candid response

CONSULTATION REPORT

Chartered Institute of Practitioners

12 August 2026

Response to the Professional Standards and Compliance Reform consultation

QUESTIONS ASKED

1. What concerns you most about the proposed reforms, and why?
2. How would the reforms change how you run things day to day?
3. What would make the reforms workable for a practice like yours?
4. What would the reforms cost you in the first year?
5. How ready is your organisation for the change today?
6. What support would you want from the Institute?
7. What would you tell government if you had one sentence?
8. What has changed about the people coming into the profession?
9. What is the biggest pressure on your organisation right now?

300 of 300 conversations · members of Chartered Institute of Practitioners · August 2026

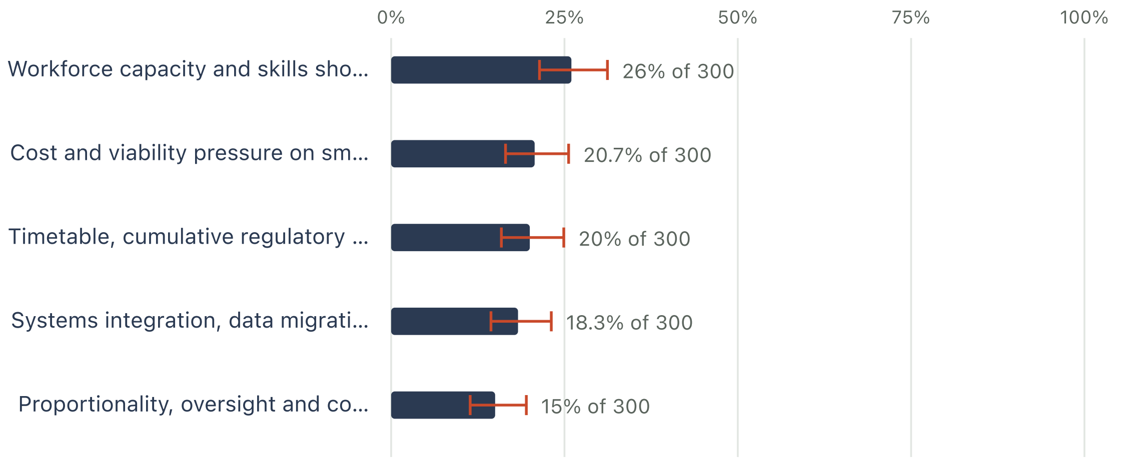
OVERALL SENTIMENT

Leaning mixed

Constructive 17% · Mixed 50% · Concerned 33%

CROSS-CUTTING THEMES

Every member answered question 1, so it is reported here rather than again below.



Bars show the share of responses raising each theme. The coral range is where the true figure for this sample most likely sits, at 95% confidence.

Workforce capacity and skills shortage 26% of 300 (95% CI 21.4–31.2%)

Cost and viability pressure on smaller practices 20.7% of 300 (95% CI 16.5–25.6%)

Timetable, cumulative regulatory load and change management 20% of 300 (95% CI 15.9–24.9%)

Systems integration, data migration and legacy estate risk 18.3% of 300 (95% CI 14.4–23.1%)

Proportionality, oversight and consistency across sites 15% of 300 (95% CI 11.4–19.5%)

WHAT YOUR PEOPLE ARE TELLING YOU

Members are not principally objecting to the direction of travel. They are flagging delivery risk. The single largest concern is people. Firms of all sizes report that they can fund the change but cannot recruit or free up the staff to operationalise it, and the pipeline into the profession is seen as already stretched. Alongside this, smaller practices and sole practitioners describe the cost as genuinely marginal to viability, with software pricing pitched at larger firms and no one internally to absorb the compliance load. Larger firms instead flag multi year systems integration, data migration from legacy platforms, and the difficulty of landing consistent training and supervision across multiple sites.

Cutting across both groups, the timetable is the pressure point. Six months is widely seen as unworkable when set against the cumulative effect of several regulatory changes landing in the same window. Leadership should consider pressing for a longer and phased implementation window, explicit proportionality for smaller firms, transitional support on skills and supervision, and clarity on how this change sequences with the other reforms in flight. Sample messaging to government should separate the funding question from the capacity question, because members are clear these are not the same problem.

BY QUESTION

How would the reforms change how you run things day to day?

