

# Higher Apprenticeships in Accountancy, Audit and Tax Level 7

**Higher Apprenticeship**  
Sector consultation

**November 2012**

# Higher Apprenticeship in Accountancy, Audit and Tax

## Foreword: 'building a bridge to the professions'

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### **CEOs and business leaders consistently identify workforce skills amongst their top priorities...**

In PwC's recent Global CEO survey, creating a skilled workforce was identified as the number one investment priority for CEOs globally.

Given that impetus, more and more employers are looking for new ways of recruiting and developing the skills of their future workforce.

With the support of the Higher Apprenticeships Fund and building on the development of the Professional Services Higher Apprenticeship at level 4, equivalent to the first year of university, we are developing what we believe will be a transformational new model for recruitment and development in the professions, a new Higher

Apprenticeship framework at level 7, equivalent to a Master's degree, for the accountancy, audit and tax professionals:

**a transformational new model for recruitment and progression to full chartered status.**

We have been working closely with employers, professional bodies, and Higher and Further Education partners to develop the draft framework presented here.

Before finalising the framework we want to canvas the views of a much wider range of employers and partners. We encourage you to join the discussion and offer your candid comments.



# Higher Apprenticeship in Accountancy, Audit & Tax

## Programme context

**In autumn 2011, the Government launched the Higher Apprenticeship Fund to support the development of a new wave of Apprenticeship frameworks at the very highest levels...**

With support from that Fund we developed a new Higher Apprenticeship in Professional Services framework at level 4 for the professional services with routes in audit, tax and management consulting. The framework was issued in early July 2012 and is now available for employers to use.

Building on success of the Professional Services Higher Apprenticeship we are now

leading the creation of the first ever Higher Apprenticeship at level 7 – taking Apprentices all the way to chartered status.

The new framework includes distinct pathways in:

- Accountancy
- Audit
- Tax

The framework will include a blend of professional qualifications and a new, nationally recognised wider business skill qualification with content taking learners through level 5-7.

The framework will provide an alternative progression route

to high skill careers and chartered status.

Working Groups including a broad cross-section of professional services employers, professional bodies and Higher and Further Education providers have been heavily involved in shaping the detail of the draft framework.

Having responded to feedback gathered through this consultation, we will seek formal approval for the framework from Government.

The new level 7 framework will be available for use from April 2013.

# Higher Apprenticeship in Accountancy, Audit & Tax

## Framework overview

The new framework includes distinct pathways for each of the accountancy, audit, and tax occupations. Each pathway includes a combination of technical knowledge (the professional qualification) taking the Apprentice to full chartered status and competence requirements (business skills).

The business skills will provide the Apprentice with focused areas to develop their skills as effective employees in their chosen profession, in an structured, assessed and accredited manner.



We are keen to see a variety of providers, including HE institutions, develop programmes that cover the content specified in the framework.

