay (non-accountant) and two accountant members.

At each meeting, the Committee is assisted by a committee administrator who provides administrative support. The Committee is also assisted by a committee secretary, a lawyer, who supports the Committee by providing both legal and procedural advice, when required.

The Committee may also seek advice from any source that it considers appropriate to enable it to discharge its responsibilities.

The Committee may delegate its powers to a Sub-committee (for instance to enable urgent matters to be considered promptly). A Sub-committee must include two lay (non-accountant members) and two accountant members.

Investment business committee

The Investment Business Committee is responsible for considering and determining applications for a licence under the Financial Services and Markets Act 2000 and any regulatory action required as a result of monitoring visit reports affecting its areas of responsibility. It also has a continuing responsibility in respect of authorisation granted under the Financial Services Act 1986, pursuant to Statutory Instrument 2657 (SI 2657) made under the Financial Services and Markets Act 2000.

The committee carries out its responsibilities within the framework of the general duties and procedural requirements for committees set out in Annex 6 of the [Scheme of Delegations](#). It also carries out its responsibilities in accordance with the Designated Professional Body (Investment Business) Handbook, the Designated Professional Body (Consumer Credit) Handbook, its Terms of Reference and any guidance issued by the IRB.

The committee has a minimum of eight members, of whom at least half must be lay members. The requirements of the constitution of the committee are contained in its Terms of Reference. Members are appointed for a term of three years which may be renewed once, with a further option for extension for one additional term.

The committee may not include any person who is a member of the Investigation, Disciplinary or Appeal Committees. Members of Council do not serve on the committee.

Function of the committee

Council has delegated operational responsibility to the committee for discharging the responsibilities of ICAEW for matters relating to authorisation granted under the Financial Services Act 1986, pursuant to SI 2657 made under the Financial Services and Markets Act 2000, and the responsibilities of ICAEW as a designated professional body under the Financial Services and Markets Act 2000 including, without prejudice to the generality of the foregoing, as set out in the Designated Professional Body (Investment Business) Handbook:

- granting or refusing applications for a licence
- renewing, withdrawing or suspending a licence
- imposing conditions or restrictions on a licence
- imposing charges where a licensed firm has agreed that it has breached the terms of its licence

- considering returns submitted by firms and reports and investigating any failure to make such returns and reports
- making enquiries concerning a licensed firm
- publishing information concerning a firm's licence

and as set out in the Designated Professional Body (Consumer Credit) Handbook:

- considering whether a consumer credit firm is no longer able to undertake exempt credit-related credit activities
- imposing conditions or restrictions on a consumer credit firm
- imposing charges where a consumer credit firm has agreed that it has breached the terms of the Designated Professional Body (Consumer Credit) Handbook
- considering returns submitted by firms and reports and investigating any failure to make such returns and reports
- making enquiries concerning a consumer credit firm
- publishing information concerning a firm's consumer credit firm's status.

In addition, Council has delegated operational responsibility to the committee for discharging the responsibilities of ICAEW as an accredited body under the Financial Services and Markets Act 2000, including without prejudice to the generality of the foregoing, as set out in the Statement of Professional Standing Regulations:

- granting or refusing applications for a Statement of Professional Standing (SPS)
- renewing or withdrawing an SPS
- imposing restrictions or conditions on an SPS
- considering returns submitted by SPS holders and reports and investigating any failure to make such returns and reports
- making enquiries concerning an SPS applicant or holder
- publishing information about an individual's SPS
- providing the Financial Services Authority with information about individuals whom ICAEW has issued, refused or withdrawn an SPS

Operation of the committee

The committee normally meets three times a year (every four months), usually at Chartered Accountants' Hall. The quorum for a meeting of the committee is four: two ICAEW members and two lay members.

At each meeting, the committee is assisted by a committee administrator and a committee secretary. The committee secretary is a solicitor who supports the committee by providing both legal and procedural advice.

The committee may also seek advice from any source that it considers appropriate to enable it to discharge its responsibilities.

The committee may delegate its powers to a sub-committee (for instance to enable urgent matters to be considered promptly).

Probate committee

The Legal Services Act 2007 (the Act) was introduced in order to improve competition, flexibility, and choice for consumers in the legal services market by enabling entities that are not legal firms to offer legal services. The Act created the Legal Services Board (LSB) which has a duty to promote the regulatory objectives of the Act. The LSB oversees the whole regulatory framework in England and Wales and supervises the work of Approved Regulators and Licensing Authorities which are permitted by law to regulate the supply of legal services and which also have a duty to promote the regulatory objectives. One of the legal activities reserved under the Act is probate. The ICAEW received designation as an approved regulator and licensing authority for probate services in July and August 2014, respectively.

