

Spreadsheet

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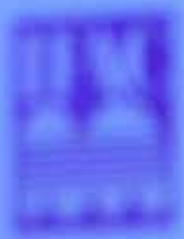
The magazine for CIPFA members and students

MAY 2011

Alan Duncan MP on improving aid effectiveness for

global prosperity

at CIPFA's first international conference



International Federation
of Accountants



International Federation
of Accountants



CIPFA | The Chartered Institute of
Public Finance & Accountancy

In this issue:

- CIPFA in Scotland annual conference
- Getting our governance right
- Cymru-Wales region launches

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Public Finance & Accountancy



It's a marathon not a sprint

It has been a long, hard winter. The speed at which funding reductions have had to be made has meant that even the best prepared organisations have faced an exceptional challenge – the challenge of matching available resources to continued provision of services. These are services provided to the neediest in society – those who depend on public services to make their often difficult lives tolerable – or services which contribute to making this such an attractive country in which to live.

We must now look ahead and ensure the plans for 2011/12 translate into reality and are delivered – to fail would undermine the huge efforts expended in the budget preparation process and exacerbate longer term problems. Rigorous attention to the detail of delivery is essential. We must look wider for medium term solutions to the financial challenge – better use of the “public pound” across all public services, including central government, with a renewed focus on outcomes is the name of the game. And we should take time to reflect on all that we have achieved so far.

This has been a difficult period, yet CIPFA members continue to provide leadership, challenge and solutions as we progress through what for many is uncharted territory. But remember, it's a marathon not a sprint. So stay calm and be measured, don't be tempted to sprint ahead. The rest of the organisation may well need help to keep up.

Jaki Meekings Davis, CIPFA President

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We welcome your feedback on Spreadsheet. Please send your comments and suggestions for future articles to corporate@cipfa.org.uk.

Keeping up with CIPFA

You can now follow CIPFA on Twitter at twitter.com/cipfa or join us on [Facebook](#).



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CIPFA's first international conference

As governments continue to battle with the repercussions from the global financial crisis, CIPFA's first international conference brought together delegates from over forty countries to consider the financial challenges – and their solutions – facing governments around the world.

The conference, *trust and accountability in public financial management*, put the spotlight firmly on the importance of public financial management and included an array of perspectives from speakers such as Department for International Development (DFID) Minister, Alan Duncan MP; Otaviano Canuto, Vice President and Head of the Poverty Reduction and Economic Management Network at the World Bank; Matt Andrews, Harvard Business School, and Andreas Bergmann, Chair of the International Public Sector Accounting Standards Board.

On the third and final day of the conference, the Institute of Chartered Accountants in Australia (ICAA), the New Zealand Institute of Chartered Accountants (NZICA) and CIPFA launched their new tripartite agreement. The agreement means the three institutes will work together to provide a range of services to public sector

finance staff in Australia and New Zealand as well as the wider Asia-Pacific region.

Speaking at the conference CIPFA Chief Executive, Steve Freer said, 'We hope this conference is the start of a movement of "impatient champions", people who are passionate about improving public financial management and to make it happen urgently in the public interest. We are delighted to have the opportunity to work with the ICAA and NZICA to help advance strong public financial management and governance in the Asia-Pacific region'.



Alan Duncan MP



Otaviano Canuto



Justine Greening MP



Ian Ball

IFAC chief honoured at conference

Chief Executive Officer of the International Federation of Accountants (IFAC), Ian Ball has gained CIPFA's highest and rarest honour for his contribution to the global public finance profession. Jaki Meekings Davis presented Ian with the President's medal at the International conference, where Ian was also speaking.

The conference was at the Queen Elizabeth II Centre in London and incorporated the CIPFA/HM Treasury World Class Performance Symposium.

I have come to the view that internationally there is a systematic, pervasive, though possibly not deliberate, ignorance of the critical value of good accounting

Ian Ball, speaking at CIPFA International conference



2011 Eastern and Southern Africa Association of Accountants General Conference

Keeping up with our international work

CIPFA International's lively [website](#) presents the latest news on our international activities including videos from the CIPFA International Conference. You can also watch a series of short videos taken by CIPFA's International Director – Alan Edwards – on a recent visit to Lesotho. The videos illustrate the impact CIPFA training has made not only on government accounting in one of the poorest countries in the world, but also on the students as individuals. Don't miss the baby CIPFA story from the 2010 prizewinner – see the videos at [CIPFA International video](#)

Strengthening PFM in Mozambique

CIPFA's Education and Training Centre continues to bolster its experience in international public financial management (PFM) and contribute to strengthening sound financial management practices across the globe. Chris Lees, Course Director, CETC Midlands has recently returned from five weeks in Mozambique where he was part of a team conducting Mozambique's third public expenditure financial accountability (PEFA) assessment.