# Higher Apprenticeship in Accountancy, Audit & Tax

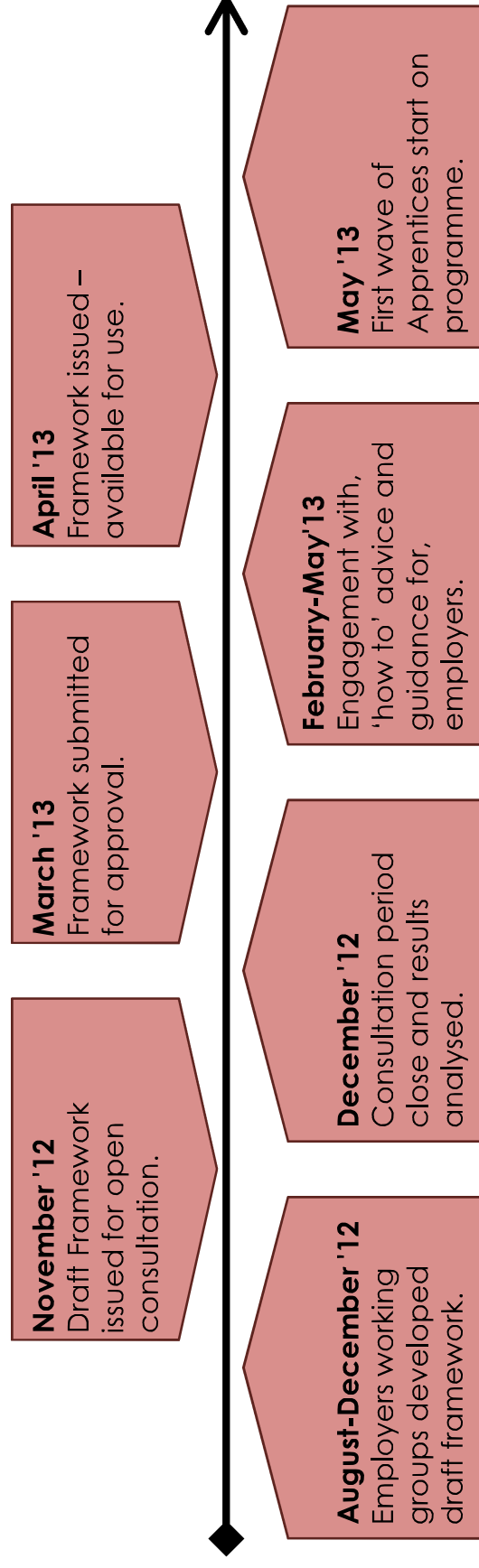
## The consultation process

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*We have been working with a broad cross-section of accountancy, audit and tax employers, professional bodies, and Higher and Further Education providers to develop the draft framework. We are now keen to capture the views of a wider range of employers and partners so that we can reflect your views in the framework...*

You can respond to the consultation by completing the attached response template. If you have any specific questions about the framework or the consultation please contact us at [apprenticeships@uk.pwc.com](mailto:apprenticeships@uk.pwc.com).

**We would welcome consultation response by close on Friday 14 December 2012.**



# Higher Apprenticeship

## The proposed Framework

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# Higher Apprenticeship in Accountancy, Audit & Tax

## The proposed learning content

Professional qualification	Business skills qualification
<ul style="list-style-type: none"><li>Accountancy and audit pathways: ICAEW Chartered Accountant (ACA)</li><li>Tax pathway: CIOT Chartered Tax Adviser (CTA)</li></ul>	<b>Research &amp; analysis</b> <ul style="list-style-type: none"><li><b>Data gathering and research</b><ul style="list-style-type: none"><li>Research strategy</li><li>Research methodology</li><li>Analysis of quantitative and qualitative data</li><li>Knowledge sharing</li></ul></li></ul>
	<b>Insights &amp; decisions</b> <ul style="list-style-type: none"><li><b>Apply business understanding</b><ul style="list-style-type: none"><li>Develop a strategic mindset</li><li>Identify risks / opportunities</li></ul></li><li><b>Business decisions</b><ul style="list-style-type: none"><li>Shape the issue</li><li>Make recommendations</li><li>Benefit and change management</li><li>Ethical implications</li></ul></li></ul>
	<b>Lead &amp; manage projects &amp; people</b> <ul style="list-style-type: none"><li><b>Managing commercials</b><ul style="list-style-type: none"><li>Planning and budgeting</li><li>Resource allocation</li></ul></li><li><b>Inspiring and leading people</b><ul style="list-style-type: none"><li>Lead and manage people</li><li>Consider own leadership role</li></ul></li><li><b>Relationship building</b><ul style="list-style-type: none"><li>Trust and rapport</li><li>Manage customer relationships</li><li>Manage internal relationships</li></ul></li></ul>

# Higher Apprenticeship in Accountancy, Audit & Tax

## The proposed learning content – Tax pathway only

Employer working groups recommend including additional content for the tax pathway, in recognition of the significant step-up in level and focus of learning between the ATT and the CTA qualifications.

The proposed bridging content covers communication skills and business awareness in the context of tax advisory work.

### Communication skills

#### Report writing

- Structure key messages
- Draft effective reports/memos/letters
- Language style and format
- Use appropriate evidence

#### Verbal communication

- Influencing skills
- Presentation style and format
- Communicate advice/ recommendations
- Demonstrate open mindset and listening skills
- Build deep relations and trust
- Assess and adjust own style of communication

### Business awareness

#### Demonstrate business understanding and commercial awareness

- Analyse business models and organisational structures
- Understand business environment and impact of legal systems, ethics, economics, environment, social, regulatory and technological change
- Analyse financial reports and assess financing of a business
- Understand broader implications of tax advice on client

#### Business strategy

- The nature of strategy and its importance
- Difference between strategic and operational issues
- The impact of customer's business strategy



