

# **The CIPFA Disciplinary Scheme**

## **A Guide for Complainants**

November 2019

CIPFA, the Chartered Institute of Public Finance and Accountancy, is the professional body for people in public finance. CIPFA leads the way in public finance globally, standing up for sound public financial management and good governance around the world as the leading commentator on managing and accounting for public money.

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## **1. Introduction**

This document is designed to provide an overview of the complaints and discipline procedures operated by the Chartered Institute of Public Finance and Accountancy ('CIPFA' or 'the Institute') and details how complaints and concerns should be brought to the Institute's attention and how they would be handled.

CIPFA exists to promote and encourage high standards in public finance and accountancy. The Institute takes its integrity and reputation and that of its Members and the wider profession of accountancy seriously.

CIPFA treats all complaints seriously and investigates them thoroughly and objectively. In all cases the Institute will follow the procedures laid down in the Institute's Disciplinary Regulations which are outlined in this document.

## **2. The Scope of CIPFA's Disciplinary Scheme**

CIPFA is a professional body which regulates the conduct of its Members. Not all accountants are Members of CIPFA. The Institute can only deal with complaints about individuals who are Members of CIPFA. Contact details for the other main accountancy regulatory bodies in the UK are given at the end of this guide.

The Institute will consider complaints against Members, Registered Students and Affiliate and Associate members of the Institute. The scheme also covers individuals who have at one time or another been Members, Registered Students or Affiliate or Associate members. In such cases the length of time that has passed since the individual was a member of CIPFA will be taken into account when deciding on the appropriateness of a complaint proceeding.

In this guide, reference will be made to 'Member' or 'Members'. However, it should be borne in mind that the same procedures apply to Registered Students, Affiliate and Associate members of the Institute and individuals who had at one time or another been Members, Registered Students, Affiliate or Associate members.

Members of CIPFA are:

- Always individuals, never organisations. So, for example, the Finance Director of your local council may be a CIPFA member; your council cannot.
- Usually employed in the public sector, for example in local authorities, the health service and education. A few are in private practice or business.
- Entitled to use the letters CPFA or FCPFA after their name; whilst those who have attained affiliate or associate status are entitled to use the designations

CIPFA (Afill) and CIPFA (Assoc) respectively. The designatory letters are effective only whilst an individual's membership is current.

CIPFA will investigate complaints against its Members where there is evidence of:

- Professional incompetence;
- Breach of any guides to conduct, principles or rules (whether or not professional) prescribed and published by CIPFA Council;
- A Member having conducted himself/herself in such a way as to prejudicially affect the status, reputation or welfare of the Institute;
- A Member being guilty of 'misconduct' which for these purposes includes
  - any conduct which has brought or is likely to bring discredit upon him or herself, his or her employer, the Institute or the profession of accountancy;
  - a member being convicted in any proceedings in relation to which a sentence of imprisonment may be imposed;
  - a member being subject to a finding or other determination in any civil or criminal proceedings that he or she has acted dishonestly or fraudulently.

The matters identified above could represent a breach of CIPFA's Bye-laws. Any disciplinary action taken by the Institute would be based on an allegation of breach of CIPFA's Bye-laws.

The Institute's Standard of Professional Practice on Ethics, the International Federation of Accountants' Code of Ethics, requires all Members to observe fundamental principles, namely:

- Integrity
- Objectivity
- Professional competency and due care
- Confidentiality
- Professional behaviour

There are other Standards of Professional Practice which cover Members' obligations in relation to the technical areas in which CIPFA Members work and Continuing Professional Development and Members in Practice.

You may complain of anything that appears to you to show that a CIPFA Member has acted in manner which is identified above as being a matter that CIPFA will investigate.

If you are informed that the Institute will not be investigating a complaint beyond any preliminary enquiries it will be because a panel of the Institute's independent Investigations Committee or the Chair of that Committee has decided that there is no basis for the matter to proceed to an investigation or it would not result in any sanction against a Member.