The dominant day to day impact, cited by roughly six in ten respondents, is that the reforms would force firms to redirect chargeable staff onto implementation work, at a cost the business cannot easily absorb. Smaller firms and sole operators report an even sharper version of this, with owners expecting to take the work on themselves in evenings because there is no one to delegate to. Together these responses point to a real productivity and capacity hit at the coalface. Larger respondents describe a different but equally significant burden, treating the reforms as a formal change programme, a team restructure lasting months, or a governance workstream reported to the board. Leadership should note that the reforms land as an operational cost in every segment of the membership, and consider pressing for phased timelines, implementation support, or proportionate requirements for smaller firms to prevent client service and revenue from being squeezed.

Diverting fee earners from client work	60% of 75 (95% CI 48.7–70.3%)
Restructuring teams around new processes	10.7% of 75 (95% CI 5.5–19.7%)
Running it as a formal firm-wide change programme	10.7% of 75 (95% CI 5.5–19.7%)
Elevating it to a board-level governance workstream	9.3% of 75 (95% CI 4.6–18%)
Sole operators absorbing the work personally out of hours	9.3% of 75 (95% CI 4.6–18%)

BY QUESTION

What would make the reforms workable for a practice like yours?

The dominant message from members is timing. A clear majority want a longer lead-in so they can absorb the reforms into planned workloads rather than bolting them on top of live projects. Alongside that, a substantial group asks for the timetable to be sequenced with other regulatory changes already in the pipeline, so practices are not hit by simultaneous demands. Workability, in short, hinges as much on when and how the reforms arrive as on their content. A second cluster of responses focuses on proportionality and practical detail. Smaller practices want requirements scaled to their size, warning that a one-size approach places disproportionate cost on the smallest firms. Members also want the technical specification published early to avoid rebuilding integrations, and a competence-based approach to training rather than a prescribed course list, which would let practices develop their own people cost-effectively. Acting on these four levers, phasing, proportionality, early technical clarity and flexible competence, would materially improve implementation.

Longer lead-in time — 61.3% of 75 (95% CI 50–71.5%)

Scale requirements to practice size — 10.7% of 75 (95% CI 5.5–19.7%)

Coordinate with other regulatory changes — 10.7% of 75 (95% CI 5.5–19.7%)

Publish technical specification early — 9.3% of 75 (95% CI 4.6–18%)

Competence framework over prescribed courses — 8% of 75 (95% CI 3.7–16.4%)

BY QUESTION

What would the reforms cost you in the first year?

The dominant message is that the tooling itself is not the issue. Members expect to absorb software or system costs, but the people cost of implementing the reforms, training, running new processes and covering the learning curve, is where the burden lands. A smaller but sharper group of respondents describe the first year cost as material against turnover, either exceeding a quiet month's income with no slack to absorb it, or displacing chargeable client work. A further group frame the outlay as a programme spread over two years rather than a single line item, and others quantify it concretely as licences for a small team plus training, running to several thousand pounds. Across all groups, the constraint is capacity and cashflow, not appetite. For leadership, the actionable read is to press for transition support that targets staff time and lost fee-earning capacity, not just technology grants. Options worth raising include a phased implementation window of at least two years, a de minimis threshold or relief for smaller firms whose first year cost outweighs a month's revenue, and funded training or licence subsidies for small teams. Framing the ask around people cost and displaced client work will resonate more than a pure IT cost narrative.

Software is cheap, staffing is the real cost — 60% of 75 (95% CI 48.7–70.3%)

Distraction from fee-earning client work — 9.3% of 75 (95% CI 4.6–18%)

Licences plus training time, several thousand pounds — 9.3% of 75 (95% CI 4.6–18%)

Exceeds a quiet month's income, no headroom — 9.3% of 75 (95% CI 4.6–18%)

Treated as a multi-year programme cost — 9.3% of 75 (95% CI 4.6–18%)

BY QUESTION

How ready is your organisation for the change today?

The dominant picture is of organisations that have begun preparing but are held back by capacity. In roughly six in ten responses, work is underway yet the people who understand the change are the same people already stretched by day to day delivery. A smaller group has moved further, with a named lead and a plan, though they flag that the draft nature of the rules limits how far they can commit. Another cluster feels as ready as is reasonable given the draft, suggesting readiness is now gated by policy certainty rather than effort. At the other end, a meaningful minority is not yet moving. Some have talked internally but not assigned ownership, and others have gone no further than reading the consultation. For leadership, the actionable read is twofold. First, finalising the rules quickly would unlock the group that is plan ready. Second, targeted support on capacity, worked examples, and a nudge to assign an accountable owner would help the middle and tail of the membership catch up before the change lands.