# Higher Apprenticeship in Accountancy, Audit & Tax

## Summary of proposed assessment approach

Section	Assessment approach
<b>1. Professional qualification (ACA / CTA)</b>	<ul style="list-style-type: none"><li>• Standard ACA/CTA papers and other requirements (set and assessed by ICAEW/CIOT)</li></ul>
<b>2. Research and Analysis</b>	<ul style="list-style-type: none"><li>• Work-based assessment which may include:</li></ul>
<b>3. Insights and Decisions</b>	<ul style="list-style-type: none"><li>- Portfolio of evidence</li><li>- Reflective statements</li><li>- Work based projects</li><li>- Written reflective assignments</li></ul>
<b>4. Lead and manage people and projects</b>	
<b>5. Communication &amp; Business Awareness (Tax pathway only)</b>	

# Job roles and entry criteria

## Audit & Accountancy pathways

Job title	Audit route	Accountancy route
Responsibilities	<ul style="list-style-type: none"> <li>• External/internal audit senior trainee</li> <li>• Brief and coach junior staff and review work undertaken by junior staff</li> <li>• Plan internal/external audit engagements</li> <li>• Completion of audit engagements</li> <li>• Carry out all major sections of an audit</li> <li>• Communication with client and senior team</li> </ul>	<ul style="list-style-type: none"> <li>• Accountancy senior trainee</li> <li>• Brief and coach junior staff and review work undertaken by junior staff</li> <li>• Plan projects/engagements/reporting cycle</li> <li>• Prepare/contribute to reports depending on complexity of client</li> <li>• Maintain accountancy records</li> <li>• Prepare financial accounts/ management information</li> <li>• Advise on business transactions</li> <li>• Contribute to financial statements</li> </ul>
Entry criteria	<p>Recommended minimum entry requirements:</p> <ul style="list-style-type: none"> <li>• Level 4 Professional Services Higher Apprenticeship</li> <li>• Level 4 accountancy Higher Apprenticeship</li> <li>• ICAEW's Certificate in Finance Accounting and Business (CFAB) / AAT Accounting qualification</li> <li>• Other relevant audit and accountancy qualifications</li> <li>• Appropriate level of English, maths and ICT</li> </ul>	

# Job roles and entry criteria

## Tax pathway

Job title	<ul style="list-style-type: none"><li>• Tax senior trainee</li></ul>
Responsibilities	<ul style="list-style-type: none"><li>• Manage preparation and submission of tax returns, tax computations and forms to meet client's tax obligations</li><li>• Plan compliance cycle</li><li>• Research and analyse tax information sources</li><li>• Meet with clients and collate information in relation to tax advisory</li><li>• Assist with provision of tax advisory consultancy services (transactional and structural)</li><li>• Liaise with audit and assist with tax related elements of audit</li><li>• Liaise with tax authorities and handle enquiries</li><li>• Brief and coach junior staff and review work undertaken by junior staff</li><li>• Ongoing development of technical knowledge</li></ul>
Entry criteria	<p>Minimum entry requirements:</p> <ul style="list-style-type: none"><li>• Level 4 Professional Services Higher Apprenticeship (including the ATT qualification)</li><li>• ATT qualification</li><li>• Other routes accepted for entry to CTA</li></ul> <p>Recommended requirements:</p> <ul style="list-style-type: none"><li>• Appropriate level of English, maths and ICT</li></ul>

# Underpinning requirements

## All pathways

Employee Rights and Responsibilities (ERR)	<p>Apprentices are required as part of their Apprenticeship to gain an understanding of Employee Rights &amp; Responsibilities (ERR) e.g. statutory rights &amp; responsibilities, expected behaviour at work, etc.</p> <p>We propose that this is delivered via the Financial Skills Partnership (FSP) Apprentice Workbook (available online) which provides a simple way for Apprentices to work through the content.</p> <p>This might appropriately be delivered during induction as it will build upon and complement many employers' in-house induction and compliance training.</p>
Functional Skills	Personal Learning and Thinking Skills (PLTS)
<p>We anticipate that functional skills (or equivalent qualifications) are not required to be included in the level 7 framework.</p> <p>We would however expect that learners should come in to the Higher Apprenticeship with the appropriate levels in English, maths and ICT already achieved.</p>	<p>We anticipate that PLTS will be included within the qualifications included in the framework.</p>