Some of the types of complaint that the Institute is unlikely to take forward are:

- Anonymous complaints (which are **not** taken forward, although they may lead to other issues of concern coming to light).
- Unfounded complaints made with the intention of causing annoyance or embarrassment.
- Complaints about the policy decisions of a Member's organisation/employer.

Making a complaint against a CIPFA Member is not a substitute for taking legal action where this would be appropriate. Therefore, if you think you might be entitled to compensation or damages as a result of the conduct of one of CIPFA's Members, you may wish to consider seeking independent legal advice.

### **3. Service Disputes**

If you have a complaint which does not fall within the Disciplinary Scheme but concerns a fee or service dispute that cannot be resolved with the Member, you may wish to consider, with the Member, whether it might be appropriate to use CIPFA's conciliation or arbitration schemes to assist you and the Member in reaching a satisfactory resolution.

Both schemes are operated by CEDR – a dispute resolution service on behalf of CIPFA. Further details are available on CIPFA's website. Please be aware that a fee would be payable by both parties for the use of this service.

### **4. Making a complaint to the Institute**

You can bring a complaint to the attention of the Institute at any time. You might sometimes find it helpful, however, particularly if you want an apology, some specific action or redress, to discuss the complaint with the person concerned or with their employer's complaints department. You can make a complaint to us at the same time or wait until the outcome of these discussions is known.

Even if you have reached a satisfactory outcome locally the Institute would wish to know about a matter if you think that a Member's conduct falls within the scope of CIPFA's Disciplinary Scheme.

There is no specific time limit for making a complaint to the Institute, although if your complaint concerns events which occurred a significant time ago it may be harder for the Institute to investigate the matter. Accordingly, it is best to let us know as soon as possible if you want us to deal with a complaint. This will also assist the Institute to avoid potential legal and practical problems and uphold the professional reputation of CIPFA and the majority of its Members.

In order to make a complaint you will need to:

- Check that the individual about whom you wish to complain is (or was) a CIPFA member. How to do this is explained at the end of this guide.
- Print out and complete the Complaints Form from CIPFA's website ([www.cipfa.org](http://www.cipfa.org)) or write to the Head of Professional Regulation setting out:
  - Your name, address and, if possible, a telephone number and email address where the Institute may communicate with you confidentially.
  - The name and, if possible, contact details (e.g. employer's name) of the Member who is the subject of your complaint or allegation.
  - What your complaint or allegation is.
  - The dates or approximate timescale when the event(s) took place.
  - The evidence on which you are basing your complaint including any papers or letters that might be relevant.
  - Your consent that all documentation you have submitted may be disclosed to the CIPFA Member, to CIPFA's Disciplinary Scheme Committees and to other relevant third parties. (Please note that in the event of a complaint proceeding to a hearing before the Disciplinary Committee, the hearing will normally be open to the press and public and you may be asked to appear as a witness).

The above information should be sent to: The Head of Professional Regulation at CIPFA, 77 Mansell Street, London, E1 8AN or to [dsadmin@cipfa.org](mailto:dsadmin@cipfa.org)

CIPFA's Investigations Unit will contact you regarding any further information that is required to process your complaint having considered the information you have provided with the complaint form.

As a general rule, CIPFA's disciplinary investigations are private and confidential to those involved. This means that all copies of documents and letters sent to you are private and confidential and should not be disclosed to third parties.



## **5. How complaints are handled**

Preliminary enquiries are carried out by the Investigations Unit which may be assisted by external legal advisors. Your point of contact with the Institute will be an individual within the Investigations Unit.

The Investigations Unit will notify the Member of your complaint and provide him/her with a copy of the complaint and any papers provided in support of the complaint.

The Investigations Unit, once it has sufficient information about your complaint, must refer it to a panel of CIPFA's Investigations Committee or to the Chair of Committee to determine whether a full disciplinary investigation should be commenced. If the complaint is based on a Member experiencing a conviction which may result in the sentence of imprisonment being imposed, the Chair of the Investigations Committee could decide to refer the matter directly for hearing by the Disciplinary Committee.

The Investigations Committee is comprised of CIPFA Members and of independent members, the latter being people from other walks of life who assist in ensuring that the Committee deals fairly and even-handedly with complaints. The Chair of the Investigations Committee is an independent member of that Committee.

