



January 2021

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## Tribunal & Appeal Panel

### Statement of Independence Guidance Notes

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# Tribunal & Appeal Panel Statement of Independence

## Guidance notes

1. This Guidance is issued by the Board under the Accountancy Scheme and the Actuarial Scheme, which empower the Board to provide any Tribunal with guidance concerning the exercise of its duties under each Scheme, who shall have regard to such guidance. It also applies to the Tribunal and Appeal Panel for the FRC's Audit Enforcement Procedure.
2. This document provides guidance to members of the Tribunal Panel who will be required to complete a Statement of Independence whenever they are approached by the Convener to serve on a Tribunal. The declarations in this form are designed to solicit information that might be relevant to a member's suitability to sit on a particular Tribunal. The form should be sent to the Governance Team ([thegovernanceteam@frc.org.uk](mailto:thegovernanceteam@frc.org.uk)), who will provide it to the Convener. It is solely within the discretion of the Convener whether any information provided should result in a member not being appointed to that Tribunal, or whether the information should be disclosed to the parties or on the FRC website.
3. It is crucial that members of a Tribunal should act, and be seen to be acting, objectively and impartially. They should be free of any conflict of interest or any perceived conflict of interest. They should not be biased or prejudiced and should not be involved in taking decisions where there is a real likelihood that they may be perceived to be biased or prejudiced.
4. A conflict of interest and/or suggestion of bias may arise in the following circumstances:
  - a. Having a financial interest in any entity connected with a case;
  - b. Receiving or due to receive a pension from an entity connected with a case;
  - c. Being a current or former partner, member, director or employee of a Member Firm or Former Member Firm which is the subject of the Formal Complaint;
  - d. Being a current or former director, officer or employee of an entity connected with a case;
  - e. Acting or having acted in a professional capacity in relation to the subject matter of a case;
  - f. Having a spouse, partner or immediate family member who has one of the interests outlined above;
  - g. A close personal, business or family relationship with an individual or firm which is the subject of the Formal Complaint;
  - h. Previous involvement in a dispute with an individual or firm which is the subject of the Formal Complaint;
  - i. Involvement in other legal or disciplinary proceedings connected with a case;
  - j. A past or continuing professional involvement with any individual, firm or matter connected with a case;

- k. Publication of views or comments relating to any individual, firm or matter connected with a case
- 5. Any information pertaining to these examples must be disclosed to the Convener. This list should be considered neither prescriptive nor exhaustive.
- 6. Members will not necessarily be precluded from sitting on a Tribunal simply because they make disclosures pursuant to Statement B of the Statement of Independence.
- 7. Some or all of the information provided may need to be disclosed if the member is to be appointed to a Tribunal. Such disclosure would never be more extensive than that necessary to ensure that there is transparency and to prevent any suggestion of perceived bias or prejudice. This may entail disclosure on the FRC's website. If the information given (including information about the value of an investment) in answer to any question is so sensitive that a Member would wish it not to be disclosed, or would wish to limit the circumstances in which it is disclosed, that should be indicated. The text of any disclosure will normally be checked with the member, but if it is not possible to contact the member and there is no indication of sensitivity the Convener will use his discretion and may disclose information declared either to the relevant parties or on the FRC's website.
- 8. When completing the form any doubt should be resolved in favour of disclosure.

**Issued by the FRC Board January 2021**