Started but capacity constrained — 60% of 75 (95% CI 48.7–70.3%)

Ready as possible against a draft — 10.7% of 75 (95% CI 5.5–19.7%)

Discussed but unowned — 10.7% of 75 (95% CI 5.5–19.7%)

Plan and lead in place, awaiting final rules — 9.3% of 75 (95% CI 4.6–18%)

Not started beyond reading the consultation — 9.3% of 75 (95% CI 4.6–18%)

BY QUESTION

What support would you want from the Institute?

The dominant ask, from around six in ten members, is early and clear guidance on what compliance actually requires. Members say a large share of their cost comes not from doing the work but from interpreting the rules, so authoritative interpretation from the Institute would remove duplicated effort across the membership. Practical artefacts, especially adoptable template policies, are the natural companion to this and would let smaller firms move from understanding to implementation quickly. Beyond guidance and templates, three smaller but consistent asks point to a structural role for the Institute. Small firms want a shared compliance service they can buy into collectively, several members want training targeted at middle managers where capability gaps sit, and a further group want the Institute to represent the proportionality argument externally so requirements are not applied uniformly regardless of firm size. Together these suggest a package: interpret, template, train, and advocate.

Response	Share
Early, clear guidance on requirements	61.3% of 75 (95% CI 50–71.5%)
Ready-to-use template policies	10.7% of 75 (95% CI 5.5–19.7%)
Shared compliance service for small firms	9.3% of 75 (95% CI 4.6–18%)
Advocacy on proportionality	9.3% of 75 (95% CI 4.6–18%)
Training for the middle layer	9.3% of 75 (95% CI 4.6–18%)

BY QUESTION

What would you tell government if you had one sentence?

The dominant message from members to government is a plea for certainty. A clear majority want the detail of any new regime published early and then left stable, so that practices can plan and invest without chasing moving targets. This is not a request for lighter rules, it is a request for a settled rulebook and enough lead time to comply properly rather than in a rush. Alongside this, a consistent minority stress that the framework must be designed with the sole practitioner and very small firm in mind, not just organisations with dedicated compliance functions. Members also warn that the workforce and skills the policy assumes are simply not present in the market today, and that proportionality needs to reduce burden on the small as well as scale expectations for the large.

Leadership should press government on three practical asks: publish final detail sooner, lock it down once published, and pair it with a realistic implementation window and a proportionality test that explicitly considers small practices and current skills supply.

Response	Share
Publish detail early and hold it stable	61.3% of 75 (95% CI 50–71.5%)
Rules must work for the smallest practices	10.7% of 75 (95% CI 5.5–19.7%)
Allow realistic time to implement well	10.7% of 75 (95% CI 5.5–19.7%)
Proportionality must apply in both directions	9.3% of 75 (95% CI 4.6–18%)
Assumed skills are not available in the market	8% of 75 (95% CI 3.7–16.4%)

BY QUESTION

What has changed about the people coming into the profession?

Members describe two dominant shifts in the pipeline. First, a majority report that fewer people are entering the profession, and those who do arrive expect a different shape of working life than previous cohorts. Second, a substantial group report that new entrants are technically competent on arrival but tend to leave for industry roles within roughly three years of joining. For leadership, the implication is that recruitment volume and early career retention need to be addressed together. Attracting more entrants will not stabilise the workforce unless the working conditions, career offer, and pay comparators with industry are reviewed so that the first three years become a period people choose to stay in rather than pass through.

Response	Share
Fewer entrants seeking different working lives	56% of 75 (95% CI 44.7–66.7%)
Early attrition to industry	44% of 75 (95% CI 33.3–55.3%)

BY QUESTION

What is the biggest pressure on your organisation right now?

Members report two dominant pressures. The larger group, around 43 of 75, points to cash flow strain as every fixed cost has risen simultaneously, squeezing margins and reserves. The second group, around 32 of 75, highlights the sheer volume of regulatory change landing in a single window, which is stretching compliance capacity and management attention. No other themes emerged from the responses. Together these two pressures account for the entire sample, suggesting a shared operating environment rather than sector-specific issues. Leadership should treat both as immediate priorities. On costs, the body could gather sharper evidence on which fixed cost lines are driving the squeeze and press for targeted relief or phasing. On regulation, there is a clear case for asking government and regulators to sequence or stagger implementation timetables, and to provide practical implementation support, so that firms can absorb changes without diverting cash from core operations.

Cash flow and rising fixed costs 57.3% of 75 (95% CI 46.1–67.9%)

Concurrent regulatory change 42.7% of 75 (95% CI 32.1–53.9%)

IN THEIR OWN WORDS

"We are concerned about proportionality in the other direction: the same rules for us and for a sole practitioner."

