



Minutes of the QCA Share Schemes Expert Group

Held on: Thursday 20 April 2017

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

(Host: Fiona Bell)

Present:

Fiona Bell (Chairman)	RSM	FB
Barbara Allen	Stephenson Harwood	BA
Danny Blum	Eversheds Sutherland	DB
Stephen Chater	Postlethwaite Solicitors	SC
Andy Goodman	BDO LLP	AG
Daniel Hepburn	PricewaterhouseCoopers LLP	DH
Stuart James	MM & K Limited	SJ
Andrew Quayle	Olswang	AQ
Jennifer Rudman	Prism Cossec	JR
Richard Sharman	FIT Remuneration Consultants	RS
Tim Ward	Quoted Companies Alliance	TW
Lisa Vainio	Quoted Companies Alliance	LV
Callum Anderson (minutes)	Quoted Companies Alliance	CA

In attendance:

Yvonne Batista	HMRC	YB
Hasmukh Dodia	HMRC	HD
Ian Fyffe	Deloitte	IF
Caroline Nye-Wilkins	Mishcon De Reya	CNW

1. WELCOME TO HASMUKH DODIA AND YVONNE BATISTA

FB welcomed HD and YB to the meeting.

HD outlined the online filing process, highlighting the automatic penalties for not completing returns by deadline set for 2015-16 (6 July 2017). YB noted that there had been 8,400 outstanding returns the previous year.

YB explained how preparers could avoid having to pay any penalties. She emphasised that outstanding returns for all registered employee share schemes should be submitted; nil returns should be submitted if there is no reportable event. YB added that if a registration is to be closed, then preparers should refer to ERS Bulletin No.22.

HD and YB noted that, for those preparing to submit 2016-17 returns, there would be no changes to the returns templates. YB provided basic hints and tips for how to complete a return simply and speedily.

YB added that, although there was now a new technical team in place at the HMRC Bootle office, customer service would not necessarily be of the same standard as previously for the first initial months.

HD and YB left the meeting.

2. APOLOGIES

Apologies were received from Emma Bailey, Dave Bareham, Sara Cohen, David Daws, Stephen Diosi, Philip Fisher, Juliet Halfhead Liz Hunter, Shofiq Miah, Graham Muir, Isabel Pooley, Robert Postlethwaite and Nicholas Stretch.

3. MINUTES OF LAST MEETING (2 February 2017)

The minutes were approved.

4. ISSUES FOR DISCUSSION

	ITEM	ACTION
a)	<p>QCA meeting with HM Treasury to discuss EMI with regards to reapplication for state aid</p> <p>FB explained that this meeting had been cancelled due to the general election. She added that the QCA will meet with HM Treasury after 8 June to discuss the potential reapplication of EMI in 2018, as well as EMI's general effectiveness and how it could be improved.</p>	None to note.
b)	<p>OTS consultation – Simplification review of residual paper Stamp Duty on shares: Progress report and call for evidence</p> <p>FB noted that the OTS had issued a call for evidence with regards to simplifying the Stamp Duty process. She asked the Expert Group to pass on any comments they had to CA ahead of the 31 May deadline.</p>	<p>CA to circulate draft response to Expert Group.</p> <p>ALL to comment on draft response.</p>
c)	<p>QCA letter to BEIS regarding the potential amendment of the company law requirement to pay nominal value for shares</p> <p>FB noted that a letter had been sent to BEIS regarding the potential amendment of the company law requirement to pay nominal value for shares. CA explained that BEIS had confirmed receipt of the letter and would hopefully respond in due course, although this may also be affected by the upcoming general election.</p>	None at this stage.

d)	Share Schemes Booklet CA explained that David Daws was continuing work on developing the revised Share Schemes Booklet.	None at this stage.
e)	BEIS Committee report on corporate governance The Expert Group noted that the BEIS Select Committee appeared to misunderstand LTIPs, which was reflected in the report's recommendations. It was agreed that the QCA should reach out to the Committee when it is re-formed after the general election.	None at this stage.
f)	Brexit TW noted that the QCA board's Working Group was continuing to assess how different EU-derived and EU-driven legislation could be modified (if needed) after the UK leaves the EU. He added that the Legal Expert Group had submitted a paper to assist with this. TW explained any thoughts of Expert Group would be welcomed.	ALL to send any observations regarding EU regulation relating to the Expert Group to TW/ LV/CA.

5. COMMUNICATIONS AND FUTURE MEETINGS

	ITEM	ACTION
a)	Policy Update (February 2017) This was tabled for information only and was not discussed.	None to note.
b)	Guest invitations to future meetings It was suggested that the Investment Association or the FCA come along to future meetings.	CA to invite guests to meeting.

6. NEXT MEETING

Thursday 13 July 2017, 4.30pm – 6.00pm (Venue: RSM, 25 Farringdon Street, London, EC4A 4AB
(Host: Fiona Bell))