New ATT President makes simplification offer in AGM speech

Briefings



23 August 2023

In his presidential inaugural speech at the ATT's annual general meeting on Thursday 13 July, Simon Groom told the Association's members that he had written to Harriett Baldwin MP, chair of the House of Commons Treasury Committee, encouraging her and her colleagues to canvass the views of the ATT and other professional bodies annually on the government's progress – or lack of it – in simplifying the tax system. He also raised concerns over HMRC service levels and the implementation of Making Tax Digital, as well as speaking about the importance of tax education.

Simon began his speech by thanking his predecessor David Bradshaw and saying how proud he was to become ATT President.

Given my background in tax education, it’s not surprising that ATT, as an educational charity, would end up playing an important role in my life. A student conference role led to involvement in the Education sub-committee. And then to a seat at the Council table.

I have fond memories of my first Council meeting back in 2003. I’ll admit to feeling a little nervous when I made my first contribution. Seated around the table were people I had long respected and looked up to: Council members such as Andrew Hubbard, John Kimmer, Trevor Johnson and Peter Horsman.

But my views were received with respect, as they have been over the years, even if people do not always agree with them. This is one of the great strengths of ATT.

Celebrating ATT

I had great pleasure in attending the ATT admission ceremony last month. Here, we welcomed our newest members into the ATT family. Becoming a member of the Association involves a lot of hard work and a deliberately tough set of exams, so I was delighted to meet them, and their family and friends, to hear their stories and to celebrate with them.

I was struck by the fact that everyone had a different story to tell. We tend to think of new ATT members as being recent graduates or school leavers, but I was amazed to hear from those who had taken what might be called ‘non-traditional’ routes into the tax profession. This only adds to the diversity within ATT and, as a result, a greater richness of debate. I wish them all the very best of luck in their careers and their ATT journeys – hopefully, a few of them will be standing here in my place in the future!

The work we do here at the ATT is so important, and I want to take a moment to celebrate our incredible team. I had the honour of watching our technical team pick up the prestigious award for Outstanding Contribution to Taxation in 2022-23 by a Not-for-profit Organisation at the Tolley’s Taxation Awards. This award is voted for by the public, so it goes to show that what we do is recognised and appreciated well beyond these (virtual) walls.

Ele Theochari, a member of ATT’s Council, was also shortlisted for the Rising Star award, while Will Silsby, who retired as a technical officer in December last year

after more than ten years, made the final eight for Tax Mentor of the Year. The number of nominations shows that we must be doing something right. It's just a shame we couldn't quite follow in the footsteps of Manchester City in winning a treble!

I want to wish Will well in his retirement – and I want to praise our current ATT Technical Team – now four-strong – and the committees they support, for their work for a better, more efficient tax system for all affected by it: taxpayers, their advisers, and the authorities. I won't list everything that they do, but they work tirelessly behind the scenes representing ATT on consultative committees to enable the views of members to be communicated to government.

They work with HMRC to make the tax system better. They educate our members, and the public, by writing topical articles, providing information to the press, delivering webinars and presenting at conferences.

HMRC service levels

We try to ensure that, for the public, the UK tax system is as workable and as fair as possible. But at the moment, calling the system 'workable' is a stretch. The problems currently faced by taxpayers, and their advisers, when trying to get in touch with HMRC, are having a big impact on both businesses and individuals.

In June, we were surprised by the announcement from HMRC that it would pilot a new 'seasonal model' for the Self-Assessment helpline. By 'seasonal model', they mean the closure of the helpline for three months over the summer. If it seems like only a few weeks since they were encouraging taxpayers to file their returns early, that's because it was! I think this is what you call mixed messages!

Over the summer, taxpayers are being encouraged to use HMRC's digital services instead. But many of us are concerned that those unable to find the answers that they are seeking will turn towards unofficial sources such as online forums. This increases the risk that they will receive inaccurate advice or no advice at all.

This is just one more example that HMRC is overwhelmed with the demands placed on it, without being given the resources to deliver. The tax system is becoming ever more complex and HMRC cannot meet the demands of that complexity. HMRC must have the resources to provide the services needed by taxpayers to assist them with

their filing obligations. This is something we have repeatedly called for and without which it is unlikely that services will improve.

Tax simplification

The ATT has also long extolled the virtues of simplicity in the tax system. We want to ensure that all taxpayers are clear on their responsibilities, and those of HMRC. So we regret the decision to abolish the Office of Tax Simplification. We spoke out against it. We asked the government to reverse it. But they still went ahead.

Instead, we are promised that simplification will be ‘embedded’ in tax policy making. But what does this mean? Alongside other professional bodies, we wrote to the Financial Secretary in April offering our support to help officials achieve simplification. We set out a number of processes which the government should introduce to demonstrate its commitment to simplification. We met with the minister in May, to try to persuade her of these.

One positive note is the announcement during the debate on the Finance Bill that the government will provide Parliament with an annual report on progress towards simplification. The keen interest in this issue being taken by the Treasury Committee suggests there will be pressure on ministers and officials to deliver on the simplification agenda.

We will play our part in holding them to account. I have written today to the Chair of the Treasury Committee, encouraging her and her colleagues to consult us and other professional bodies on progress towards simplification, alongside the government’s own annual reports. Ministers should not be left to mark their own homework!

Making Tax Digital

And talking of homework, what marks would you give HMRC for their costing of Making Tax Digital? For years, we have warned that HMRC’s estimates for the scheme have vastly underestimated costs to taxpayers and overestimated benefits to the exchequer. Now the National Audit Office have agreed. Their report last month was scathing. You have to wonder how dimly HMRC would have viewed this behaviour had a taxpayer acted in the same way.

Despite the delays that have beset MTD, the project is still moving forward too quickly, with a lack of proper testing or piloting. Transferring VAT records onto HMRC's new systems created, in one year, errors totalling more than the scheme is expected to generate by 2034! Perhaps now is the time to pause and take stock before things get further out of control.

Tax education

Given my background in education, it will come as no great surprise that our primary charitable objective at the Association of 'promoting education and the study of tax administration and practice', is extremely important to me. For me, this is not just about our examinations but involves a commitment to educate at all levels to ensure that we never stop learning.

You may not be aware of our education programme aimed at children at both primary and secondary level. We have developed lesson plans and videos which our volunteers can use in schools to both promote tax as a career and educate children as to why tax is important. We even have a video aimed at five to seven year olds – there is nothing like starting early! We would love to have more volunteers doing this, so let us know if this is something you would be interested in.

For those choosing tax as a career, we have a range of qualifications to suit all levels, from our Foundation Level Qualifications to the rigorous ATT modular examinations. Once qualified, members can keep their knowledge up to date by attending any of our varied CPD events.

Conclusion

To conclude, I am honoured and excited to be your President for the year ahead. I'm looking forward to getting out in person to as many events as I can, and meeting you face to face. I want to hear from you – what you think we should be saying, what you think we should be doing. And I invite you to get involved – in our committees and our branches. Your views make the debate richer and contribute to the diversity within ATT.

The ATT is a great ship to captain, but it is our members that put the wind in our sails. So get involved, tell us what you think and help us shape the future of our ATT and our profession. Thank you.

This speech has been lightly abridged. The full speech can be read or viewed at: tinyurl.com/ATT-Groom