

## ACCA CODE OF CONDUCT FOR COMMITTEE MEMBERS, ASSESSORS, REGULATORY ASSESSORS AND LEGAL ADVISERS

1. The Chartered Certified Accountants' Regulatory Board and Committee Regulations 2014 ('the Regulatory Board and Committee Regulations') provide that each committee member, assessor, regulatory assessor and legal adviser shall be bound by a Code of Conduct (hereafter referred to as 'the Code'). This document has been approved by the Appointments Board in accordance with the Regulatory Board and Committee Regulations.

### DEFINITIONS

2. The following definitions are agreed under this agreement:

**ACCA property** means all documents, books, manuals, materials, records, correspondence, papers and information (on whatever media and wherever located) relating to the business or affairs of ACCA or its members and any data or documents (including copies) produced, maintained or stored by the committee member on either ACCA's or the Panel member's computer systems or other electronic equipment;

**appoint** means the appointment of individual members by the Appointment Board to a Panel of chairman, committee members, assessors, regulatory assessors and legal advisers. The Appointments Board shall, inter alia, have the power to fill any vacancy on the Panel and to appoint additional persons to the Panel;

**Appointments Board** means the board appointed by ACCA's Council referred to in Background (clause B) and referred to in the Regulatory Board and Committee Regulations with responsibility, inter alia, for appointing members to ACCA's panel of chairman, committee members, assessors, regulatory assessors and legal advisers;

**assessor** means an independent person so appointed by the Appointments Board with responsibility, inter alia, for discharging the responsibilities and exercising the powers of the assessor;

**Code** means the ACCA Code of Conduct applicable to members of ACCA's panel of committee members, assessors, regulatory assessors and legal advisers which is attached to this agreement as Schedule 1;

**chairman** means an independent person so appointed by the Appointments Board with responsibility, inter alia, for carrying out the function of a chairman of the Disciplinary Committee, Admissions and Licensing Committee, Appeal Committee, Health Committee, Interim Orders Committee or Consent Orders Committee;

**committee members** means an independent person so appointed by the Appointments Board with responsibility, inter alia for discharging the responsibilities and exercising the powers of a committee member of the Disciplinary Committee, Admissions and Licensing Committee, Appeal Committee, Health Committee or Interim Orders Committee and includes the chairman;

**confidential information** means all information and data (whether or not recorded in any form) relating to or provided by ACCA which is identified as or known by the committee member to be confidential or not for general disclosure, and/or which should reasonably be considered as confidential including, without limitation, information in relation to the business or affairs of ACCA and its members and disciplinary and regulatory committee papers;

**legal adviser** means an independent person qualified so appointed by the Appointments Board with responsibility, inter alia, for discharging the responsibilities and exercising the powers of the legal adviser in accordance with the Chartered Certified Accountants Regulatory Board and Committee Regulations for the Disciplinary Committee, Admissions

and Licensing Committee, Appeal Committee, Health Committee, Interim Orders Committee or Consent Orders Committee;

**Panel** means the panel of chairman, committee members, assessors, regulatory assessors and legal advisers so appointed by the Appointments Board in accordance with the Regulatory Board and Committee Regulations;

**Panel member** means an independent person so appointed by the Appointments Board with the responsibility for carrying out the function of chairman, committee member, assessor, regulatory assessor or legal advisers

**regulatory assessor** means an independent person so appointed by the Appointments Board with responsibility, inter alia for discharging the responsibilities and exercising the powers of the Admissions and Licensing Committee in accordance with the Chartered Certified Accountants Authorisation Regulations;

**Regulatory Board** means the board appointed by the Council which inter alia reports to the Council not less than once a year on the operation of the Association's disciplinary and regulatory procedures adopted pursuant to or for the purposes of ACCA's bye-laws and regulations and its recognition under statute;

**required standards** means the standards outlined in the Competency Framework and is attached as appendix 1 of Schedule 2 of this agreement.

In this agreement, words importing the masculine gender include the feminine and words in the singular include the plural and vice versa. References to 'he' or 'his' shall include 'it' or 'its' where the context requires.

- 2.1 Reference to a Panel member's private interests includes (without limitation) his interest in connection with any individual, body or organisation other than ACCA.