Major firms, 250 plus, Scotland

Proportionality, oversight and consistency across sites

"Our worry is the interaction with the other regulatory changes landing in the same window."

Major firms, 250 plus, South East

Timetable, cumulative regulatory load and change management

"Skills, not cost. We can fund the change, we cannot recruit our way out of a national shortage."

Major firms, 250 plus, London

Workforce capacity and skills shortage

"Data migration from our existing systems is where this will go wrong if it goes wrong."

Large firms, 51 to 250, North West

Systems integration, data migration and legacy estate risk

“Our concern is the pipeline. There are not enough qualified people entering the profession to staff this.”

Large firms, 51 to 250, South East

Workforce capacity and skills shortage

“Integration is the risk. Connecting this to what we already run across six offices is the real work.”

Large firms, 51 to 250, London

Systems integration, data migration and legacy estate risk

“Training the middle layer worries me. They are technically strong and have never been through a change like this.”

Mid firms, 11 to 50, North West

“Capacity, not cost. We can fund it, we cannot free anyone up to do it.”

Mid firms, 11 to 50, Midlands

Workforce capacity and skills shortage

“Recruitment is the constraint. We can buy the systems, we cannot buy the people to operate them.”

Mid firms, 11 to 50, London

Workforce capacity and skills shortage

Members’ own words, verified against the transcript and published only with their permission. Minimum group size of five enforced on every slice.

WHERE THE IMPACT FALLS UNEVENLY

Cost and viability pressure on smaller practices

53.3% Sole practitioners   **5%** Mid firms, 11 to 50

For your board: Cost and viability pressure on smaller practices was raised by an estimated 53.3% of Sole practitioners responses against 5% of Mid firms, 11 to 50. The intervals do not overlap, so this gap is worth a closer look rather than being treated as noise.

For a submission: The impact of this is not felt evenly across the membership. It was raised substantially more often by Sole practitioners than by Mid firms, 11 to 50, which suggests any change would bear more heavily on Sole practitioners.

Systems integration, data migration and legacy estate risk

31.7% Large firms, 51 to 250   **5%** Mid firms, 11 to 50

For your board: Systems integration, data migration and legacy estate risk was raised by an estimated 31.7% of Large firms, 51 to 250 responses against 5% of Mid firms, 11 to 50. The intervals do not overlap, so this gap is worth a closer look rather than being treated as noise.

For a submission: The impact of this is not felt evenly across the membership. It was raised substantially more often by Large firms, 51 to 250 than by Mid firms, 11 to 50, which suggests any change would bear more heavily on Large firms, 51 to 250.

RECOMMENDATIONS YOU COULD MAKE

Drafted from the evidence above, each tied to the finding it rests on. These are a starting point for your policy team, not a position we are taking on your behalf.

RECOMMENDATION 1 · THE DEPARTMENT FOR BUSINESS AND TRADE

The Department for Business and Trade should introduce proportionate arrangements for sole practitioners and smaller practices so that compliance costs do not threaten their viability under the reformed regime

Basis. Cost and viability pressure on smaller practices was raised by 20.7% of 300 members, rising to 53.3% among sole practitioners.

Falls hardest on. Sole practitioners

> **Goes beyond the evidence:** 1 of 2 reviewers questioned whether the evidence supports this ask: The subgroup figure (53.3% of sole practitioners) supports concern exists, but the ask for 'proportionate arrangements' is reasonable; however the basis conflates the 20.7% general figure with the sole practitioner subgroup without stating the subgroup size, so the evidence weight is unclear. Worth a second look.

RECOMMENDATION 2 · THE DEPARTMENT FOR BUSINESS AND TRADE

The Department for Business and Trade should reconsider the implementation timetable and sequence the reforms to reduce the cumulative regulatory load on practitioners managing concurrent changes

Basis. Timetable, cumulative regulatory load and change management was raised by 20% of 300 members.

RECOMMENDATION 3 · THE DEPARTMENT FOR BUSINESS AND TRADE

The Department for Business and Trade should provide a workforce and skills plan that addresses the capacity shortage practitioners will face in meeting the new standards

Basis. Workforce capacity and skills shortage was the most frequently raised concern, cited by 26% of 300 members.

RECOMMENDATION 4 · THE DEPARTMENT FOR BUSINESS AND TRADE

The Department for Business and Trade should recognise legacy systems and data migration risk in the compliance framework, with particular regard to larger firms carrying the heaviest integration burden

Basis. Systems integration, data migration and legacy estate risk was raised by 18.3% of 300 members, rising to 31.7% among large firms of 51 to 250 staff.

