

Kate Forbes MSP  
Cabinet Secretary for Finance and Economy  
The Scottish Government  
By Email

2 December 2021

Dear Kate,

**Scottish Budget 2022-23**

As you are aware ACCA (the Association of Chartered Certified Accountants) is the global professional body for professional accountants, with members and future members based in 178 countries.

In Scotland we support nearly 10,000 members and future members, working across a range of sectors including in practice as critical advisors to SMEs, in the public sector, public practice, financial services, manufacturing and all key sectors of the economy. And, with significant parts of our global headquarters based in Glasgow and employing over 500 people, we are also a large Scottish employer.

We believe that an accountancy sector of the highest ethical standard is the cornerstone profession of society and is vital to help economies, organisations and individuals to grow and prosper. Through our work we are committed to offer everyone everywhere the opportunity to experience a rewarding career in accountancy, finance and management.

Given the wide-ranging experience of our members in Scotland I wanted to write to you to set out some key points ahead of publication of the Scottish Budget later this month.

Firstly, in the wake of COP26 and the Glasgow Climate Pact, we are dedicated to playing our part to help Scotland meet its climate ambitions. Not only are our members key trusted advisors to many of Scotland's small businesses but, whether working in public or private sector, they are custodians of much of the data that will be required to keep our climate plans on track.

We are in discussions with your officials about how best to support small businesses to adapt their operations. We will be particularly keen to ensure that we consider how intermediaries, such as those accountants in public practice, have access to the right information and tools to help small firms. However, with reference to the forthcoming Budget specifically, we are aware of the increasing demand on Zero Waste Scotland's business

support services and understand it may have been running close to peak capacity this year. While it's positive that many small businesses have come forward to seek support, with demand only likely to increase in the coming year, it will be important to ensure that Zero Waste Scotland is resourced to respond to business demand in a timely and effective manner.

As part of global climate plans we expect to see an expansion of monitoring and reporting on emissions in coming years, whether in the public, private or third sectors. Increasingly, this will be pushed down supply chains (whether public or private) to smaller businesses and organisations. In our [recent report](#), published jointly with the ICC and Sage, we highlighted the urgent need to begin to streamline, simplify and automate this process to avoid an unnecessary burden on small businesses.

We would be very keen to start a conversation with your officials to explore the implications of net zero reporting in Scotland – whether understanding what the Scottish Government itself plans to ask of its suppliers, or how we can develop a joined-up approach with larger firms operating in Scotland. While immediate actions in small businesses are understandably a priority, focusing on these important foundations now will also be key to meeting Scotland's net zero objective.

Secondly, as highlighted above, at our core is our mission to ensure the accountancy profession is a force for public good. Key to this is our activity to support the next generation of finance professionals in Scotland by ensuring accessible routes into the profession. We work closely with SDS and Scottish employers on the development and delivery of training opportunities, from free online courses, to modern apprenticeships and professional qualifications.

We warmly welcome the recent launch of the new digital learning platform from SDS, designed to offer free online training courses to those aged over 25 who want to learn new skills. We hope that, in time, we can move to a more flexible approach whereby individuals have a personal learning budget, or 'skills wallet'. Offering a broader range of accessible training options beyond traditional approaches, such as apprenticeships or degrees, is going to be key to boosting the reskilling and upskilling we need to see across our current workforce. We recognise that the new platform has been launched as a pilot until mid-July, however, should it receive positive evaluation, we should ensure that the service is resourced to continue and, indeed, expanded, to encompass a broader range of courses and providers. We look forward to continuing to work with SDS on this exciting development in our training landscape.

Lastly, we are keen to ensure a tax environment that not only enables the country to recover from the pandemic but supports our transition to net zero. We were pleased to respond to the recent Scottish Government consultation on the tax framework, highlighting the principles of simplicity, certainty and stability, as set out in our [2020 report](#).

Notwithstanding stability, we need a tax system that is responsive to a changing landscape, not least ensuring that Scotland's tax framework does not place businesses at a competitive disadvantage. We are keen to consider how we can use the available fiscal levers in Scotland to embed a green recovery. The £4bn post-pandemic debt burden carried by SMEs in Scotland may harm their ability to invest in adaptations, such as energy efficient property fit-outs which could include solar panelling, smart meters, thermal insulation or replacement

of doors and windows. Exploring how NDR reliefs, such as the business growth accelerator scheme, can be used to full effect or indeed further expanded, to incentivise green investment in business premises (by allowing time for savings from investment to be realised before rateable value uplifts take effect) would be a helpful first step.

I hope these comments are useful. We are, of course, happy to discuss any of these points in more detail. We look forward to working with you as we play our part to support Scotland's economy.

Yours sincerely,

Susan

**Susan Love**  
**Strategic Engagement**  
**ACCA Scotland**