## **LEADERSHIP**

3. A Panel member shall accept it is his duty to:
  - 3.1 support and promote the Code;
  - 3.2 demonstrate ethical leadership and, where appropriate, recognise and acknowledge examples of good ethical conduct, including bringing such conduct to the attention of the Board.

### **Duty to report (including duty to self-report)**

4. A Panel member shall accept it is his duty to report to the Board where he or another chairman, committee member, assessor, regulatory assessor or legal adviser has:
  - 4.1 committed a suspected breach of the Code;
  - 4.2 any other matter that could conflict with the Code;
  - 4.3 acted in a manner that is likely to bring discredit to ACCA.

## **PRINCIPLES OF ETHICAL CONDUCT**

5. A chairman, committee member, assessor, regulatory assessor or legal adviser (hereinafter referred to as the '**Panel member**') shall, in the performance of his duties, act in the public interest and in accordance with the public trust placed in him.

6. Compliance with the Principles of Ethical Conduct ('the **Principles**') contained in the Code is mandatory. In addition, a breach of any of the specific requirements for each Principle shall constitute a material breach of the Code. Any suspected or reported breach of the Code will be reported to the Board.
7. Where a Panel member identifies threats to his compliance with one or more of the Principles, he shall evaluate those threats, and take any steps necessary to safeguard the Principles, including the duty to report.
8. A Panel member shall be prepared to submit himself to whatever scrutiny of his decisions or conduct is reasonable for his position with ACCA.
9. The Principles are as follows:
10. **Integrity**
  - 10.1 A Panel member shall be straightforward and honest in respect of all activities and relationships arising out of his duties. He should always behave with probity and integrity, including in his use of ACCA's resources.
  - 10.2 A Panel member's duty to act with integrity includes the following requirements (albeit is not limited to):
    - 10.2.1 A Panel member shall not place himself in a position where his integrity might reasonably be called into question.
    - 10.2.2 A Panel member shall not make use of his position as a Panel member to further his private interests. In particular, a Panel member shall not:
      - 10.2.2.1 use that position to obtain benefits, preferential treatment or other advantage for himself or others;
      - 10.2.2.2 confer benefits, preferential treatment or advantage improperly on others.
11. **Confidentiality**
  - 11.1 A Panel member shall respect the confidentiality of information acquired in respect of his duties and, therefore, not disclose any such information to third parties without proper and specific authority, unless there is a legal or professional right or duty to disclose, nor use the information to further the private interests of the Panel member or third parties.
  - 11.2 In this context, third parties include all parties other than those engaged in the disciplinary or regulatory proceedings giving rise to the exchange of information.
  - 11.3 A Panel member's duty to ensure confidentiality of information includes the following requirements (albeit is not limited to):
    - 11.3.1 A Panel member shall preserve confidentiality in respect of the details of disciplinary and regulatory cases with which he has been involved, or of which he has been made aware.
    - 11.3.2 A Panel member shall respect the anonymity of witnesses and third parties when acting in the performance of his duties with ACCA.
    - 11.3.3 A Panel member shall take reasonable steps to ensure that all papers and information (both hard copy and electronic) received in the performance of his duties are kept safe and confidential, and are disposed of safely and securely after use.
    - 11.3.4 A Panel member shall not use any papers or information (both hard copy and electronic) received in the performance of his duties for any purpose other than the performance of his duties with ACCA.

11.3.5 If a Panel member experiences pressure, from any party, to disclose confidential information acquired in respect of his duties, he shall disclose the fact to ACCA in a timely manner.

11.4 The duty to comply with the principle of confidentiality, and to take appropriate measures to safeguard confidentiality, continues after the termination or expiry of a Panel member's term of appointment.

## **12. Objectivity**

12.1 A Panel member shall not allow bias, conflict of interest or undue influence of others to override professional judgments. In the event that bias or a conflict of interest arises a Panel member should make a declaration to the parties present at the hearing and consider withdrawing from the matter under consideration.

