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Co-operating with regulatory matters



Purpose

This helpsheet provides information to members, firms and affiliates on their obligation to co-operate with ICAS in relation to regulatory matters.

Application

This helpsheet will principally be used by ICAS employees and the Authorisation Committee when co-operation issues are identified. It may also be referred to by Discipline and Appeal Tribunals where relevant.

Reference to 'firms' applies equally to insolvency practices and sole practitioners.

Co-operation requirement

Each of the licences issued by ICAS is governed by a set of ICAS Regulations – e.g. practising certificates are covered by ICAS' Public Practice Regulations, whilst the Audit Regulations are used for audit licences.

These Regulations contain provisions which require members to co-operate with ICAS in respect of regulatory matters. Such co-operation is necessary to allow ICAS to carry out its obligations as a regulatory body and to maintain public confidence in the profession.

The ICAS Rules and Regulations can be found [here](#).

Contact

Initial contact is likely to be an email from an ICAS employee sent to the address which has been registered with ICAS. This will normally be a business address, but may sometimes be a personal address depending on which address has been provided as the preferred mailing address.

Mailing preferences can be checked when logged into the ICAS website. ICAS should be notified as soon as possible if a different address requires to be used for correspondence.

If there is no response to initial contact then ICAS will use all other available means of contact, including telephone calls and recorded delivery letters to business and home addresses.

Information requests

Members, firms or affiliates may be asked to provide various pieces of regulatory information in relation to one or more licences. This could include information in respect of the firm (e.g. financial information, copies of process documents), or the firm's client base (e.g. client lists, CDD documentation).

Requests may be issued on an annual basis – by way of an annual return or similar – or may arise from a specific regulatory activity (e.g. a licence application or a monitoring visit).

Information is sometimes requested by ICAS because ICAS is required to provide this information in turn to an oversight regulator (e.g. the FRC or OPBAS).

It is important that members, firms and affiliates respond to such requests promptly, providing the information in full.

Monitoring visits

Each of the licences issued by ICAS is covered by a regulatory monitoring regime, which involves specialist ICAS monitoring reviewers periodically reviewing the firm's work and processes. Firms will be advised in advance of the proposed date of a monitoring visit, as well as its location, with most visits either taking place at the firm's place of work, or remotely on a 'desktop' by Teams or telephone call basis.

Firms are required to co-operate fully with the monitoring process. This includes making appropriate arrangements to accommodate the process, provide the information required within the deadlines set, and responding fully and promptly to all correspondence from the ICAS monitoring team.

Questions

Any questions relating to an information request, a monitoring process, or regulation more generally, should be directed to the relevant ICAS employee at the earliest opportunity. All correspondence issued by ICAS will include the name and role of the employee, with details of how they can be contacted.

Support

It is important to understand that while ICAS employees will do their best to explain or clarify matters, they will not be able to provide substantive advice on how to respond.

Members who need general support in dealing with regulatory processes might consider contacting ICAS' Practice Support Team. While the team also cannot give advice on how to respond, some members may benefit from the chance to speak to someone in confidence. The Practice Support Team may be contacted by telephone on 0131 347 0249 or by email at practicesupport@icas.com.

Deadlines

Regulatory requests will include a deadline by which a response is required. It is important that members, affiliates and firms respond by the deadline, as this will ensure that ICAS can operate the regulatory process more efficiently.

ICAS understands that there may be some instances where members cannot respond to ICAS' enquiries by the deadline. Where this is the case, the member should inform the ICAS employee as soon as possible to advise of the reason for the expected delay and try to agree an appropriate new date.

If the firm is unable to accommodate a monitoring visit on the identified date, the firm should notify the monitoring team as soon as possible, and within the deadline set in the visit notification letter.

General pressures of work are unlikely to be considered a valid reason for not responding by a deadline, or accommodating a monitoring visit, as ICAS expects that members, firms and affiliates will treat regulatory matters as a priority.

Non-cooperation

As noted above, ICAS' Regulations require all members, firms and affiliates to cooperate fully and promptly with all regulatory matters. A failure to co-operate with ICAS may take one of three forms:

- A delay in responding
- Inadequate or incomplete responses
- A complete failure to respond.

A member, firm or affiliate who is failing to respond is likely to be referred to ICAS' Authorisation Committee, which has the delegated power within ICAS to deal with all licensing matters. The Committee takes a serious view of non-cooperation, and has a range of powers to deal with it, including:

- Raising financial penalties
- Bringing forward regulatory monitoring visits
- Suspending and withdrawing licences
- Referral to the Investigation Committee.

Some of the above powers would carry publicity, with the members, firms and affiliates named and details of the outcome published in a notice on the ICAS website and in CA Magazine.

Further questions

Members, firms and affiliates should contact the relevant ICAS employee if they have any questions about co-operation which are not covered in this helpsheet.



CA House, 21 Haymarket Yards, Edinburgh, UK, EH12 5BH
+44 (0) 131 347 0100
connect@icas.com
icas.com

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