

Shaping your ACCA

**Public Sector
focus groups 2018**



ACCA conducted three consultative meetings in Glasgow, Birmingham and London respectively with members working in the UK public sector. ACCA defines “public sector” as central and local government, education and not-for-profit organisations and every effort was made to invite members from all these sectors to the consultative meetings.

Disclaimer

The views expressed are those of ACCA members attending the focus groups, and do not necessarily reflect the views of ACCA.

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1. Key Issues and Challenges

Recruitment
Roles/Skills/Training
Apprenticeships
Partnerships

A particularly challenging area in terms of demand of skills is mid-career qualified staff.

In light of events at Carillion, new skills and approaches to outsourcing will need to be developed.

Recruitment

The recruitment crisis in the public sector needs to be tackled. In Scotland, government funding is changing substantially and recruitment budgets have been frozen, making it harder to take on new staff. As a consequence, the government is downsizing and making redundancies causing uncertainty. Devolution is causing a need for a growing finance function and budget freezes mean that a “grow your own” approach has to be used to fill these posts.

A particularly challenging area in terms of demand of skills is mid-career qualified staff. There seems to be significant competition coming from the Big 4 and the private sector which makes this talent acquisition task quite challenging.

For the third sector recruitment is a struggle for fundraising, finance and digital roles due to a very competitive market, however staff retention rates tend to be higher.

Roles/Skills/Training

Broader skills are needed to succeed in the public sector. Accountants are becoming more multi-disciplinary and better soft skills are required. The public sector seems to have a common feeling of uncertainty and lack of identity due to the broad nature of the sector. As it combines so many functions, most members do not fully identify themselves as working for the ‘public sector’ as such.

Some members raised concerns about staff sometimes being only part-qualified. These people typically have a lot of work experience but never progress through the qualification because their reputation has carried them through on an interim basis. Also members mentioned that strategy and coaching skills placed together into a mentoring scheme would be greatly beneficial for the sector.

The housing sector is increasingly demanding commercialism as it is slowly moving towards a more commercial model. A strategic business approach is needed to tackle this change and so commercial skills are in high demand at the moment. Progress towards this approach is currently slow due to a concern with regard to the risks involved.

In light of the recent Carillion story, skills and approaches around the impact of outsourcing and the pros/cons of an outcome based alternative delivery model will need to be developed.

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CIPD was suggested as a useful organisation, in particular to develop thoughts around procurement.

Apprenticeships

Across the board, ACCA members working in the public sector are interested in the apprenticeship levy but feel there is not enough information available. There seems to be a slight lack of awareness around solutions and ideas to enable uptake of the opportunity. Central government departments in England have targets around apprenticeships but in the broader public sector information on the levy and how the funding works would be useful.

Partnerships

We asked the members at our meetings what organisations they felt we should be working with, in the interest of promoting ACCA and the profession in the public sector. The Chartered Institute of Personnel and Development (CIPD) was suggested as a useful organisation, in particular to develop thoughts around procurement and dealing with the legal aspects of contracts and deals.

Members also suggested Social Value UK as a potentially positive partnership to consider, as they look to increase the accounting, measuring and managing of social value from the perspective of those affected by organisations' activities.

Another suggestion made was the Housing Associations' Charitable Trust (HACT) who work with housing providers and their partners to support their work in neighbourhoods and with local communities.

We could also consider partnering with Birmingham-based INLOGOV is the Institute of Local Government Studies, a leading academic centre for teaching on local governance and strategic public management.

Linking up with the Institute of Fundraising could also be a good approach due to their natural closeness between finance and fundraising.

2. Innovations to the qualification

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Innovations to the qualification

There was very positive feedback when the innovations to the qualification were shared. Public sector members seemed to like that the changes to the ACCA qualification are geared towards accountants being problem solvers. There was particular interest around the seven skills quotients that look at the other skills accountants need, beyond technical considerations. The digital quotient was particularly welcome as digitalisation is huge in the public sector. Governance, accountability and scrutiny are also very important across the sector so the development of the ethics and professional skills model was particularly welcomed, as was the fact that ethics continues to be at the heart of the quotients and the qualification itself.

In order to keep the qualification relevant, ACCA should continue providing global high quality leadership and ensuring the standards of the qualification are kept intact.

3. The future of the accountancy profession

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The future of the accountancy profession

Mainly the sector sees the future of the profession as more multidisciplinary with behavioural skills becoming more important, including mentoring and communication skills. Accountants are diversifying into different areas so broader skills are needed to succeed in the profession.

The sector also gave significant importance to ethics and stressed that this should never be taken for granted, particularly within the accountancy profession. Ethics was highlighted as absolutely crucial and the new changes to the ACCA qualification seem to be fit for purpose as they encourage students to check and question day to day tasks in a constructive and ethical way.

Work is becoming increasingly different and accountants are diversifying into different areas. Things change so quickly that it is challenging to adapt in an agile way. Accountants of the future will be much more about advising the functional department on project and performance management.

In the charity sector, where accounts are monitored by donors, there are increasing calls for greater transparency.

4. What members would like to hear from ACCA

With the digitalisation of the sector, public sector members said that it is important for ACCA to continue to provide a strong ethical steer.

The charity sector would welcome specific topics that address their needs such as how to measure the impact of your organisation.

What members would like to hear from ACCA

With the digitalisation of the sector, public sector members said that it is important for ACCA to continue to provide a strong ethical steer. Some members also suggested ACCA could provide more information around the financial aspects of issues such as Brexit or devolution, while at the same time remaining apolitical. Some members would also welcome opportunities to talk to other members across the 'sub-sectors' of the public sector. The public sector panel and LinkedIn could both facilitate this.

In Scotland, members would like ACCA to raise its profile amongst political leaders. Other members suggested ACCA should raise a bit more awareness around public sector regulation. Once they become qualified, members have to read a lot around regulations so webinars or other around these topics would be appreciated.

Members in Birmingham suggested ACCA focuses on project management and cost benefit analysis, sustainable accounting and building contingencies.

A few members asked for technical advice for local authorities from ACCA.

The charity sector would welcome specific topics that address their needs such as how to measure the impact of your organisation, integrated reporting, budgeting and monitoring or social enterprise.

ACCA could also produce activities related to managing finance in troubling times, with a particular focus on local authorities. It is a challenge to measure the social economic benefit so intelligence around best practice and measuring policy impact would be very welcome.

A mentoring scheme for current trainees with their respective public sector organisations would be very welcome by this sector as it helps set the framework.

All the issues raised by the groups will help us to develop our activities in the sector going forward.