

12 February 2016

Policy and Planning Officer  
Financial Reporting Council  
8<sup>th</sup> Floor  
125 London Wall  
London  
EC2Y 5AS

Dear colleague,

**CIPFA RESPONSE TO THE FRC CONSULTATION ON THE DRAFT PLAN AND BUDGET AND LEVY 2016/17**

CIPFA welcomes the opportunity to comment on the draft Plan and Budget and Levy proposals.

CIPFA believes that's the costs of regulation should be shared amongst those benefiting from regulation, we therefore feel that the FRC's proposals to require the RSBs to fully fund the FRC's competent authority activities to be ill thought out and the reasoning behind this proposal insufficiently set out. We feel that the profession has a vested interest in ensuring audit quality and that those benefiting most from the high reputation of UK audit should bear at least part of the cost.

We would also question the justification for such a large increase in fees given the continuing pressure that all the RSBs and profession remain under as a result of continued global economic uncertainty. We ourselves remain under pressure to keep any increase in our membership fees to a minimum particularly given our public sector focus and continuing austerity and cuts in public spending.

We would urge the FRC to review its proposals and activities to ensure that any increase in expenditure is absolutely necessary and to ensure that its costs are met fairly across all those benefiting from its activities.

Yours sincerely



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CIPFA is the only professional accountancy body exclusively dedicated to public finance in the world.

CIPFA, the Chartered Institute of Public Finance and Accountancy, is the professional body for people in public finance. Our 14,000 members work throughout the public services, in national audit agencies, in major accountancy firms, and in other bodies where public money needs to be effectively and efficiently managed.

As the world's only professional accountancy body to specialise in public services, CIPFA's portfolio of qualifications are the foundation for a career in public finance. They include the benchmark professional qualification for public sector accountants as well as a postgraduate diploma for people already working in leadership positions. They are taught by our in-house CIPFA Education and Training Centre as well as other places of learning around the world.

We also champion high performance in public services, translating our experience and insight into clear advice and practical services. They include information and guidance, courses and conferences, property and asset management solutions, consultancy and interim people for a range of public sector clients.

Globally, CIPFA shows the way in public finance by standing up for sound public financial management and good governance. We work with donors, partner governments, accountancy bodies and the public sector around the world to advance public finance and support better public services.

