



Financial Reporting Council

Tribunal Panel Members Fees and Expenses Policy

1 April 2024

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Tribunal Panel Members Fees and Expenses Policy

Introduction

- 1 This policy is issued by the Financial Reporting Council's Board and its Conduct Committee ("the FRC") under the Audit Enforcement Procedure ("AEP"), Accountancy Scheme and Actuarial Scheme (referred to collectively as "the Schemes"), the Auditor Regulatory Sanctions Procedure and the Crown Dependencies Recognised Auditor Sanctions Procedure (referred to collectively as "the Sanctions Procedures").
- 2 Paragraph 167 of the AEP, paragraph 3 of the Schemes, and paragraph 3.1 of the Sanctions Procedures empower:
 - i. The Board or Conduct Committee, as appropriate, to provide guidance to the Convener, any Tribunals and any Enforcement Committee (under the Sanctions Procedure), who shall have regard to such guidance, concerning the exercise of their duties under the AEP, Schemes and Sanctions Procedures.
 - ii. The Conduct Committee to authorise the remuneration of the members of any Tribunal, the Convener and any other persons.
- 2 It is important that the FRC operates, 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 and Enforcement Committee Members (collectively "Members") appointed in respect of any matter under the AEP, Schemes or the Sanctions Procedures (referred to collectively as the "Enforcement Procedures"). 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:
 - i. £627 for Accountant, Auditor, Actuary and Lay Members; and
 - ii. £1,150 for Legal Chairs.

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.

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- 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 hourly fee rate for preparation work on non-hearing days is:

- i. £96 for Accountant, Auditor, Actuary and Lay Members; and
- ii. £177 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 under the AEP and Schemes 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; and/or
- ii. the preparation work which is the 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, Auditor, Actuary or Lay Members appointed to any Tribunal or Enforcement Committee under the Enforcement Procedures are unsure about what is required of them or what preparation work they should be undertaking, they should seek advice from the Legal Chair.

Cancellation fees

- 10** The Conduct Committee may, in its absolute discretion, approve the payment of any applicable fees or expenses claimed by a Member in respect of hearing days that have been adjourned, cancelled or postponed. The Conduct Committee will only grant such approvals where the decision to adjourn, cancel or postpone has been made by the Tribunal as a result of a request to do so from any party that was made fourteen days or fewer before the relevant hearing day.

- 11** The level of any such payment approved by the Conduct Committee in respect of a Member's fees may not exceed an amount greater than 50% of the combined relevant daily fees that would have been payable to that Member for a period of five business days had the decision to adjourn, cancel or postpone not been taken.

Expenses

- 12** All travel, accommodation and subsistence expenses may be claimed in accordance with the FRC's Travel & Expenses Policy, as amended from time to time.

How and when to claim fees and expenses

- 13 All fees and expenses must be itemised and claimed using the FRC's Tribunal Panel Fees & Expenses Claim Form ("Claim Form"), available on the FRC's website. If VAT is claimed, a VAT invoice will be required. Invoices must be provided by Members in their personal capacity, not via a company.
- 14 Completed Claim Forms must be submitted to the FRC's General Counsel Team at GeneralCounselTeam@frc.org.uk, copying in the FRC's Accounts Team at accounts@frc.org.uk, 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 effective from 1 April 2024



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