

Practice Assurance regulations

(This edition includes all amendments made up to 1 January 2008 and none have been made since.)

These regulations were made by Council on 6 October 2004 and came into force on 1 November 2004 and are applicable wherever members are required under the Principal bye-laws to hold a practising certificate.

1 PC holders and member firms shall act in accordance with the PA standards.

2 Payment of the PA scheme fee is due on the same date, and under the same conditions, as apply to the practising certificate fee.

2A A member who has been granted an exemption from the requirement to pay the practising certificate fee will be exempt from the requirement to pay the PA scheme fee for the same period.

3 Failure to pay the PA scheme fee or a charge levied under regulation 16 will have the same consequences in relation to a PC holder's eligibility to hold a practising certificate as failure to pay the practising certificate fee.

4 Members and member firms shall co-operate with the Institute, its staff and any committee carrying out functions under the PA scheme.

5 If any functions or responsibilities of the Institute under the PA scheme are undertaken by another person or body with the agreement of the Institute, members and member firms shall co-operate with such other person or body as if it were the Institute.

6 The Institute's logo or the legend, '*A member of the ICAEW Practice Assurance scheme*', or both may be used by member firms. Firms subject to the PA scheme which are not member firms as defined in the Disciplinary Bye-laws may not use the Institute logo but may use the legend. Any use of the logo or legend shall follow Institute guidance.

7 All member firms shall:

- (a) appoint from that member firm a PA contact principal who shall be:
 - (i) in the case of a sole practice, the practitioner;
 - (ii) in the case of a partnership, a partner;
 - (iii) in the case of a limited liability partnership (LLP), a member of the LLP; or
 - (iv) in the case of a corporate body, a director; and
- (b) except in the case of (a)(i) notify the Institute forthwith of the appointment and any changes of appointment.

6.5 REGULATIONS AND GUIDANCE RELATING TO PRACTICE

8 Member firms and PC holders shall supply any information requested by the Institute under the PA scheme (whether in the annual return or otherwise) promptly and in accordance with the terms specified.

9 Member firms shall notify the members registrar of:

- (a) any changes to information provided relating to the composition of the firm within 10 business days of the change taking effect, and
- (b) any changes to:
 - (i) the name or trading name;
 - (ii) the registered address;
 - (iii) the main telephone number; and
 - (iv) the e-mail addressof the member firm within 20 business days of the change taking effect.

Provision of this information under the Institute's *Audit Regulations and Guidance* or *Designated Professional Body Handbook* shall satisfy this regulation.

10 The Institute will notify a member firm or a PC member not less than 30 business days in advance of a visit.

- 11** (a) If, on the receipt of the visit notice, the member firm or PC member is of the opinion that it will not be convenient to comply with regulations 13 and 14 on the visit date, the member firm or PC member shall, not more than 10 business days after receipt of the visit notice, inform the Institute in writing of three further dates (being business days) on which regulations 13 and 14 can be met.
- (b) The 'further dates' referred to in paragraph (a) shall not be later than 45 business days after the visit date.

12 Regulations 10 and 11 will not apply where the chairman of the committee is of the opinion that it is in the public interest for a visit to be conducted with less than 30 business days notice. Where he is of that opinion, the chairman will authorise the issue of a visit notice to a member firm or PC member.

13 A member firm or PC member shall provide appropriate facilities to the PA reviewer to enable him to carry out his functions during a visit.

14 The member firm or the PC member shall use best endeavours to ensure that the following are available during a visit:

- (a) in the case of a member firm, the PA contact principal and all relevant staff;
- (b) in the case of a PC member, the PC member; and
- (c) in the case of a member firm and a PC member all information, books, records and documents whether in hard copy or electronic form (including those specified in the visit notice) which the Institute considers necessary to enable it and the PA reviewer to perform their functions under the PA scheme.

15 Following a visit, any issues or concerns will be notified by the Institute in writing to the member firm or PC member. The member firm or PC member shall, within 15 business days of receipt of such notification (or such longer period as may be allowed), provide a response in writing to the Institute addressing such issues or concerns.

16 If after considering any response received from a member firm or a PC member under regulation 15 the Institute considers that a further visit is necessary or desirable it shall notify the member firm or PC member in writing. The member firm or PC member shall be responsible for the Institute's charge for the further visit.

17 The Institute shall keep confidential all material and information provided by member firms or members in connection with the PA scheme, whether oral or in writing, except that such material or information may be disclosed (directly or indirectly) to any body undertaking regulatory or law enforcement responsibilities.

18 Where a member firm or member makes a complaint about the handling of a visit or the conduct of Institute staff administering the PA scheme and remains dissatisfied notwithstanding an explanation, the Committee shall appoint one of its members to review the complaint. The appointed member shall consider written or oral representations from those concerned and all documents he considers relevant. He may make such enquiries as he deems appropriate and shall then report to the Committee.

19 Any breach of these regulations by a PA contact principal shall be deemed also to be a breach by the member firm.

Interpretation

In these regulations unless the context otherwise requires or express reference is made, words and phrases in these regulations have the same meaning as in the Principal and Disciplinary Bye-laws. Furthermore:

‘annual return’ means the return sent to member firms and PC holders by the Institute requesting information for the purposes of the PA scheme;

‘business days’ means normal working days excluding Saturdays, Sundays, Public and Bank holidays;

‘committee’ means the committee appointed by Council in connection with the PA scheme;

‘PA contact principal’ means a person appointed by the member firm to be the main point of contact with the Institute for the purposes of the PA scheme and in connection with these regulations;

6.5 REGULATIONS AND GUIDANCE RELATING TO PRACTICE

‘PA reviewer’ means the person or persons appointed by the Institute to visit member firms and PC members;

‘PA scheme’ means the scheme, system or arrangements for the inspection, monitoring and review of the efficiency and competence of member firms and PC holders made under sub-clause 1(b) (viiiB) of the Supplemental Charter;

‘PA standards’ means the principles-based standards issued in conjunction with the PA scheme;

‘PC holder’ means a member holding a practising certificate;

‘PC member’ means a PC holder engaged in public practice in a firm which is not a member firm;

‘visit’ means the visit to a member firm or PC member by a PA reviewer;

‘visit date’ means the date or dates specified in the visit notice;

‘visit notice’ means a notice specifying a date or dates for a visit served on the member firm or PC member; such notice may include a description (whether in specific or general terms) of the information and records required during the visit.