

Guide to Continuity Agreements

What is a Continuity Agreement?

A continuity agreement sets out arrangements for your practice in the event that you cannot meet your clients' needs due to incapacity or death.

Why must I have a Continuity Agreement?

Possessing an approved Continuity Agreement is a requirement of holding an AIA Practising Certificate.

Starting and running your own practice can be highly rewarding and as such is a preferred route for many AIA members. For the vast majority they will never need to enforce a continuity agreement. However, circumstances may arise where it becomes necessary to be away from the office for a period of time.

If you need to be away from your business from a long period of time a continuity agreement can protect both you and your clients.

How do I choose who to partner with?

It is ultimately the practitioner's choice on who to partner with in a continuity arrangement, however as a minimum AIA recommends that you consider the following factors when deciding on your choice of continuity agreement partner:

- appropriate knowledge and skills suitable to your client base
- adequate professional indemnity insurance
- regularly maintained continuing professional development (CPD)
- appropriate professional qualification
- suitable location
- sufficient size to support your clients in addition to their own

What form should a Continuity Agreement take?

The agreement should be reviewed, agreed and signed by both parties.

AIA provides an agreement template which can be tailored to your specific circumstances.

What do I need to tell my clients?

Each client should be made aware that there are continuity arrangements in place and this information should be included in your engagement letter for the avoidance of any doubt. The clients must be advised of their right to choose whether or not the alternate is to act on their behalf in the event of the continuity arrangement becoming operational.

Who else should I Inform?

As a minimum AIA recommends informing providers of other professional services to the practitioner (e.g. banks, solicitors, the professional indemnity insurance/general insurance providers).

Keeping AIA informed

You must inform AIA if you change the terms of your current continuity agreement or sign a new agreement.

Provide a copy via email at membership@aiaworldwide.com.

Disclaimer:

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