Each matter is considered by a panel of the Investigations Committee which is comprised of a majority of lay Investigations Committee members and is chaired by a lay member. You will be informed of the decision reached by the panel or the Chair of the Investigations Committee.

If the decision of the Chair of the Investigations Committee is one which is open to review (e.g. relates to a Conviction Matter or has been closed on the basis of the time since the individual was a member) you will be informed of your right to seek such a review.

If instructed to do so, the Investigations Unit will carry out a formal investigation into your complaint. The Investigations Unit will notify the Member that it is carrying out an investigation.

The Investigations Unit will then make enquiries to obtain relevant evidence (such as statements, letters, documentation and accounts) from individuals or organisations who may be able to provide it with information about the events concerned in the complaint. Usually, this will include the Member's employer. The Investigations Unit may also need further information from you.

Once the Investigations Unit (or its solicitors) has concluded its investigation, the Unit will decide whether there is sufficient evidence legally to put formal allegations to the Member.

The Member will be given 21 days to answer any such allegations and provide any evidence he or she thinks is relevant. This time limit can be extended in complex cases or where the Member requires more time due to, for example, ill health.

When the Member's response has been received the Investigations Unit can amend the formal allegations and send them again to the Member.

Once your complaint has been investigated and any formal allegations put to the Member, a second panel of the Investigations Committee will consider the case and decide whether and how it should proceed.

At this stage, the Investigations Committee panel may:

- Dismiss the case; or
- If the Member admits to the formal allegations and it is appropriate to do so, issue an Entry on Record or Reprimand (with the Member's consent); or
- Refer the matter to the Disciplinary Committee for hearing.

Where appropriate the Investigations Committee panel may make an award in favour of a complainant (subject to a maximum of £1000) on behalf of the Institute to compensate the Complainant for the reasonable costs of bringing a complaint. If you consider that such a payment may be appropriate in your case you should raise the matter with the Investigations Unit.

The Investigations Committee panel will dismiss a case where:

- In the case of a former Member, the time that has elapsed since he or she belonged to the Institute would make it inappropriate to proceed in all of the circumstances; or
- There is no evidence (or not enough evidence) that the matters which it is alleged happened and are alleged to be a breach of CIPFA's Bye-laws, took place; or
- There is no evidence (or not enough evidence) that the matters which it is alleged happened and are alleged to be a breach of CIPFA's Bye-laws, could constitute a breach of CIPFA's Bye-laws.

An Entry on Record is noted on the Member's membership record for a period of up to 2 years during which time the matter may be reopened if further complaints or concerns about the Member's conduct are received or arise. An Entry on Record will not be publicised further by the Institute.

A Reprimand is a formal sanction which, in the absence of special circumstances, will be publicised by the Institute.

The Investigations Committee panel or will provide a statement of reasons for its decision(s) which will be sent to you within 21 days of the decision being made.

## **6. Complainants' right of review**

If, following a formal investigation, the Investigations Committee panel dismisses your complaint; you are entitled to request a review of that decision by the Reviewer of Complaints. This is the same review process that would be used if a request for a review is made in relation to certain decisions made by a Chair of the Investigations Committee to close a Conviction Matter.

You will be notified of your position with regard to your right to request a review at the time that the Statement of Reasons of the Investigations Committee panel or the Chair of the Investigations Committee is sent to you.

If you wish the decision to be reviewed by the Reviewer of Complaints you must send a letter to the Investigations Unit, within 28 days of receiving the decision of the Investigations Committee panel or the Chair of the Investigations Committee, setting out your reasons for requesting a review.

The Reviewer of Complaints will give the CIPFA Member an opportunity to respond to your concerns about the decision of the Investigations Committee panel or the Chair of the Investigations Committee. The Reviewer of Complaints will then consider all the evidence before the Investigations Committee panel or the Chair of the Investigations Committee, the letter in which you express your dissatisfaction with the decision of the Investigations Committee panel or its Chair and the submissions of the CIPFA Member and if he or she considers that the decision reached or the procedure followed by the Investigations Committee panel or its Chair is incorrect or flawed or that it is otherwise appropriate to do so may request a new Investigations Committee panel re-consider all or part of the case.