PEFA is an assessment of a government's systems of financial management and has global coverage. During this huge evidence gathering exercise, the PEFA team interviews government staff, politicians, donor agencies (such as the European Union, and the Norwegian and Canadian aid agencies) and representatives of civil society. They also scrutinise reports from governments and reports from other bodies, for example the CPAR (Country Procurement Assessment Report).

Once this evidence is gathered the country is scored and the final report is submitted to the PEFA Secretariat in Washington where they are reviewed and placed on its website.

To date, CIPFA's Education and Training Centre has conducted PEFA training in India, Armenia, Tanzania, Frankfurt, London and Brussels.

The Performance Pulse: Managing Performance to Achieve Strategic Outcomes

Public bodies are set to gain greater freedom to develop and devise performance information and measures and to use performance management systems for improvement. This guide will help senior decision makers and managers to redesign their organisations' performance management systems.

Book



the new public services landscape

CIPFA annual conference 2011
5-7 July, Birmingham ICC

The public finance event of the year

If you are responsible for public money and public services, you know that the coming months and years could define your career.

Coping with an unprecedented drop in your organisation's funding, and pushing forward the coalition Government's reform programme, will require expert financial management, change management, and leadership.

Through a plenary programme and practical workshops, this year's CIPFA annual conference will explore each of the critical issues and the key skills you will need to succeed as a new public services landscape emerges.

Workshops topics include:

- New pension challenges
- Funding the Big Society
- Asset transfer pathfinders
- Leadership
- Alternatives investing
- Managing risks
- Modernising finance
- Change management

Speakers include:

Rt Hon Eric Pickles MP – Secretary of State for Communities and Local Government

Daisy McAndrew – Leading political and economic broadcaster

Richard Koo – Chief Economist of the Nomura Research Institute on lessons for the UK from Japan's recession

Rt Hon Margaret Hodge MP – Chair of Parliament's influential Public Accounts Committee

Speakers on the main stage also include:

Hon. Stephanie Neely – City of Chicago's Treasurer

Paul Johnson – Director of the Institute for Fiscal Studies

Book now at www.cipfa.org.uk/conference.

CIPFA | The Chartered Institute of Public Finance & Accountability **PublicFinance**



TISonline – a positive influence

Thank you to everyone who responded to the TISonline user survey in December. [TISonline](#) is CIPFA's online information resource, providing 34 information streams of guidance on the finance and service functions in local authorities and other public bodies.

There was an excellent response to the 2010 survey, with 822 users taking part. The feedback was very positive and gave us helpful suggestions for developing the service further.

Of those responding to the survey:

- 93% rated TISonline as 'good' or 'very good' overall
- 77% visited the website at least monthly
- 88% rated the content as 'good' or 'very good'
- 84% of those using the forums described them as 'good' or 'very good'.

Another notable finding was that 87% of respondents agreed that TISonline influenced them or their organisation in a positive way, for example it increases knowledge and helps with best practice. This highlights the real value of the service

to users and the consequent benefits to their organisation. There was also a substantial increase in the percentage of users accessing the discussion forums (64%).

The feedback told us that users are not so familiar with TISonline instant emails. Instant emails are an excellent way of keeping in touch with latest developments in your area of work because you can opt to only receive updates to the information streams of your choice. To sign up and personalise them to suit your needs, visit the [website](#).

Your survey responses are very valuable to us and have indicated areas for development, which we will act upon over the coming months.

In the meantime, if you have any further comments or would like more information about TISonline, email tisonline@cipfa.org.uk



CIPFA welcomes PDPFL graduates to membership

The recent CIPFA and Warwick Business School (WBS) 'welcome to membership' ceremony celebrated the achievement of students most recently passing the CIPFA/WBS Post Graduate Diploma in Public Finance and Leadership (PDPFL) and joining the Institute. It also provided an opportunity for past students to meet recent graduates and to reflect on the success of the unique CIPFA/WBS programme.

The evening was presided over by CIPFA vice president Chris Bisland, who commended the graduates for their tenacity and self discipline in passing this rigorous test of leadership skills and financial management prowess. Chris also noted that the partnership between Warwick and CIPFA exemplifies what can be achieved through collaboration and combining expertise. The PDPFL, he said, will help to ensure that this watershed period for the public services is managed by effective leaders of the highest quality.



The ceremony was held at Robert Street on 4 April 2011.

Student conference – delivering more for less

The National Student Forum (NSF) have put together a fantastic programme for the student conference on 6 July at the International Conference Centre, Birmingham. After the morning plenaries shared with main annual conference, students are invited to afternoon of topical debate, inspiration and humour – all tailored to be of interest to the aspiring public finance professional.

The main features are:

- Award winning Mike Suarez, finance director at London Borough of Lambeth looking at re-designing and innovating public services in the era of the 'co-operative council'
 - Some hard hitting business messages from motivational speaker Paul Sloane, Destination Innovation
 - An exploration of how laughter in the workplace can lead to healthy working practices and relationships by Kate Hull-Rogers, HumourUs.
- You'll also have the chance to hear from NSF chair for 2011/12, Carl Ford as he takes over from current chair, Jane Çika.