The Probate Committee governs the arrangements for ICAEW's probate regulation. It is responsible for undertaking ICAEW's responsibilities as an Approved Regulator and Licensing Authority under the Act for the reserved legal activity of probate.

The Committee carries out its responsibilities within the framework outlined by the regulatory objectives in the Act, its terms of reference and the Probate regulations.

The Committee is comprised of ten members, five of whom must be lay members and five technical members, the chair being a lay member with a casting vote. Half the members of the committee will be practitioners with expertise in the regulated areas. Lay members must never have qualified or practised as a professional accountant and must not be lawyers or persons with legal training. The Chair of the committee is a lay member and has a casting vote. The requirements of the constitution of the Committee are contained in its Terms of Reference. Members are appointed for a term of three years which may be renewed once, with a further option for extension for one additional term.

The Committee may not include any person who is a member of the Investigation, Disciplinary or Appeal Committees. Members of Council do not serve on the Committee.

Function of the committee

The Probate regulations govern the authorisation, licensing and conduct of entities and individuals wishing to undertake probate work within the framework of the Act and compensation scheme to provide consumer protection.

The function of the Probate Committee is as follows:

- a) ICAEW's functions as an approved regulator and licensing authority as set out more fully in the Probate Regulations, which include:
 - considering and determining applications for probate accreditation;
 - considering and determining applications for authorised individual, Head of Legal Practice, Head of Finance and Administration, non-authorised owner or probate affiliate status;
 - monitoring compliance with the Probate Regulations;
 - taking regulatory action as required to secure compliance with the Probate Regulations;
 - referring matters to ICAEW's disciplinary committees as required;
 - compiling and maintaining a register of licensed firms and supplying this information to the Legal Services Board as required.

- b) ICAEW's functions under the Probate Compensation Scheme Regulations in determining applications for grants;
- c) To be consulted by the IRB in the development of ICAEW policy in relation to probate practitioners.

In cases where the supervision of firms highlights an actual or possible breach of its regulatory arrangements, the Probate Committee will act to protect the public interest and the interests of consumers. This may be through a range of measures, from obtaining an informal undertaking from the firm or individual to put things right to the imposition of formal regulatory and disciplinary sanctions such as the imposition of conditions or restrictions, the suspension or withdrawal of accreditation, disqualification or a fine (the level of which will be guided by the sanctions guidance).

Operation of the committee

The Committee normally meets 4 times a year and meetings are normally held at Chartered Accountants' Hall. Currently the meetings are held virtually and will continue to be held as such until further notice. The quorum for the committee is five, of whom the majority of whom must be lay members.

At each meeting, the Committee is assisted by a committee administrator who provides administrative support. The Committee is also assisted by a committee secretary, a lawyer, who supports the Committee by providing both legal and procedural advice, when required.

The Committee may also seek advice from any source that it considers appropriate to enable it to discharge its responsibilities.

Insolvency licensing committee

Under the Insolvency Act 1986, ICAEW is a recognised professional body and the Insolvency Licensing Committee (ILC) carries out certain regulatory responsibilities. The main work involves reviewing Quality Assurance Department (QAD) reports on visits to insolvency practitioners (IPs), responses to these reports and deciding if any regulatory action is needed. The committee may need to consider other information to satisfy itself that IPs remain fit and proper to be licensed. The committee also deals with new applications for an insolvency licence, and considers complaints against IPs in the regulated area of insolvency.

The committee carries out its responsibilities within the framework of the general duties and procedural requirements for committees set out in Annex 6 of the [Scheme of Delegations](#). It also carries out its responsibilities in accordance with the Insolvency Licensing standards and guidance, the Insolvency Licensing Regulations, its terms of reference and any guidance issued by the IRB.

The committee has a minimum of eight members, of whom at least half must be lay members. The chair of the committee can either be a lay member or an accountant. For these purposes, a 'lay member' means someone who is not and has never been a member, affiliate or employee of ICAEW or any other accountancy body. The requirements of the constitution of the committee are contained in its Terms of Reference. Members are appointed for a term of three years which may be renewed once, with a further option for extension for one additional term.

The committee may not include any person who is a member of the Investigation, Disciplinary or Appeal Committees. Members of Council do not serve on the committee.