Ultimately, however, the decision (of whether or not the case should be dismissed) is one for a panel of the Investigations Committee.

## 7. Proceedings before a Disciplinary Committee

Disciplinary Committees are appointed from members of the Regulatory Panel, which includes a number of CIPFA and independent members. The functions of a Disciplinary Committee are similar to a tribunal.

A Disciplinary Committee will be appointed to consider any complaint referred for a Disciplinary Committee hearing. Independent members will be in the majority on any Committee and an independent member will sit as the Committee Chair.

If the matter is referred for a Disciplinary Committee hearing you will be advised of the time and date of the hearing and will be invited to attend.

The Disciplinary Committee will receive and consider all of the evidence provided by both the Institute and the Member and any submissions made to it.

If the Disciplinary Committee finds a case proven, it may take no action or it may impose the following sanctions:

- Entry on Record; or
- Reprimand; or
- Severe Reprimand; or
- Suspension; or
- Expulsion.

In addition or as an alternative to those sanctions, the Committee may impose one or more of the following sanctions:

- order the Member to pay a fine of up to £10,000
- order the Member to pay compensation to you or to a third party up to a combined value of £5000 in respect of fees paid by you or a third party to the Member.<sup>1</sup>

A Member may appeal the finding or sanction, on a limited number of grounds. If an appeal is launched any decision or sanctions will not take effect until the appeal process is concluded.

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<sup>1</sup> It is not the central function of the Institute's professional disciplinary scheme to provide financial redress to Complainants or third parties. However, where misconduct has been proved and it is appropriate in all the circumstances to provide some form of compensation to a Complainant or third party, this sanction is available to the Committee. The mechanism for implementing this sanction requires the Institute to make payment to the Complainant or third party and the Member to reimburse the Institute. In considering this sanction, the Committee will take into account all the circumstances of the case, including: (i) the fact that the Committee must make a Reimbursement Order requiring the Member to reimburse the Institute; (ii) any evidence regarding the financial circumstances of the Member; (iii) any other sanctions imposed on the Member and any Cost Order made against the Member; (iv) the extent to which the Member may have profited from the misconduct; (v) the extent to which the Member's conduct has caused loss to a Complainant or third party; (vi) the extent to which a Complainant or third party may have received benefit or value from a Member's services notwithstanding the Member's misconduct.

Any appeal is heard by an Appeal Committee which is comprised of lay and CIPFA members of the Regulatory Panel, like a Disciplinary Committee, but those Appeal Committee members must not have had any prior involvement with the case under appeal.

An appeal may result in any decision of the Disciplinary Committee on the facts, sanction and/or costs being confirmed, varied or removed. Any sanction which could be imposed by a Disciplinary Committee could be imposed on appeal. An order could also be made in relation to the costs of the appeal proceedings.

## **8. Length of the complaints process**

The time taken to deal with complaints depends on the nature of the complaint, on how much enquiry is required and how quickly information can be obtained.

Throughout the progress of the case there are time limits which have to be observed. For example, the Member must be given at least 21 days in which to respond to the formal allegations. These time limits can be extended in certain circumstances but they cannot be ignored. The time limits are there for a reason, for example, to give a Member sufficient time to prepare his or her case and perhaps, to obtain legal advice and representation.

If an Investigations Committee panel or the Chair of the Investigations Committee refers a complaint for hearing by the Disciplinary Committee the matter will probably take a further 6 months or more. Complex cases, and cases where an appeal against the Committee's findings has been lodged, can take considerably longer.

## **9. Independence, Transparency and Accountability**

It is in everyone's interest that the Disciplinary Scheme is fair, transparent and accountable and that it is applied consistently.

The Committee panels are advised by Legal Assessors to ensure that their process, decisions and any sanctions are fair – under the terms of the Scheme – and legal. As part of this, Legal Assessors may, for example, advise on the implications of Human Rights legislation.