Register at [CIPFA Annual Conference](#)



The CIPFA in Scotland annual conference 2011

With the scale of funding limitations now clear, the CIPFA in Scotland Annual Conference 2011 provided a timely opportunity to explore the impact of the cuts on public services in Scotland. It was also a chance for delegates to offer their own perspectives on approaches to help public service organisations adapt to the challenges ahead.

Craig Marriott, chair of the CIPFA Scottish Branch set the scene. Leaders, he said, must face the future with a clear vision, honesty and courage if we are to overcome the challenges of the current economic situation. Decisions must be focused on the long term to ensure future stability, a task that can be hard to accomplish given the normally short term nature of the political cycle.

Stability rooted in transparency

Stability can only be secured through an economic confidence based on transparency and strong balance sheets, said CIPFA President Jaki Meekings Davis. CIPFA members, she stated, have the skills to ensure that, at the highest levels, costing of proposed legislation is founded on transparent and reliable information. And on the front line they understand how benchmarking can challenge and improve the performance of public services.

Returning to Craig's point about staying the long term course in the face of short term expediency, record-breaking

round the world cyclist Mark Beaumont provided inspiration and some tips. Likening the planning, preparation and execution of change to that of planning a round the world journey he urged delegates to keep focused on the ultimate goal but make good use of interim targets to avoid feeling overwhelmed and to keep motivated.

Sharing expertise and building networks

The conference was about more than listening to other experts, as delegates were invited to contribute their own expertise on achieving effective change. Cross-boundary groups of delegates tackled the issue of improving financial planning in the Scottish public sector with a focus on the 'ideal' situation, the obstructions that currently exist, and the steps to overcome these barriers. This session provided the ideal foundation for members to build some sustainable networks with new colleagues.

The conference ended with a 'Question Time' session, chaired by BBC stalwart Colin MacKay. Panel members were: John Swinney, the Cabinet Secretary for Finance and Sustainable Growth, (SNP), Andy Kerr (Labour), Ross Finnie (Liberal Democrats) and Derek Brownlee (Conservative). With the Scottish Parliament elections imminent the forum provided some keenly anticipated insight into the potential manifesto commitments of the four largest political parties.

Getting our governance right

Look out for your annual general meeting papers and make use of your vote on improving CIPFA's governance.

In 2009, an internal audit of governance recommended that CIPFA should consider longer terms of office for Council members. One year, a single cycle of meetings, could be too short a period for members to really get to grips with the role and fully contribute to Council.

As a result of a consultation last year, Council is to put a motion to members at the 2011 AGM to:

- Extend terms of office to two years; and
- Limit Council members to four terms before requiring a break of at least one term.

The aim is to enable Council members to gain greater knowledge and experience and make more of a contribution before standing for re-election. To balance the extension of the term of office, the Council is proposing to limit the number of terms a Council member may serve to four.

Under the proposals the President and Vice President will continue to be elected annually and serve for one year, while the Treasurer will be elected for two years to account for the particular knowledge and expertise that the role requires.

Annual elections of Council members will continue to take place, but members will elect half of the elected members each year, who will serve for two years; the other half will be elected in the following year.

AGM documents will be sent to members by email in late May (or post if CIPFA doesn't have your email address). The proposals will be considered at the AGM on 5 July. If approved, revised election arrangements are expected to come into effect from the AGM 2012.

2011-12 Council nominations update

Nominations for the 2011-12 Council closed on 25 March, with an encouraging number of members put forward for the 21 seats. Those nominated are being asked to confirm their intention to stand for election. The election will run from late April to late May, and those elected will take up office after the AGM in July.

Representatives nominated by branches and regions will be formally co-opted onto the Council at its first meeting in July.

The Financial Guide for Arms Length Management Organisations (ALMOs)



This new guide is written by Hilary Vaughn a CIPFA and CIMA accountant with an in-depth knowledge of housing finance built up through 15 years experience in the sector. It is an essential working guide for finance staff involved in ALMOs and includes the most recent changes and announcements by the government on regulation and the impact of a self-financing Housing Revenue Account.

Book CD

in brief

CIPFA members among 'most influential'

The Local Government Chronicle (LGC) has named a number of CIPFA qualifieds among its 'Top 50 influential people in local government' including CIPFA chief executive Steve Freer and CIPFA member Rob Whiteman, managing director of Local Government Improvement and Development. Profiling Steve, LGC note 'the profile of CIPFA has climbed' adding 'Mr Freer's quiet influence will be felt during the resource review and related Westminster activities'.



New Social Care Finance Advisory Network

CIPFA's new Social Care Finance Advisory Network's aim is to provide timely, relevant information and events for subscribers. For 2011 the focus is on making the most of the personalisation, transformation and emerging health agendas in the context of the comprehensive spending review.