# Higher Apprenticeship in Accountancy, Audit & Tax

## What is not mandated by the Framework?

Job titles	Although we have set out the broad job roles for which the Framework is applicable, employers may choose the job titles that Apprentices have
Entry criteria	We have suggested ranges but this is at employers' discretion
Salary	At employers' discretion (subject to national requirements that Apprentices be employed at least 30 hours a week and paid the Apprenticeship minimum wage)
Length of programme	No set length - except for the national requirement for minimum 1 year length for younger Apprentices and the length of work experience required for professional qualification. We expect that most employers will choose a length of around 24 – 36 months
Work undertaken	While Apprentices will need to gain experience in the types of work set out in the Framework, work allocation and scheduling decisions (e.g. a few long projects or many short ones, whether Apprentices gain a specialism or remain more generalist) is at employers' discretion
Training provider	Employers may work with a training provider of their choice
Onward progression from Framework	While we expect that most Apprentices will progress onwards to more senior roles with their employer, employers are not required to commit to this from the start

# Higher Apprenticeship in Accountancy, Audit & Tax

## Details of learning outcomes

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# Professional qualification content detail

## Accountancy and audit pathways

### ACA by ICAEW

	Advanced	<ul style="list-style-type: none"> <li>• Corporate reporting</li> <li>• Strategic Business Management</li> <li>• Case study</li> </ul>
<b>Exams</b>	Professional level	<ul style="list-style-type: none"> <li>• Audit and Assurance</li> <li>• Business Strategy</li> <li>• Financial Accounting and Reporting</li> </ul>
	Certificate level*	<ul style="list-style-type: none"> <li>• Financial Management</li> <li>• Tax Compliance</li> <li>• Business Planning: Taxation</li> </ul>
		<ul style="list-style-type: none"> <li>• Law</li> <li>• Management Information</li> <li>• Principles of Taxation</li> </ul>
<b>Initial professional development</b>		<ul style="list-style-type: none"> <li>• Accounting</li> <li>• Assurance</li> <li>• Business and Finance</li> </ul>
		<ul style="list-style-type: none"> <li>• Communication</li> <li>• Team-working</li> <li>• Decision-making</li> <li>• Consideration</li> </ul>
<b>Technical work experience</b>		<ul style="list-style-type: none"> <li>• Adding Value</li> <li>• Problem Solving</li> <li>• Technical Competence</li> </ul>
		<ul style="list-style-type: none"> <li>• 450 days technical work experience</li> </ul>
<b>Ethics</b>		<p>Ethics is embedded throughout the qualification and there are specific learning outcomes included all the modules and elements of the qualification. Ethics is covered in three ways:</p> <ul style="list-style-type: none"> <li>• Knowledge of ICAEW Code of Ethics</li> <li>• Application of ethics requirements</li> <li>• Practical application of ethical conduct and decision making</li> </ul>

\*Apprentices that have completed Level 4 Professional Services Higher Apprenticeship or the Level 4 Accountancy Higher Apprenticeship may be exempt from some, or all, of these modules.

# Professional qualification content detail

## Tax pathway – Direct Tax

CTA (Direct tax) by CIOT		
<b>Exams</b>	Advisory (2 of 6 papers)	<ul style="list-style-type: none"> <li>• Taxation of Owner- Managed Businesses</li> <li>• Taxation of Individuals</li> <li>• VAT on UK Domestic Transactions</li> <li>• VAT on Cross-Border Transactions &amp; other Indirect Taxes</li> <li>• Inheritance Tax, Trusts &amp; Estates</li> <li>• Advanced Corporation Tax</li> </ul>
	Awareness (3 of 5 modules)	<ul style="list-style-type: none"> <li>• Taxation of Unincorporated Businesses</li> <li>• Taxation of Individuals</li> <li>• VAT including Stamp Taxes</li> <li>• Inheritance Tax, Trusts &amp; Estates</li> <li>• Corporation Tax</li> </ul>
	Application & interaction (1 case study)	<ul style="list-style-type: none"> <li>• Taxation of Owner-Managed Businesses</li> <li>• VAT &amp; other Indirect Taxes</li> <li>• Taxation of Individuals, Trusts &amp; Estates</li> <li>• Taxation of Companies</li> </ul>
<b>Law*</b>	E- assessment	Knowledge of law within the relevant areas of tax.
<b>Professional responsibilities and ethics*</b>	E-assessment	Understanding of the obligations of a Chartered Tax Adviser in the areas of professional responsibilities and ethics.
<b>Professional experience</b>		Admission to the CIOT is dependent upon demonstrating three years' relevant recent professional experience.