12.2 It is fundamental to the integrity of ACCA's disciplinary and regulatory procedures that a Panel member makes decisions or, in the case of a legal adviser provides legal advice, with regard for the public interest, and with complete impartiality. It is also important that such impartiality is apparent to others. The following requirements shall apply (albeit is not limited to):

12.2.1 A Panel member shall, when acting in the performance of his duty as a Committee member, assessor or regulatory assessor, make decisions based solely on the facts and information presented to him.

12.2.2 A Panel member shall not conduct his own enquiries or carry out his own research in relation to any disciplinary or regulatory proceedings.

12.2.3 A Panel member shall not assume the role of advocate of any party to ACCA's disciplinary or regulatory procedures, or allow himself to be perceived to act as such.

## **13. Conflicts of interest and bias**

13.1 A Panel member shall not participate in any situation in which there is a conflict between his duties as a Panel member and his private interests.

13.2 In the case of such a conflict arising, a Panel member shall take reasonable steps to dissociate himself from the situation and to avoid any perception by others that he remains associated with the situation and is required to declare the conflict of interest immediately to ACCA.

13.3 A Panel member shall ensure that his conduct does not give rise to an actual or perceived conflict between his duties as a Panel member and his private interests. The following requirements shall apply (albeit is not limited to):

13.3.1 In relation to any disciplinary or regulatory proceedings, if a Panel member is, or becomes, aware of a conflict, or a possible perceived conflict, between his duties, the Panel member shall:

13.3.1.1 disclose his interest to ACCA;

13.3.1.2 if deemed appropriate, take no part, or no further part, in those proceedings.

13.3.2 If a conflict or perceived conflict arises before or during any committee meeting or review of a case involving the Panel member in his role with ACCA, he shall disclose his interest, or perceived interest, and request that his disclosure be recorded by ACCA and where appropriate in the reasons for decision. If deemed appropriate, he shall withdraw from the proceedings.

- 13.3.3 A Panel member shall not advise, agree to advise, act for, or agree to act for, an ACCA member, affiliate, student or firm facing disciplinary or regulatory proceedings brought by ACCA.
- 13.3.4 A Panel member shall not advise, agree to advise, act as, or agree to act as, an expert or character witness in cases where an ACCA member, affiliate, student or firm is facing disciplinary or regulatory proceedings brought by ACCA.
- 13.3.5 A Panel member who is approached by an ACCA member, affiliate, student or firm to provide evidence in relation to a disciplinary or regulatory matter, shall agree to do so only where his evidence relates to matters of fact and shall inform ACCA.
- 13.3.6 A Panel member shall not hold himself and/or his firm out to the public as having expertise in dealing with cases where an ACCA member, affiliate, student or firm is facing disciplinary or regulatory proceedings brought by ACCA.

#### **14. Competence and Due Care**

- 14.1 A Panel member shall maintain professional knowledge and skill at the level required to ensure that he is able to provide a competent, professional and ethical service, based on current developments in regulation and legislation and shall act diligently in accordance with applicable technical and professional standards.
- 14.2 A Panel member who recognises or suspects that he requires more information, knowledge or training in order to comply with this principle shall take reasonable steps to resolve the deficiency, at his own cost. The following requirements shall apply (albeit is not limited to):
  - 14.2.1 A Panel member who is due to attend a committee hearing shall carefully and thoroughly read all the papers sent to him by ACCA in advance of the hearing.
  - 14.2.2 A Panel member taking part in a committee hearing shall attend the hearing at the designated venue at least half an hour before the scheduled commencement of the hearing. If the Panel member is unable to attend at the required time, he shall inform ACCA of the delay and the reason for it at the earliest opportunity.
  - 14.2.3 A Panel member who is due to take part in a committee hearing but becomes unable to attend shall inform ACCA at the earliest practicable opportunity. Where possible, he shall give ACCA at least one week's written notice of his inability to attend and the reason for non-attendance.
  - 14.2.4 Before asking for additional information or evidence, a Panel member shall have regard to whether it is relevant and necessary to the issues to be decided in the case, as well as the sensible and proportionate use of resources.
  - 14.2.5 A Panel member shall attend the regular mandatory training sessions arranged by ACCA, as appropriate to his role.
  - 14.2.6 Where a Panel member is unable to attend a committee meeting that is mutually agreed with ACCA, he shall notify ACCA within reasonable time, but not less than seven days before the date of the meeting.
  - 14.2.7 A Panel member shall maintain knowledge and skill at the level required to ensure that he is able to provide a competent service in the use of appropriate information technology.