[Social Care Finance Advisory Network](#)

Jon Crockett announces retirement



Jon Crockett, Chief Executive of Wolverhampton City Primary Care Trust, has announced he will be retiring from his post at the end of September 2011. Jon has been chief executive with the PCT since its creation in 2001

and has worked for 25 years in the NHS in Wolverhampton. He was also the CIPFA Midlands regional president for two years from 2003.

Donald McGougan retiring

CIPFA member Donald McGougan is retiring as Director of Finance at the City of Edinburgh Council. He was at the CIPFA in Scotland annual conference in March, where Jaki Meekings Davis thanked him for his contribution to CIPFA and the public finance profession.



President's diary

Three issues have dominated my experiences and thoughts since the last update. The quest for more radical solutions to our financial predicament: changing relationships in the accountancy profession: and the huge contribution CIPFA members are making to the rebalancing of our public finances.



CIPFA's first International Conference in Public Financial Management in March exceeded all expectations, putting down an unambiguous marker for what CIPFA is about and our unique approach to developing in-country capacity – growing and supporting local institutions.

The event, supported by a remarkable cast of speakers, attracted delegates from more than forty countries and was a fantastic opportunity for the public finance community – donors and recipients – to come together. Following the conference I met the President and representatives from the Institute of Chartered Accountants of Nigeria to finalise plans for our joint work with the World Bank in that country. This is a huge project and an opportunity for us to make a real difference.

A 'can do' attitude

A busy schedule of regional visits confirmed my sense of a strong 'can do' attitude amongst our members. There is also a realisation that a silo mentality won't do. Whether in the South West, Midlands, London, Scotland or the North East the message was the same: CIPFA is in a unique position to facilitate and respond to the urgent need for pan-public

sector working. From my visits to Northern Ireland, Scotland and Wales it appears to me that there is much to be learned from cross border comparisons. My approaching visit to the Republic of Ireland is likely to provide further insights.

A senior team held a 'CIPFA in Europe' visit to Brussels in late March. I attended for a seminal meeting with the Chief Executive of Fédération des Experts Comptables Européens (FEE) – the esteem in which that organisation holds CIPFA and its members in terms of thought leadership and best practice is clear. I believe this visit, though it had a long gestation period, will reap benefits very soon as the EU becomes increasingly aware of the CIPFA brand and offer.

An extraordinary moment in public policy

Closer to home, I'm working with CIPFA staff to support our members in the difficult task of steering the public finances through this tumultuous period. As Sir Peter Housden said at the Scottish Conference '... this is an extraordinary moment in public policy' and in many senses we are privileged to be a part of this resetting of the public finance agenda. My own involvement has included meeting with national and local government politicians and policy makers, informing the 'Big

\ the esteem in which FEE holds CIPFA and its members in terms of thought leadership and best practice is clear

Society' debate, facilitating cross sector working and thinking and, importantly, keeping the door open to ensure that our counsel remains valued. All of this is intended to support you, as CIPFA members – helping to ensure that the policy framework within which you are required to work is feasible, fair and risk aware.

The huge changes in the public sector are inevitably impacting on CIPFA and our operations. A number of change programmes are underway as we work hard to reposition the Institute to secure a healthy future. Considerable time has been spent on this internal agenda – in embedding the new arrangements and ensuring the anticipated benefits of reduced costs, increased accessibility and modern delivery methods are achieved. Change rarely occurs without loss somewhere in the system – the trick is to ensure that losses are minimised and the overall benefits outweigh them.

Outside of the Institute, we have been reacting to CIMA's surprising decision to leave the Consultative Committee of Accountancy Bodies (CCAB). The positive news is that the remaining five members are determined to continue to work closely together to represent the profession and the public interest to the best of our ability.

Working together to build the profession

My personality profile tells me that one of my favourite words is 'interesting' and that, whatever issues are thrown at me, as long as the subject is interesting I'm generally 'up for it'. I could not have hoped for more interesting times. As we move forward into the new financial year, I hope that your year is 'interesting' in a positive way.



Jaki Meekings Davis and Otiviano Canuto at the International Conference

Regions

To find out more about activities in your region or to get more involved in your regional branch contact:

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Launching CIPFA Cymru·Wales

In an historic moment for CIPFA, the all-new CIPFA Cymru·Wales Branch was launched at its inaugural annual general meeting (AGM) on 31 March in Cardiff. The new branch replaces the CIPFA Wales Forum and the Wales areas of North West and North Wales, Midlands, and South Wales and West of England regions.

Retiring chair of the former CIPFA Wales Forum, Chris Taylor, paid tribute to all those who have worked so hard for the creation of the new all-Wales branch. Special appreciation went to Wales Forum members, members of the former

regional societies, the CIPFA president and the CIPFA Robert Street team.

Chris was in turn thanked for his sterling work by the first President of the new branch, Steven O'Donoghue. Steven, along with the 14 other members of the executive was elected at the AGM.