\*Apprentices that have completed Level 4 Professional Services Higher Apprenticeship Tax pathway may be exempt from some, or all, of these modules.



# Professional qualification content detail

## Tax pathway – Indirect Tax

CTA (Indirect tax) by CIOT		
	Advisory	<ul style="list-style-type: none"> <li>• VAT on UK Domestic Transactions , IPT and SDLT</li> <li>• VAT on Cross-Border Transactions and Customs Duties</li> </ul>
Exams	Awareness (3 modules)	Compulsory: <ul style="list-style-type: none"> <li>• Accounting</li> <li>• Other Indirect Taxes</li> </ul> One of either: <ul style="list-style-type: none"> <li>• Taxation of Unincorporated Businesses</li> <li>• Corporation Tax</li> </ul>
	Application & interaction	<ul style="list-style-type: none"> <li>• VAT &amp; other Indirect Taxes</li> </ul>
Law*	E- assessment	Knowledge of law within the relevant areas of tax.
Professional responsibilities and ethics*	E-assessment	Understanding of the obligations of a Chartered Tax Adviser in the areas of professional responsibilities and ethics.
Professional experience		Admission to the CIOT is dependent upon demonstrating three years relevant recent professional experience.

\*Apprentices that have completed Level 4 Professional Services Higher Apprenticeship Tax pathway may be exempt from some, or all, of these modules.

# Business skill qualification content detail

## 1. Research and Analysis

Topic	Sub-topics	Content
Data gathering and research	Research strategy	<ul style="list-style-type: none"><li>• Develop a data gathering strategy</li><li>• Understand types of data</li><li>• Determine what data is required</li><li>• Identify appropriate sources of data for reliability, accuracy and weight</li></ul>
	Research methodology	<ul style="list-style-type: none"><li>• Agree appropriate method, tools and techniques for data gathering (primary and secondary)</li><li>• Design primary research data collection tools (surveys, questionnaires etc) and format (interview, workshop)</li><li>• Identify appropriate and relevant secondary data sources</li><li>• Collect appropriate quantitative and qualitative data (as appropriate and required)</li><li>• Work collaboratively with customer and stakeholders to gather required data</li><li>• Validate data obtained and identify assumptions</li></ul>
	Analysis of quantitative and qualitative data	<ul style="list-style-type: none"><li>• Construct a targeted and efficient approach to data analysis</li><li>• Complete detailed analysis using appropriate techniques</li><li>• Apply strategic thinking to maximise insights</li><li>• Challenge and validate findings, identify areas of risk and identify assumptions</li><li>• Interpret research findings in the wider context and identify wider implications</li></ul>
	Knowledge sharing	<ul style="list-style-type: none"><li>• Identify appropriate channel, format and audience for knowledge sharing</li><li>• Present data in accessible, logical and effective manner appropriate to the situation and audience</li><li>• Share knowledge and insights gained</li></ul>

# Business skill qualification content detail

## 2. Insights and Decisions

Topic	Sub-topics	Content
Apply business understanding	Develop a strategic mindset	<ul style="list-style-type: none"><li>• Apply understanding of the wider context and business and industry trends</li><li>• Identify key issues that are likely to interest and impact on different projects and stakeholders</li><li>• Apply a range of techniques and tools for effective strategic thinking</li><li>• Develop and apply creative, critical and innovative thinking skills and techniques</li></ul>
	Identify risks / opportunities	<ul style="list-style-type: none"><li>• Use a range of tools (dialogue, conversations, research etc) as appropriate to gain understanding of customers' issues</li><li>• Articulate and anticipate customers' needs, and identify strategic opportunities and risks</li><li>• Demonstrate and explain how own employer's services and products can meet customer's needs, and when they cannot</li></ul>
Business decisions	Shape the issue	<ul style="list-style-type: none"><li>• Define and articulate the situation, problem(s) and issues to be resolved</li><li>• Complete stakeholder mapping</li></ul>
	Make recommendations	<ul style="list-style-type: none"><li>• Use different options appraisals techniques and methods</li><li>• Consider appropriateness of appraisal methods and assess strength and weaknesses</li><li>• Evaluate the best way forward using appropriate methods and build scenarios to describe possible future states</li><li>• Make recommendations</li><li>• Articulate measurable benefits and objectives</li></ul>
	Benefit & change management	<ul style="list-style-type: none"><li>• Input to stakeholder management and communication planning</li><li>• Assess organisational dynamics to inform the communications and/or change approach</li></ul>
	Ethical implications	<ul style="list-style-type: none"><li>• Assess the ethical implications of recommendations and approach</li><li>• Ensure recommendations and proposed approaches comply with relevant industry ethical standards</li></ul>