Committee panels, made up of CIPFA Members and independent members (who will be in the majority) or the independent chair of the Investigations Committee make all final decisions about your complaint and you are entitled to know the decision made within 21 days. Where a Reprimand or more serious sanction is imposed on a Member, CIPFA will publish this on the Institute's website, in the Members' newsletter and, potentially, by way of a general press release.

The Disciplinary Scheme is recognised by the Financial Reporting Council, the accountancy profession's independent regulator, and is subject to review to ensure that it continues to represent good practice and complies with applicable legal requirements.

## **10. Sanctions Guide**

The Disciplinary Scheme committees have issued a Sanctions Guide setting out the sanctioning powers of each of the committees and the general principles that will be applied in determining the appropriate sanction in any individual case. The Sanctions Guide is available from the Investigations Unit. This document is, however, only a guide and the Committees may depart from it in appropriate cases.

## **11. Publicity**

Where a Reprimand or more serious sanction is imposed, the case will normally be publicised on CIPFA's website, in the membership magazine, Spreadsheet, and by way of a general press release.

## **12. Further Help and Advice**

For information on or help with making a complaint and to obtain hard copies of CIPFA's constitution, Disciplinary Regulations, Standards of Professional Practice or Complaints Form, contact The Disciplinary Scheme Administrator, CIPFA, 77 Mansell Street, London, E1 8AN: Tel: 020 7543 5767 Email: [dsadmin@cipfa.org](mailto:dsadmin@cipfa.org)

The above documents are also available on the Institute's website: [www.cipfa.org](http://www.cipfa.org)

## **13. Other Accountancy Regulatory Bodies in the UK**

### **The Institute of Chartered Accountants in England & Wales (ICAEW)**

Designatory letters: ACA or FCA

Contact details:

Professional Conduct Department

ICAEW

Metropolitan House

321 Avebury Boulevard

Milton Keynes

MK9 2FZ UK

[complaints@icaew.com](mailto:complaints@icaew.com)

Website: [www.icaew.com](http://www.icaew.com)

**The Institute of Chartered Accountants in Scotland (ICAS)**

Designatory letters: CA

Contact details:

Investigations Department

CA House

21 Haymarket Yards

EDINBURGH EH12 5BH

Tel: 0131 347 0271

E-mail: [complaints@icas.com](mailto:complaints@icas.com)

Website: [www.icas.com](http://www.icas.com)

**The Institute of Chartered Accountants in Ireland (ICAI)**

Designatory letters: ACA or FCA

Contact details:

The Secretary

CA House

47 Pearse St

Dublin 2

Republic of Ireland

Tel: + 353 1 637 7200

E-mail: [ca@icai.ie](mailto:ca@icai.ie)

Website: [www.charteredaccountants.ie](http://www.charteredaccountants.ie)

**The Association of Chartered Certified Accountants (ACCA)**

Designatory letters: ACCA or FCCA

Contact details:

Professional Conduct

ACCA UK

The Adelphi

1-11 John Adam Street

London

WC2N 6AU

Tel: +44 (0)141 582 200

Fax: +44 (0)20 7059 5998

Email: [complaintassessment@accaglobal.com](mailto:complaintassessment@accaglobal.com)

Website: [www.accaglobal.com](http://www.accaglobal.com)

**The Chartered Institute of Management Accountants (CIMA)**

Designatory letters: ACMA or FCMA (or CGMA)

Contact details:

Professional Standards Department

The Helicon

One South Place

London

EC2M 2RB

United Kingdom

Tel: +44 (0) 20 8849 2251

E-mail: [prof.conduct@aicpa-cima.com](mailto:prof.conduct@aicpa-cima.com)

Website: [www.cimaglobal.com](http://www.cimaglobal.com)

**Association of Accountancy Technicians (AAT)**

Designatory letters: MAAT, FMAAT, AATQB (Associate bookkeeping membership)

Contact details:

140 Aldersgate Street

London

EC1A 4HY

For the attention of the Conduct & Complaint Manager

Tel: +44 (0) 20 7397 3008

Email: [aatstandards@aat.org.uk](mailto:aatstandards@aat.org.uk)

Website: [www.aat.org.uk](http://www.aat.org.uk)