Commenting on Steven's election following the AGM, Adrian Pulham, CIPFA's Director of Education and Membership said: 'We are delighted that Steven will be leading the new CIPFA Cymru·Wales branch at this crucial time for public finances.'

Lord Dafydd Elis-Thomas, Presiding Officer of the National Assembly for Wales, sent a warm message of support. 'I know how much Ken Finch and many other CIPFA members have wanted a properly devolved CIPFA and I am delighted to see it come to fruition. That you should be its first leader is a further cause for celebration'.

The first winner for Wales

The new branch has a new trophy which will be awarded annually in recognition of an outstanding contribution from a CIPFA member. The trophy was a present from the North West Society in memory of the former North West and North Wales region.

Ken Finch was the first winner of this magnificent glass trophy in recognition of his significant contribution to CIPFA activity in Wales and his guiding influence in bringing the new branch to blossom.



North West President Lee Yale Helms with Ken Finch

'I am delighted to see Cymru·Wales come to fruition'

The Rt Hon the Lord Elis-Thomas



Introducing Steven O'Donoghue

Steven was born and raised in Cardiff and was educated at Glan Ely High School, later studying through job release at Coleg Glan Hafren and the University of Glamorgan.

Steven's interest in finance began some twenty years ago when he started work in South Glamorgan County Council. After becoming a CIPFA member in 2000, he moved to Pembrokeshire Coast National Park Authority as Financial Controller – 'a dream job' says Steven, 'where I talked budgets in the fantastic settings of Carew Castle and Castell Henllys'.

Steven joined the National Assembly for Wales at the end of 2005, as Head of Finance and was promoted in 2008 to Head of Assembly Resources, a role that encompasses the Assembly Commission's governance and strategic planning processes, financial services, HR and audit and he is a member of the



Steven O'Donoghue and Chris Taylor

National President, Jaki Meekings Davis gave the keynote address before the focus turned to the technical. In a sobering update on the introduction of IFRS in local authorities Sarah Sheen, a keen CIPFA Wales supporter, emphasised the importance of early planning and extensive preparation – a point echoed by practitioners around the room.

To round off, David Elcock, Director of Finance for HPC Wales transported delegates to Abu Dhabi. He gave a fascinating presentation on his recent experience with the United Arab Emirates public sector where he was helping to develop a model of financial management based on that used in UK government which is seen as a model of best practice.

The branch will be hosting the Conference for the Regions in September and are currently developing a series of events to support the membership across Wales.

For more information on CIPFA Cymru-Wales visit the [website](#).

Assembly Commission's Management Board.

He lives with his family in a small village in Pembrokeshire and his spare time is spent walking the dogs, taxiing his teenage daughters and messing about on the river. He also meets weekly with a good friend to explore the breakfasts of Pembrokeshire! And, he can occasionally be spotted stopping traffic as a marshal for local horse-rides.

'It is an enormous honour for me to be elected as the first President of the new CIPFA Cymru-Wales Branch', says Steven, 'I will use my term of presidency to put in place strong foundations for the new all-Wales branch and build the branch's capacity to support CIPFA members in Wales and ensure that their vote for creating this new branch bears fruit'.

CIPFA South East conference – adapting to the new realities

The CIPFA South East 2011 Spring Conference examined how the public sector is adapting to the radical change agenda underway and what we should, or could, be doing differently.

A quality agenda featured national and regional presenters, an inspiring keynote speech from CIPFA President Jaki Meekings Davis and briefing sessions from Sector Treasury Services and CIPFA Business colleagues. We ended the day with some lively exchanges between delegates and panel members sharing views on the issues facing us all on the new horizons for public services.

Sector Treasury Services Ltd and Zurich Municipal were our headline sponsors who helped us bring this event to you



Presentations and photos from the conference are on the website and full conference and AGM report will be in the forthcoming newsletter.

Updates on our expanded low cost events programme which will bring more local CPD events within reach of more of our members, are also available on the [website](#).



A poignant evening for North East...

By George Clark

As my last official act as chair of the North East Region it was a pleasure to welcome national President Jaki Meekings Davis and 100 members, students and guests to our annual dinner on the 25 March. Held in the appropriately named Assembly Rooms in Newcastle, our region came together to welcome new members, successful students and catch up with old friends.

The night was tinged with sadness as Janice Stait, CIPFA course leader at New College Durham, made a goodbye speech – the college will cease to be a provider of CIPFA courses from June. Our heartfelt thanks go to Janice and her colleagues for their professionalism and the magnificent work they have contributed over nearly 50 years of CIPFA course provision in the North East.

David Clark was on hand to present the David Clark award to student Penelope Norman of North Yorkshire Council for her contribution to CIPFA studies at New College, through teambuilding and leadership.