Function of the committee

The primary function of the committee is to ensure:

- IPs licensed by ICAEW are fit and proper persons to act and meet acceptable requirements for education, practical training and experience; and
- the good reputation of licensed IPs with the public is maintained.

The committee is responsible for:

- granting applications for authorisation and for insolvency affiliate status;
- granting applications for authorisation and for insolvency affiliate status subject to restrictions or conditions;
- refusing applications for authorisation and for insolvency affiliate status;
- dealing with applications for renewals of insolvency licences;
- granting or refusing dispensation from the requirements of these regulations;
- requesting undertakings from a licence holder;
- imposing restrictions or conditions on the acceptance of appointments or on the conduct of insolvency work by a licence holder;
- ordering a targeted visit to the office or offices of a licence holder and deciding the terms of reference of the visit and the charge or basis of the charge for the visit;
- proposing a regulatory penalty it considers appropriate to a licence holder;
- withdrawing authorisation and insolvency affiliate status;
- reviewing the returns and reports made under these regulations and investigating failure to make returns or reports;
- making appropriate enquiries into the eligibility of a licence holder or an applicant for authorisation or for insolvency affiliate status (by writing, visiting the office or offices of a licence holder, or in any other way);
- making appropriate enquiries to confirm that a licence holder or insolvency affiliate is complying with these regulations (by writing, visiting a licence holder's offices, using a periodic return, or in any other way);
- reviewing all reports and complaints about a licence holder or insolvency affiliate;
- requiring a licence holder or an applicant for authorisation or for insolvency affiliate status to disclose and/or submit any information which the ILC considers appropriate. Such information may include books, papers and records about the licence holder or applicant or any firm with which he is connected and about the licence holder's appointments;
- publishing, in any manner it decides, its orders or decisions if it considers this appropriate;
- making such orders as may be necessary to effect an orderly winding down or transfer of appointments.

Operation of the committee

The committee normally meets six times a year, usually at Chartered Accountants' Hall. The quorum for a meeting of the committee is four members, two of whom are ICAEW members and two lay members.

At each meeting, the committee is assisted by a committee administrator and a committee secretary. The committee secretary is a solicitor who supports the committee by providing both legal and procedural advice, when required.

The committee may also seek advice from any source that it considers appropriate to enable it to discharge its responsibilities.

All decisions relating to the granting of applications (unless otherwise delegated) and to the restriction or withdrawal of a licence may be dealt with by a sub-committee but must be ratified by the full committee (which does not, however, need to meet for the purpose).

Audit Registration committee

The Audit Registration Committee is responsible for considering and determining applications for audit registration and any regulatory action required as a result of monitoring visit reports affecting its area of responsibility. It is appointed by the Council pursuant to [Principal Bye-law 49\(a\)](#).

The committee carries out its responsibilities within the framework of the general duties and procedural requirements for committees set out in Annex 6 of the [Scheme of Delegations](#). It also carries out its responsibilities in accordance with the Audit Regulations, its terms of reference and any guidance issued by the IRB.

The committee comprises of not less than eight members, of whom at least half must be lay members. Members are appointed for a term of three years which may be renewed once, with a further option for extension for one additional term.

The committee may not include any person who is a member of the Investigation, Disciplinary or Appeal Committees. Members of Council do not serve on the committee.

Function of the committee

Council has delegated operational responsibility for the following activities to the Committee, which are set out in detail in the Audit Regulations:

- granting or rejecting applications for Registered Auditor status;
- withdrawing or suspending registration;
- imposing conditions or restrictions on a Registered Auditor;
- granting or refusing dispensation from eligibility requirements;
- reviewing returns and reports and investigating any failure to make such returns and reports;
- making enquiries re: eligibility and compliance;
- publishing orders and decisions;
- maintaining the Register of Auditors.

The Committee is also responsible for discharging the functions set out the Crown Dependencies' Rules and Guidance, and the ICAEW Licensed Practice Handbook. In addition, the Committee is responsible for providing guidance to firms in relation to any matters associated with audit regulation and recommending matters for consideration by the Joint Audit Committee.

Operation of the committee

The committee normally meets every five weeks, usually at Chartered Accountants' Hall. A meeting will be quorate if at least two ICAEW members and two lay members are present.

At each meeting, the committee is assisted by a committee administrator and a committee secretary. The committee secretary is a solicitor who supports the committee by providing both legal and procedural advice, when required.

The committee may also seek advice from any source that it considers appropriate to enable it to discharge its responsibilities.

The committee may delegate its powers to a sub-committee (for instance to enable urgent matters to be considered promptly).