

November 2015

FRC Tribunal Members Fees and Expenses

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Tribunal Panel Members Fees and Expenses Policy

Introduction

- 1 This policy is issued by the Financial Reporting Council (“the FRC”) Conduct Committee under the Accountancy Scheme and the Actuarial Scheme (referred to collectively as “the Schemes”) and the Auditor Regulatory Sanctions Procedure (“the Sanctions Procedure”). Paragraph 3 of the Schemes and paragraph 3.1 of the Sanctions Procedure empower the Conduct Committee to provide the Convener and Tribunals with guidance concerning the exercise of their duties under the Schemes and the Sanctions Procedure, who shall have regard to such guidance, and to authorise the remuneration of the members of any Tribunal, the Convener and any other persons.
- 2 It is important that the FRC is, and is seen to be, operating a cost effective Tribunal system. This is achieved by having clear policies in place with guidance as to the nature of those fees and expenses that can be claimed legitimately. Any future changes to the rates set out in this policy will be notified to Tribunal Panel Members in writing and the policy updated accordingly.
- 3 This document sets out the fees and expenses policy for all Tribunal Panel Members (collectively “Members”) appointed in respect of any matter under either of the Schemes or the Sanctions Procedure. It details the fees and expenses that may be claimed and the reimbursement procedures.
- 4 All fees and expenses incurred will be reimbursed provided they are reasonable and are incurred and claimed in compliance with this policy. Claims that are insufficiently detailed or appear unreasonable will be the subject of clarification or query.

Fees

Fee rates for hearings and training days

- 5 The daily fee rate for hearing days and training days is £450 for Accountant, Actuary and Lay Members and £950 for Legal Chairs and these fees are liable to taxation. Where the Tribunal sits for up to a half-day session, 50% of the daily fee rate can be claimed.
- 6 These rates cover the hearing itself, any reasonably necessary, case-related meetings and pre-hearing/post hearing preparation on hearing days.

Fee rates for preparation work on non-hearing days

- 7 The fee rate per hour for preparation work on non-hearing days a Tribunal is not sitting is £69 for Accountant Actuary and Lay Members and £146 for Legal Chairs. Such work includes reading case papers, receiving and sending correspondence, meetings and drafting. These rates also apply to other types of preparation work such as consideration of Proposed Settlement Agreements and associated correspondence.
- 8 Only that preparation work which is reasonable can be claimed. Claims for preparation work should include an itemised list and must be submitted with a brief description of the work carried out and the time spent. Where it appears that the claim is unclear, or unreasonable, this may result in a request for more information and/or an explanation of why the work was justified. Examples of claims that may appear, and be subsequently deemed, unreasonable include those where:

i. the claim by one Member for similar preparation work is notably higher than that of other Members;

ii. the preparation work subject of the claim is carried out at times which appear out of sync with key points in a case management timetable (for example, where no direction requiring the provision of material has recently passed and/or there is no hearing date in sight).

9 If Accountant, Actuary or Lay Members appointed to any Tribunal under the Schemes or Sanction Procedure are unsure about what is required of them or what preparation work they should be undertaking, they should seek advice from the Legal Chair.

Expenses

Travel expenses

10 Most training events, meetings and hearings will be held in Central London, although attendance at venues across the UK might also be necessary. Members must use the most efficient and economical means of travel to be able to claim travel expenses.

11 For example, in respect of rail travel, consideration should be given to the use of restricted train journeys i.e. where the time of travel is fixed, as the fares for such tickets are likely to be substantially less than fares which allow flexibility in time of travel such as open return ticket.

12 Standard class rail travel must be used unless there is a good reason for travelling first class. Approval is required from the FRC Conduct Lawyer or Governance Associate prior to booking first class tickets.

13 Public transport should be used over taxis unless it is justifiable to use this means of travel, for example:

i. for journeys for which there is no other suitable or timely method of public transport;

ii. when it is considered reasonable to have regard for personal security (early/late working);

iii. when heavy luggage has to be transported to or from the place of departure or arrival;

iv. where the saving of time is of paramount importance; and/or

v. where taxis can be shared, thus making it an efficient use of time and money.

14 Where the use of public transport is impracticable, a Member's own vehicle can be used. Any claim should be made using the approved mileage rates issued by HMRC for business travel when personal/private vehicles are used and are subject to updates in line with HMRC's authorised mileage rates. The allowance rates are as follows:

Type of Vehicle	Rate per mile for first 10,000 business miles in the tax year	Rate for each business mile over 10,000 in the tax year
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Car	45p	25p
Motorcycle	24p	24p

- 15** Air travel must be in economy class with all flights booked in advance unless this is not possible. Best endeavours must be used to achieve the cheapest fare available.

Overnight accommodation

- 16** Where it is not practicable for Members to return home overnight between hearing days, or indeed if this is more cost effective than travelling to and from a hearing venue each day, accommodation expenses can be claimed. Members should seek authorisation from the FRC Conduct Lawyer or Governance Associate before confirming a room reservation.
- 17** Where overnight accommodation is required a maximum VAT inclusive cost of up to £200 a night excluding breakfast applies. This does not include extras such as internet use which cannot be claimed under this policy.

Overnight subsistence

- 18** Overnight subsistence in the sum of £35 can be claimed for each 24 hour period. Receipts will not be required in support of such claims as this is a flat rate.

How and when to claim fees and expenses

- 19** All fees and expenses must be detailed using the FRC Tribunal Panel Fees & Expenses Claim Form ('Claim Form') provided at the time of appointment. If further copies are required, a copy can be obtained from the FRC's Conduct Lawyer or Governance Associate or by accessing the electronic form on the FRC's website at [insert link].
- 20** All claims must be returned to the Conduct Lawyer or Governance Associate for approval within the first week of the month after the fees and/or expenses are incurred. Expenses, other than overnight subsistence, must be supported by receipts or payment slips. Consideration will be given to reimbursing minor expenses without a receipt but an explanation for the lack of receipt is required and should be included on the Claim Form.

**Issued by the Conduct Committee of the Financial Reporting Council
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