#### **15. Professional Behaviour**

- 15.1 A Panel member shall comply with relevant laws and regulations, and shall avoid any conduct that could bring discredit to himself, ACCA or the accountancy profession. The following requirements shall apply (albeit is not limited to):

- 15.1.1 A Panel member shall, at all times, comply with relevant laws and regulations, and uphold the administration of justice.
- 15.1.2 A Panel member shall treat with courtesy and respect other members of the Panel and ACCA personnel, as well as witnesses, ACCA members, affiliate, students, firms and all others attending committee hearings or with whom he otherwise interacts in his role with ACCA.
- 15.1.3 A Panel member shall not privately discuss or comment on live or closed disciplinary or regulatory matters relating to ACCA, except for the purpose of meeting the his professional responsibilities as a Panel member. This prohibits inappropriate communications with fellow members, ACCA staff or others.

## THREATS TO COMPLIANCE WITH THE PRINCIPLES

- 16. Threats may be created by a broad range of relationships and circumstances, and a circumstance or relationship may create more than one threat. Whenever the Panel member determines that the identified threats are not at an acceptable level, he shall take any steps necessary to safeguard the Principles.
- 16.1 Threats (which include perceived threats) to compliance with the principles may fall into one or more of the following categories:
  - 16.1.1 **self-interest threat:** the threat that a financial or other interest will inappropriately influence the Panel member's judgement or behaviour;
  - 16.1.2 **self-review threat:** the threat that a Panel member will not appropriately evaluate the results of a previous judgement made or opinion expressed by him, or by a connected party, on which the member will rely when forming a judgement or expressing an opinion as part of his current function;
  - 16.1.3 **advocacy threat:** the threat that a Panel member will promote another party's position to the point that the Panel member's objectivity is compromised;
  - 16.1.4 **familiarity threat:** the threat that due to a long or close relationship with another party, a Panel member will be too sympathetic to the other party's interests or too accepting of the other party's claims;
  - 16.1.5 **intimidation threat:** the threat that a Panel member will be deterred from acting objectively because of actual or perceived pressures, including attempts to exercise undue influence over the Panel member;
  - 16.1.6 **prejudice threat:** the threat that a Panel member will be deterred from acting objectively because of personal bias or prejudice against another party.
- 16.2 In most situations in which a Panel member has identified a threat to one or more of the Principles, appropriate steps to take in order to safeguard the principles will include disclosing the matter to ACCA.

## PROCEDURE FOR HANDLING COMPLAINTS AND BREACHES OF THE CODE

### 17. Non-Compliance with the Code

- 17.1 Suspected breaches of the Code, including those breaches identified by ACCA or the Appointments Board (the "**Board**") following an assessment, will be dealt with in accordance with the procedures set out below. A breach of the Code, or any related policy may lead to the termination of the Panel member's contract with ACCA.