# Business skill qualification content detail

## 3. Lead and manage people and projects

Topic	Sub-topics	Content
Managing commercials	Planning and budgeting	<ul style="list-style-type: none"> <li>• Prepare project plans and milestones</li> <li>• Prepare project budget including costs, profitability and value for money (as appropriate)</li> <li>• Manage project financial targets and monitor against plan and budget</li> <li>• Apply appropriate project status reporting</li> </ul>
	Resource allocation	<ul style="list-style-type: none"> <li>• Identify efficient resource requirements and ways of working to meet project objectives, quality standards and budget</li> <li>• Allocate project organisation, roles and responsibilities</li> </ul>
Inspiring and leading people	Lead and manage people	<ul style="list-style-type: none"> <li>• Align team with a shared vision</li> <li>• Communicate what is expected from team members in their role and their responsibilities</li> <li>• Understand and allocate tasks based on team member's skills, aspirations and development objectives and ensure these align with project objectives</li> <li>• Employ motivational factors and recognise the contribution of team members</li> <li>• Consider diverse views, cultures and individual's needs</li> <li>• Intervene to address performance issues</li> </ul>
	Consider own leadership role	<ul style="list-style-type: none"> <li>• Understand different leadership styles</li> <li>• Assess own leadership style and role</li> <li>• Adapt personal style to achieve higher performance of self and other team members</li> <li>• Demonstrate ethical behaviours and be a role model for junior team members</li> </ul>
Relationship building	Trust and rapport	<ul style="list-style-type: none"> <li>• Understand the importance of rapport and how it helps build relationships and influence</li> <li>• Build rapport in different cultural settings</li> <li>• Build trust with customers and teams to achieve beneficial outcomes</li> <li>• Build effective ways of working</li> </ul>
	Manage customer relationships	<ul style="list-style-type: none"> <li>• Define and apply approach to develop and maintain relationships with customers and stakeholders</li> <li>• Lead project related communication activity with customer(s)</li> <li>• Start to be seen as a trusted business advisor by customer</li> </ul>
	Manage internal relationships	<ul style="list-style-type: none"> <li>• Define and apply approach to develop and maintain internal networks</li> <li>• Promote and seek collaboration across own and/or outside own organisation(s)</li> </ul>

# Business skill qualification content detail

## 4. Business skills (Tax pathway additional topics)

Topic	Sub-topics	Content
Communication skills	Report writing	<ul style="list-style-type: none"> <li>• Use storyboarding and pyramid techniques to structure key messages to be reported on</li> <li>• Draft effective and logical reports / memos / letters to customers</li> <li>• Decide appropriate language style and report format tailored to audience, purpose and objectives</li> <li>• Use appropriate evidence to support advice / recommendations</li> </ul>
	Verbal communication	<ul style="list-style-type: none"> <li>• Apply influencing skills</li> <li>• Employ appropriate presentation style and format to persuade the audience</li> <li>• Communicate advice / recommendations to external stakeholders and senior team members using evidence based, logical and structured arguments</li> <li>• Demonstrate an open mind set, listening skills, interpretation and diplomacy skills</li> <li>• Build deeper relations and trust by being able to talk about complex or sensitive issues</li> <li>• Assess and adjust own style of communication for the situation and audience</li> </ul>
Business awareness	Demonstrate business understanding and commercial awareness	<ul style="list-style-type: none"> <li>• Analyse alternative business models and organisational structures, including corporate governance structure (non-executives, audit committee)</li> <li>• Understand and assess the impact of the business environment: the legal systems, ethical, economic, environmental, social , regulatory and technological change, and international trends</li> <li>• Analyse business financial reports and draw conclusions</li> <li>• Assess the financing of a business (sources, uses and management of finance)</li> <li>• Understand broader implications on client of tax advice in the context of their specific business and organisational circumstance</li> </ul>
	Business strategy	<ul style="list-style-type: none"> <li>• Evaluate of the nature of strategy and its importance in an organisational context</li> <li>• Understand the difference between strategic and operational issues</li> <li>• Evaluate and understand impact of customer's business strategy and identify future challenges and issues, including implications of / for tax advice</li> </ul>