



Key asks of government



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Chartered Accountants (CAs) play a vital role in our society and economy. The CA designation remains a badge of quality and trust, shown by the fact that CAs hold senior positions in 83% of FTSE companies. Our members and students go beyond the numbers; they possess an ethical mindset, technical skills, professional knowledge, and practical experience that positions them as the business leaders of today and the future.



ICAS is committed to working proactively and constructively with the next government, to make sure that we play our part in building a more sustainable, ethical, and stronger finance profession, to not only support the UK's growth agenda, but also to ensure that we leave a positive legacy for future generations.

Here are our five asks of the next government:

1. Audit and corporate governance reform

The case for audit and corporate governance reform is as strong as it ever has been. The case has been made by the government, opposition parties, business and the accountancy profession, but we're still not much further forward. It's been six years since the collapse of Carillion, which was followed by another major failure at Patisserie Valerie. It's been three years since the Government published the 'Restoring Trust in Audit and Corporate Governance White Paper', and yet, there is still no legislation to tackle these issues.

Corporate failure can't be prevented, but mechanisms can be put in place to make sure that the highest standards of governance and accountability are followed. This increases transparency, so when things do go wrong, contingency planning is improved and the opportunity to learn valuable lessons are increased.

Corporate collapse impacts everyone, from shareholders to staff, suppliers, customers, and those whose pensions are invested with these companies. The public, as well as investors, need to be reassured that audit and corporate governance mechanisms are fit for purpose. To restore that dented trust, there should be no further delay in bringing these recommendations forward.

Our ask:

We want the next government to bring forward legislation to tackle this head on and implement audit and corporate governance reform in its first Parliamentary session in office. It's too important to wait and incur even longer delays on this crucial issue of public trust.



2. Investing in our tax system and HMRC

HMRC urgently needs increased resources to improve its performance in delivering user-friendly systems that help taxpayers meet their tax obligations. Customer service levels must be improved so that basic tax administration works properly for everyone who needs to contact HMRC.

Many of us have heard about or experienced serious delays in customer support from HMRC. Almost everyone has a tale about someone they know spending hours trying to get advice or being put endlessly on hold and eventually giving up. It means people end up paying the wrong tax or no tax at all, and the UK tax gap continues to grow.

Our members see these problems every day, as they advise on the tax affairs of their clients. We know that HMRC wants people and businesses to 'go digital' but making tax digital (MTD) can only happen if HMRC is resourced to invest in this transformation.

Our ask:

We want the next government to fund HMRC to a level that means they can deliver a service that is fit for purpose, helps customers, and closes the tax gap.

3. Making UK business more sustainability focused

We are in a climate emergency. Companies need to be honest about their social and environmental plans, targets and progress. To be sure that what they say about their credentials can be trusted, we need to be able to measure and report on them to a globally agreed, high-quality standard.

The truth is that current sustainability reporting has varying levels of credibility. Even where companies operate in the same sector and the same country, we can't always be sure they are reporting on a comparable basis. The danger is that this can lead to 'greenwashing', where an organisation misrepresents its green credentials and sustainability commitments. These are real global issues, and to dismiss them as an anti-business burden is wrong and misleading.

Globally, we've seen a bumper year on sustainability reporting standards and many countries now have clear adoption plans. The international standards that we've seen so far are a good start, but they don't go far enough, and we're moving too slowly given the pace of change in our climate.

Our ask:

We want the next government to be bolder and adopt comprehensive sustainability reporting standards that reflect the full impact business has on the environment and society. This means quickly putting in place legal mechanisms to enforce mandatory, high quality, international sustainability reporting standards in the UK. Because the planet won't wait.



4. Skills and equipping our profession for the future

Our members are concerned about finding the best qualified and skilled people that they will need in the coming years. We need to make sure that we can grow a pipeline of students with the right skills and talent. One of the biggest challenges is that there aren't enough people coming into the profession, or staying in the profession, to meet demand.

ICAS has just launched the biggest shake-up in how we train accountancy students in our 170-year history, with our new syllabus and new ways of learning. Grounded in ethics, the new syllabus integrates the themes of sustainability, technology, alongside the core technical accountancy skills that the CA qualification is globally renowned for. But we know that students and staff need to come from different routes, not just traditional ones. That means a better, and more joined up system for apprenticeships across the UK, that employers can easily access.

We also want to talk to education leaders about how we teach our young people about personal finance and budgeting. Talking to children in schools about doing the right thing can instill important skills for personal and working life.

Our ask:

We want the next government to support and widen access to the profession through a better system of apprenticeships, which is joined up across the UK.

We also want to see more investment in finance and accounting courses at colleges and universities, where funding has been cut. And we want politicians to support more conversations about doing the right thing, money and budgeting at a much earlier stage in schools.



5. Clear, consistent, and proportional regulation

The regulatory work of ICAS is based on serving the public interest. Recent years have seen a conveyor belt of proposals to change the ways in which various professional activities are regulated, including insolvency, anti-money laundering, and tax advice. We want to work with government to increase the effectiveness of regulation, but the current uncertainty impacts our members and businesses and restricts their ability to plan.

We often hear from our members and firms that they struggle with the year-on-year changes and increases in regulation. If this trend continues, concerns about attracting people into the profession will grow, and we may find more clients struggling to find a regulated accountant to act for them. We're not anti-regulation, far from it. but we need fair and purposeful regulation.

Our ask:

We want the next government to focus on realistic, proportionate, fair and purposeful regulation, which works to protect and improve the UK's global standing and reputation as a place to do business. Regulation can support and improve our economic growth, but it needs to be developed in partnership with professional bodies and business.

About ICAS

The Institute of Chartered Accountants of Scotland (ICAS) is a global, professional membership organisation and business network for Chartered Accountants. It's also an educator, regulator, examiner and a professional awarding body.

ICAS' diverse membership is made up of over 24,000 world class business professionals who work in the UK and in more than 80 countries around the globe. Members of ICAS are also known by the letters CA, an exclusive professional designation in the UK.

ICAS members operate at the forefront of ethical and sustainable business. Educated, regulated, and led by the highest standards of ethical leadership since 1854, they are at the top of their game. They are trusted professionals that transform business and support one another for the greater good.

Acting in the public interest is the guiding principle of all that ICAS does and we continually work to maintain trust in the finance profession. That ethos is enshrined in ICAS' Code of Ethics – which applies to all members, students and member firms, and is underpinned by our Royal Charter commitment.

ICAS is a member of the Chartered Accountants Worldwide Network, a global family that brings together the members of 15 leading institutes to create a community of over 1.8 million Chartered Accountants and students in more than 190 countries.

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