After the round of speeches we were invited to stand and sing grace



David Clark with Penelope Norman and Jaki Meekings Davis

by our guest speaker – the Reverend Glyn Evans of St Andrews Church in Newcastle. Reverend Evans entertained us brilliantly with a mixture of games, humour and some poignant poetry from prisoners and less fortunate residents in his parish. The night also raised £350

for Homes for Heroes and other charities close to his heart.

It was a wonderful evening and I look forward to next year's in the knowledge that I don't have to give a speech. My thanks to all who took part.

...and a new regional chair

By Richard Martin

On 29 March, CIPFA members and students in the North East region gathered at the Laing Art Gallery in Newcastle-upon-Tyne for the annual general meeting (AGM) of the region, preceded by a keynote seminar featuring CIPFA Past President Roger Latham.

In a fascinating presentation which stimulated some interesting questions and debate, Roger described an alternative paradigm for the public sector of the future, calling for real devolution of decision making as part of a strong and positive response to the current economic situation. Roger went on to describe a wide range of global factors which will impact upon government and public services in the longer term.

The AGM saw some changes to the regional committee with George Clark stepping down from chair of the region after two very successful

years which included winning the awards for 'Most Improved Region' and 'Best Regional Events Programme'. On behalf of the region and all its members, the committee would like to thank George for his hard work and dedication.



Jane Cuthbertson, Principal Accountant (left) with BT South Tyneside, succeeds George as chair. Jane was a founder member of the National Students' Forum and is a CIPFA Council member, vice chair of the Audit Committee and a member of the Board for the Regions. Michael Brodie, Director of Finance with the NHS Business Services Authority and a 'CIPFA Future Leader' (left), steps up to the role of vice chair of the region.

The North East region stretches from Berwick-upon-Tweed in the north to the Tees Valley in the south.

Email: northeast@cipfa.org.uk or visit the [website](#)

The real world of a finance director

By James Williams, Trainee Accountant

The North West Student Forum (NWSF) re-formed in August 2010, keen to run a new type of event that would really bring members and students together. So the Shadow a Finance Director Scheme was born, with the student forum acting as 'matchmaker' to a bank of directors and enthusiastic CIPFA trainees.

To get the scheme up and running, student forum coordinator, Judith Savage, spoke to the North West Senior Managers Group (SMG) to garner their support. Judith encouraged directors to offer up a day of their time to allow CIPFA trainees a peep into the real world of a finance director. Their reward? An opportunity to inspire the next generation of public finance leaders.

Thanks to the North West SMG and the Finance Skills Development Network North West (NHS), there was tremendous interest from directors across local government and the health sector.

Once we'd established a bank of directors, we emailed students promoting the scheme and inviting them to register.

Again the response was terrific – but left the forum with the formidable task of pairing CIPFA trainees to directors. Matching mainly by employment sector, location and availability, we set up eleven student/director shadowing days.

Participating trainees were asked to write a reflection of their experience for their IPDS which would also help the student forum assess the success of the scheme. Feedback has been very positive – in some cases outstanding and we're hoping to run similar events in the near future. If you are interested in participating, please contact Carol McDonnell, the student forum chair.

Finally a big thank you to David Ellcock, Finance Skills Development Manager at NHS North West who helped administer the scheme.

Karen Macrae

Karen Macrae, Finance Manager at Manchester City Council was paired with Gill Kilpatrick of Lancashire County Council.

'I had a fantastic experience and would recommend anyone studying CIPFA to take part in this initiative if it is offered in the future'



Cath Newbold

Cath Newbold, Graduate Trainee Accountant at Lancashire County Council, was paired with Tim Welch, Director of Finance at Blackpool, Fylde & Wyre Foundation Trust.

'I have just returned from my 'shadow a finance director' experience where my initial thoughts were "that is a busy role!" At director level, people are interested in the top line information with the detail being completed and worked through by others.'



'It was useful to visit a different public sector, and see what similarities and differences exist'. I really enjoyed the opportunity to experience 'a day in the life of' someone whose role I ultimately aspire to.'

Mark Cleary

Mark Cleary, Senior Internal Auditor, was paired with Paul Harvey, Director of Finance at University Hospital of South Manchester NHS Foundation Trust:

'I gained a sense of the diversity of duties and tasks of the role...it's not just about financial management but all areas of governance.'



Mentoring to get ahead

Helping other members is integral to the CIPFA ethos and informal mentoring often takes place between more senior members and those newer to the profession. CIPFA South East has been leading a pilot mentoring scheme

which if successful will become a fixture of CIPFA South East's activities.

The scheme will be reviewed over the summer with a launch of the full scheme scheduled for September 2011.

Spreadsheet will be providing an update on the scheme and more information about how the mentoring scheme works is available from the [CIPFA South East website](#).

A fond farewell to invigilation panels

With new arrangements in place for invigilating CIPFA exams, we say farewell to the retired members' invigilation panels which, for over thirty years, have played an essential role in maintaining the standards of CIPFA exams. The panels have grown as the CIPFA Education and Training Centres spread nationwide. Last year 250 volunteer members were supporting the centres' exams.