Falls hardest on. Large firms, 51 to 250

> **Goes beyond the evidence:** The 31.7% subgroup figure refers to firms of 51-250 staff, but the ask singles out 'larger firms carrying the heaviest integration burden' as a factual claim the evidence only shows was raised more often, not that the burden is objectively heaviest.

RECOMMENDATION 5 · THE DEPARTMENT FOR BUSINESS AND TRADE

The Department for Business and Trade should ensure oversight arrangements deliver proportionate and consistent application across sites and practice sizes

Basis. Proportionality, oversight and consistency across sites was raised by 15% of 300 members.

Drafted from your members’ responses, then checked by a second, stronger model for out-of-date bodies and for asks that go beyond the evidence. Anything it flagged is marked above. Review before submitting and edit to your house style.

EVERY THEME, BY GROUP

The full picture rather than the highlights, so you can read it yourself. Each figure is the share of that group who raised the theme, with the group size shown.

	Sole practition... n=60	Small firms, 2 ... n=60	Mid firms, 11 t... n=60	Major firms, 25... n=60	Large firms, 51... n=60
Workforce capacity and skills s...	18.3%	26.7%	40%	28.3%	26.7%
Cost and viability pressure on ...	53.3%	36.7%	5%	15%	18.3%
Timetable, cumulative regulator...	28.3%	20%	35%	16.7%	30%
Systems integration, data migra...	5%	10%	5%	15%	31.7%
Proportionality, oversight and ...	10%	16.7%	25%	25%	10%

Darker means the theme was raised by more of that group. Percentages are of that group, not of everyone.

Theme	Sole practitioners n=60	Small firms, 2 to 10 n=60	Mid firms, 11 to 50 n=60	Major firms, 250 plus n=60	Large firms, 51 to 250 n=60
Workforce capacity and skills shortage	18.3% (11)	26.7% (16)	**40%** (24)	28.3% (17)	26.7% (16)
Cost and viability pressure on smaller practices	**53.3%** (32)	36.7% (22)	5% (3)	15% (9)	18.3% (11)
Timetable, cumulative regulatory load and change management	28.3% (17)	20% (12)	35% (21)	16.7% (10)	30% (18)
Systems integration, data migration and legacy estate risk	5% (3)	10% (6)	5% (3)	15% (9)	31.7% (19)
Proportionality, oversight and consistency across sites	10% (6)	16.7% (10)	25% (15)	25% (15)	10% (6)

WHAT THIS CONSULTATION CANNOT TELL YOU

What concerns you most about the proposed reforms, and why?

No member addressed this question substantively, so it cannot be reported on.

HOW THIS CONSULTATION WAS RUN

This consultation gathered 300 conversations with members of Chartered Institute of Practitioners between 16 July 2026 and 10 August 2026. Members were invited via newsletter, regional branches. Responses were sought across Sole practitioners, Small firms, 2 to 10, Mid firms, 11 to 50, Major firms, 250 plus, Large firms, 51 to 250. Findings represent what those members said, and are reported as the views of respondents rather than as a position of the organisation.

METHOD AND COVERAGE

Responses
300

Fieldwork
16 July 2026 to 10 August 2026

Method
AI-moderated spoken conversation, roughly five minutes, self-completed online

Analysis
Themes were generated by a large language model and reviewed by a person before publication. Prevalence figures are estimates with 95% confidence intervals (Wilson score). Quotes are members' own words, verified against the transcript and published only where the member gave permission. Where groups are compared,

each response was mapped to the validated themes individually so that every figure has a real denominator. Recommendations were checked by a second panel of models, and any public body named in them was verified against the GOV.UK organisation register, retrieved 10 August 2026.

Filled bars are responses received, outlines are what was sought. Coral marks a group we heard from less than intended.

Who answered	Responses	Share	Against quota
Sole practitioners	60	20%	-20
Small firms, 2 to 10	60	20%	+5
Mid firms, 11 to 50	60	20%	+5
Major firms, 250 plus	60	20%	+5
Large firms, 51 to 250	60	20%	+5

WHAT THIS EVIDENCE IS NOT

- Participation was self-selecting, so these findings are not representative of the whole membership and no margin of error against it can be claimed.
- Figures show how often something was raised, not how many members hold the view. Silence on a theme is not disagreement.
- Differences between groups are shown where the intervals do not overlap. They are not significance tests.

ABOUT THIS DOCUMENT

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Enquiries

Enquiries about this report can be sent to hello@candidresponse.com

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