- 17.2 All complaints and allegations, including suspected breaches of the Code, concerning Panel members' conduct shall be received by ACCA and be referred to the Board for consideration.
  - 17.3 The Board may become aware of non-compliance conduct contrary to the Code by way of its assessment policy process and the Competence and Standards Review process. The Board following its assessment may determine what action, if any, is required.
  - 17.4 If a suspected breach of the Code is referred to the Board, a Panel member shall comply with any request for information made by the Board.
18. **Investigation of complaints including non-compliance with the Code**
- 18.1 The Board reviews any referrals made to it and will consider what if any action should be taken having regard to all the information available to it which may include termination of the Panel member's contract.
  - 18.2 The Board may determine, at its own discretion, whether an investigation should be conducted.
  - 18.3 The Board may also determine, in its absolute discretion whether the relevant Panel member shall not participate further in any of ACCA's disciplinary or regulatory processes for the duration of the investigation.
  - 18.4 The Board has the power to do anything which is calculated to facilitate, or be conducive to, the discharge of any of its functions with particular regard to the wider public interest.
19. **Investigation by the Board**
- 19.1 Where the Board has determined, at its discretion, that an investigation into a complaint is appropriate, the Panel member will be notified by ACCA in writing and the matter shall be investigated by an investigator appointed by the Board which may be a member of the Board (referred to as the "**Investigator**").
  - 19.2 The Investigator shall conduct his investigation, in such manner as he considers appropriate, taking into account all material evidence, within 21 (twenty-one) days from the date that the Panel member receives notification of the investigation from ACCA. In the event that the investigation requires additional time, the Panel member shall be notified immediately. The Investigator shall report to the Board on progress at regular intervals, by agreement with the Board.
  - 19.3 On concluding his investigation, the Investigator shall prepare a report, supported by any documentary evidence and where appropriate, the report shall be placed before the Board. If the Investigator so decides, written legal or other advice relevant to the matter may be obtained and included in the report, in order to assist the Board in considering, and drawing conclusions from the report. In such instance, the investigation period may be extended and ACCA shall notify the Panel member immediately.
  - 19.4 The Board shall consider the report placed before it. The Board may request the Panel member to provide (in writing or in person) further information as it may require in order to assist the Board in its consideration of the case.
  - 19.5 Where the Board considers that the report supports a *prima facie* case of breach of the Code, the Appointments Board shall provide the Panel member with a copy of the report, and the Panel member shall be given the opportunity to make written representations to the Board. The Board may, at its discretion, give the Panel member an opportunity to be heard before it.
  - 19.6 If the Board finds that there has been a breach of the Code, the Board may make such order as it sees fit, including recommending that ACCA terminates the Panel member's

contract of appointment. The Panel member shall be informed in writing of the Board's finding, and the Board shall provide written reasons for its decision.

- 19.7 If the Board finds that there has been no breach of the Code, the Panel member shall be informed in writing of the Board's finding and a copy of the report will be provided. The Board may use the findings of any investigation as part of the Panel member's continuing performance assessment.
- 19.8 The Board's decision of any case shall be final.

#### **PROCEDURE FOR PANEL MEMBERS WHO ARE SUBJECT TO CRIMINAL, DISCIPLINARY OR REGULATORY INVESTIGATION OR PROCEEDINGS**

- 20. Special considerations shall apply where a Panel member is, or has been, the subject of a criminal, disciplinary or regulatory investigation or proceedings by any body, government department or any regulatory authority, or has received a police caution. Accordingly, the following steps shall be taken:
  - 20.1 The Panel member shall inform ACCA immediately after becoming aware that he is the subject of an investigation or proceedings, including those taken by ACCA, or receiving a police caution.
  - 20.2 ACCA shall prepare a report with details of the investigation, proceedings or caution for the Board.
  - 20.3 If the Board so determines in its absolute discretion, the Panel member shall not participate in any of ACCA's disciplinary or regulatory processes until the Board has made a decision following its consideration of ACCA's report.
  - 20.4 The Board's decision shall be final and there is no right of appeal.

#### **21. Automatic termination of a Panel member's contract for services**

- 21.1 In accordance with the relevant termination provision in the Panel member's contract, ACCA may automatically terminate this agreement by notice to the Panel member with immediate effect (or effective from such date as ACCA may specify in such notice) upon the occurrence of any of the following events or circumstances where he is:
  - 21.1.1 elected as a member of ACCA's Council;
  - 21.1.2 given a prison sentence (including a suspended sentence);
  - 21.1.3 excluded from membership of a professional body;
  - 21.1.4 the subject of an order to withdraw all or part of his authorisation to practice as an accountant and/or auditor;
  - 21.1.5 by reason of mental disorder either detained in a hospital or made subject to guardianship pursuant to Part II or III of the Mental Health Act 1983 or placed under similar supervision in any other jurisdiction;
  - 21.1.6 made the subject of a bankruptcy order, signs a trust deed for creditors or enters into a deed of arrangement, scheme or composition in respect of the Panel member's financial affairs, or is the subject of an equivalent event in any jurisdiction.



## **REVIEWS OF THE CODE**

22. This Code shall be reviewed by the Board on an annual basis to ensure it remains fit for purpose and Panel members shall be provided with notice of any revisions.
23. It should be noted that this Code was last updated on [*insert date*].

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