At a farewell party for the London panel, hosted by the South East Regional Council and attended by the CIPFA



Arthur Boulter, Liz Curran, Jaki Meekings Davis and Dick Coppard

President, regional chair, Nick White, gave special thanks to invigilator coordinators Arthur Boulter and Dick Coppard who have made such a valuable contribution to the rigour of the Institute's invigilation

procedures. In turn, Arthur thanked all the invigilators for their work and support.

Future exams will be covered by staff supplemented by retired members organised by the training colleges.

99½ years in the life of...

Charles Vivian Baker OBE was a long-standing member of the Institute and a robust champion of social housing. Born in 1906, his life spanned very nearly a full century of significant social change in the UK, before he died in 2006. His memoirs, recently published by his son, William Baker, present a history of the development and challenges faced by public and charitable housing during this period. They also offer insight into one man's perspective of the social mores of 20th century Britain.

Charles joined the Institute (then the IMTA) in 1927, while he was employed by Birmingham Council, receiving a one off 'gratuity' of £25 for passing his final exams. Unanticipated by Charles was a rise in his annual salary (to £145) that came about in somewhat dubious circumstances (not of his making). The sum was clearly no great reward even in those days, and Charles was soon thinking of moving on – and up.

After spending time at various local authorities and a brief stint at IMTA headquarters, Charles seems to have found his calling – in 1935 with the Sutton Dwellings Trust, a charitable housing provider. Apart from a stint with the RAF during the war he

stayed with the trust for almost 30 years.

In the main, the memoirs are a personal perspective on the history of the Sutton Trust. However Charles' earlier years were a time of significant social upheaval and his background, as he acknowledges, played a part in shaping the man he became – his passions and his concerns. Born into modest circumstances he achieved more social mobility than many of his peers, occasionally mingling with the upper echelons of the English class system. While he clearly recognises some of the absurdities of class inequality, he also cannot avoid being caught up with them. Both aspects make the book, especially the latter part detailing his observations on class, marriage, religion and the British annual holiday, fascinating reading.

If you are visiting Robert Street and would enjoy this short exposition on the long life and times of a fellow CIPFA member pop into Membership where Camilla Knifton will be happy to let you see the copy.

There may also be a limited number of copies available to keep, so if you would like one, email rebecca.bazeley@cipfa.org.uk





Planning to work for yourself?

If you are planning to provide accountancy services to clients, whether as a sole trader or as a partner or director in a business, you must apply for a CIPFA Practising Certificate. You may also need a Practising Certificate for interim placements, even if the assignment is through an agency.

Update on common issues from 2010 review visits

- Many members are not sufficiently aware of their responsibilities under the Money Laundering Regulations, especially when they work via agencies. There is a checklist of client identification procedures in section 5 of the CCAB's booklet '*Combating Financial Crime*', a copy of which all Practising Certificate holders have been sent.
- Engagement of contract terms need to include the requirements of CIPFA's SoPP on Practice Assurance and the Practice Regulations. The support material in the [CIPFA Learning Centre](#) includes an example engagement letter.
- Continuing Professional Development (CPD) records should be current and maintained for presentation prior to the review.
- The level of Professional Indemnity Insurance cover should be reviewed every year. Members often omit to document the review and record the reasons for choosing the level of cover. If you rely on PII cover provided by agencies make sure the details of the cover apply to your work circumstances. Remember that agency cover will not extend to work obtained other than through the agency.
- Clients should always be made aware of arrangements for continuity cover and be asked to agree if no such arrangements are proposed. Do not assume that agencies will arrange continuity cover.

Help sheets on these and many other topics are available to all Practising Certificate holders in the [CIPFA Learning Centre](#).

Full details of the scheme can be found in the Practice Assurance section of the CIPFA [website](#).

If you need advice on any aspect of the practice assurance scheme email Joanna Hall at practiceassurance@cipfa.org.uk or phone on 020 7543 5646.



Student societies

If you would like to get involved with your student society or would like to find out about student focused events in your region, contact details are:

Midlands

Riz Dhanani

E: cmss@cipfa.org.uk

Yorkshire and the Humber

Claire Grant

E: yorksandhumber@cipfa.org.uk

North East

Eleanor Goodman

E: eleanor.goodman@newcastle.gov.uk

North West

James Williams

E: james.williams@trafford.gov.uk

South East

Lillian Manning

E: southeaststudent@cipfa.org.uk

South West

Peter Stabb

E: cipfasw@cipfa.org.uk

Scotland

Helen Carter

E: helen.carter@renfrewshire.gov.uk

Northern Ireland

Jill Adair

E: cipfanistudentsociety@googlemail.com

Wales

Chris Taylor

E: walesbranch@cipfa.org.uk

National Student Forum

Jane Çika

E: nsf@cipfa.org.uk

Welcome to our newest members

To our newest members from December 2010 and our recent February election, may we welcome you to CIPFA membership and wish you a long and prosperous career!

