

Minutes of the QCA Share Schemes Expert Group



Held on: Thursday 2 May 2019, 4.00pm – 5.30pm

Venue: RSM, 25 Farringdon Street, London, EC4A 4AB

Present:

Fiona Bell (Chair)	RSM	FB
Daniel Hepburn (Deputy Chair)	PricewaterhouseCoopers	DH
Tristan Adams	Link Asset Services	TA
Barbara Allen	Stephenson Harwood	BA
Danny Blum	Eversheds Sutherland	DB
Andy Goodman	BDO LLP	AG
Liz Hunter	KPMG	LH
Graham Muir	CMS	GM
Phil Norton	Hewitt New Bridge Street	PN
Isabel Pooley	Grant Thornton	IP
Jennifer Rudman	Prism Cosec	JR
Jack Marshall	Quoted Companies Alliance	JM

1. APOLOGIES

Apologies were received from Emma Bailey, Dave Bareham, Martin Benson, Michael Carter, Stephen Chater, Sara Cohen, David Daws, Stephen Diosi, Elissavet Grout, Juliet Halfhead, Caroline Harwood, Kim Hawkins, Stuart James, Robert Postlethwaite and Richard Sharman.

2. MINUTES OF LAST MEETING (7 February 2019)

The minutes of the last meeting were approved.

3. ISSUES FOR DISCUSSION

	ITEM	ACTION
a)	<p>Expert Group chairs to feedback to the group on conference call with HMRC's share schemes team that took place on 1 May</p> <p>Elisabeth Adams will be moving on to a new directorate, so the group's main new contacts for employee share schemes within HMRC will be Christina Riddell and Sangita Banger. Christina joined the call to provide continuity.</p> <p>FB explained that HMRC have reassessed their engagement practices with external organisations, but would keep communication open through conference calls with the Share Schemes Expert Group. Quarterly calls were agreed to tie in with the quarterly group meetings. FB mentioned that HMRC</p>	

	<p>were also doing this with Share Plan Accounting Group, the Share Plan Lawyers Group and possibly other Groups.</p> <p>The calls will take place on rotational basis between different members of the group, and will occur just before the groups meetings. In an ideal situation, the group would put forward a lawyer, an accountant, an administrator and a remuneration consultant for each call. DH mentioned that HMRC were keen to learn about policy matters, as well as gathering feedback on trends, issues and opinions on guidance.</p> <p>Any general queries that the members of the group may have can be sent to the HMRC enquiries inbox, but it was mentioned that they often won't get picked up, or would be referred to guidance that is particularly broad. However, for day-to-day administrative difficulties and standard technical issues, the enquiries inbox is useful.</p> <p>HMRC is seeking to avoid hypothetical questions that take a lot of time to research.</p> <p>Going forward, Christina and Sangita will be the points of contact. They will be unable to answer technical tax matters but will pass on technical enquiries to the appropriate department.</p> <p><u>Any other issues</u></p> <p>The status of EMI following Brexit was raised as a concern by the group, along with state aid concerns.</p> <p>There is no guidance on filing/registering. It was mentioned that within a previous ERS Bulletin, HMRC had provided a link to a demo on how to complete registering and filing, and that this was a useful tool that no longer existed.</p>	<p>JM to find dates for the next QCA/HMRC call.</p>
<p>b)</p>	<p>Update on the <i>Share Plan Considerations for Smaller Quoted Companies</i> event for QCA members</p> <p>FB reminded the group that the QCA's event <i>Share Plan Considerations for Smaller Quoted Companies</i> is taking place on 8 May 2019.</p>	<p>None.</p>
<p>c)</p>	<p>Questions to raise with the Government Equalities Office on the gender pay gap and how it relates to share schemes</p> <p>FB asked whether the group believed gender pay gap reporting was working, and what the main challenges of it were. It was explained that the Government Equalities Office were open to receive questions on the gender pay gap from the group.</p>	<p>ALL members of the group to send questions to JM to put forward to the GEO.</p>
<p>d)</p>	<p>Future meeting and speaker priorities</p> <p>This item was not discussed.</p>	<p>JM to invite potential guest speakers.</p>

4. COMMUNICATIONS AND FUTURE MEETINGS

	ITEM	ACTION
a)	<p>The project for updating the QCA Audit Committee Audit Guide is progressing and is on course for release in June.</p> <p>This was tabled for information only and not discussed.</p>	None.
b)	<p>YouGov are surveying companies that adopted the QCA Corporate Governance Code to identify any ways in which we might be able to improve the Code and see if we can find evidence that following the QCA Code has helped companies. This will be published in May/June.</p> <p>This was tabled for information only and not discussed.</p>	None.
c)	<p>Henley Business School have been commissioned by the QCA and Downing LLP to undertake a research project to understand the role that NEDs play in smaller growth companies. They are currently in the process of collating the findings from the interviews and focus groups they conducted and will be released in May/June.</p> <p>This was tabled for information only and not discussed.</p>	None.
d)	<p>The bi-annual QCA Small & Mid-Cap Sentiment Index survey is currently in the field and is being administered by YouGov. This is the 22nd wave of the survey going back eight years. All QCA members are encouraged to contribute their views.</p> <p>This was tabled for information only and not discussed.</p>	None.

5. Any Other Business

None.

6. NEXT MEETING

Thursday 18 July 2019, 4.00pm – 5.30pm (Venue: RSM, 25 Farringdon Street, London, EC4A 4AB)