If you've had confirmation from CIPFA that you're eligible to apply for membership you can apply now in time for our June Council meeting.

If you have any queries about applying for membership, email joanna.hall@cipfa.org.uk or call Joanna on 020 7543 5646.

Martin Ashton, Cheshire Police
 Sophie Barnett, KPMG UK LLP
 Ann Battom, West Northamptonshire Development Corporation
 Pamela Bell, West Lothian Council
 Mary Betley, Mokoro Ltd
 Helen Alexandra Bolger, Lambeth LBC
 Morag Campsie, Audit Scotland
 Stacey Louise Carter, Dudley MBC
 Robert Patrick Nelson Chapman, KPMG UK LLP
 Paul Andrew Collins, Knowsley MBC
 Daniel Thomas Pascoe Cooke, Audit Commission
 Sean Patrick Cosgrove, Lambeth LBC
 Shirley Ann Coultas, Herefordshire Council
 Emma Victoria Cronin, KPMG UK LLP
 Paul James Crotty, Lancashire CC
 Paul John Thomson Davies, Renfrewshire CC
 Ian James Douth, Hampshire CC
 Michael Fitch, Shepway DC
 Gina Follows, Derby City Council
 John George Albert Foster, North Yorkshire CC
 Katie Louise Fox, Hampshire CC
 Paul Michael Frayne, Islington LBC
 Alexander Goddard, Southwark LBC
 Eleanor, Goodman Newcastle City Council
 Matthew David Green, Portsmouth City Council
 Nicola Louise Hallas, Audit Commission
 Lynne Hamilton, Welsh Assembly Government
 Deborah, Harman, Audit Commission
 Mark Robert Hemming, Buckinghamshire CC
 Jane Ming-wah Ho, Homes For Islington
 Eleanor Hodgson, Fife Council
 Steven Houchin, Lincolnshire CC
 Martin Houston, Islington LBC
 Pardip Kaur Johal, Essex CC
 Siva Kachimba, Birmingham City Council

Neileshkumar Yashwantraai Kakad, Royal Borough of Kingston Upon Thames
 Elizabeth Keys, Winchester City Council
 Loretta Koko, Audit Commission
 Neil Krajewski, Audit Commission
 Nataly Kuchergina, Richmond LBC
 Stephen Michael Ian Leitch, Sutton Housing Partnership
 Joan Lewis, Ministry of Justice
 Kevin Alan Lloyd, Merseyside Police Authority
 Matthew William Thomas Long, Audit Commission
 Sharon Louise Longson, Staffordshire CC
 Banita Ludhor, Audit Commission
 Phillip John Marker, Department For International Development
 Cameron, McGhee Audit Scotland
 John Craig McNellis, KPMG UK LLP
 Jane Louise Mills, University Hospitals Coventry And Warwickshire NHS Trust
 Vince Munsami, Sandwell And West Birmingham NHS Trust
 Ruth Nailor, Leeds City Council
 Andrew James Newman, XStrata Copper, Australia
 Simon James Peachey, North East Derbyshire DC
 Sarah Pendleton, Department For Work And Pensions
 Mark Penney, Fisheries and Oceans Canada
 Stephen John Penrich, South Lanarkshire Council
 Leslie Philpott, Health And Safety Executive
 Dylan Pritchard, BCU Health Board
 Helen Elizabeth Rehm, Warrington BC
 Clare Louise Sandland, Sandwell MBC
 Jonathan James Scholtz, Ealing LBC
 Douglas John Siebert, Metropolitan Police Service
 Natalie Sarah Gemma Slayman-Broom, Greater Manchester West Mental Health NHS Foundation Trust

Jonathan Terence David Mark Sloan, Police Service Of Northern Ireland
 Suzy Smith, Audit Commission
 Christopher Martin Smith, Department For Communities And Local Government
 Omolayo Kehinde Sokoya, London Fire Brigade
 Linda Helen Souter, Renfrewshire CC
 Alyson Spring, Northamptonshire CC
 Edward Guy Stanton, Birmingham City Council
 Khogendra Lal Sutradhar, Islington LBC
 Claire Symonds, Tower Hamlets LBC
 Peter Thomas Canton Taylor, Camden LBC
 Thomas William Taylor, Department For Environment, Food And Rural Affairs
 Jonathan Tyler, KPMG UK LLP
 Sharon Lorraine Underhill, East Dumbartonshire Council
 Joanne Walsh, South Tyneside MBC
 Helen Georgina Warrington, Department Of Culture, Arts And Leisure
 Sarah-Jane Watt, Department For Social Development
 Moira Weatherstone, Argyll And Bute Council
 Hannah Weiland, Grant Thornton UK LLP
 Elizabeth Wharton, Audit Commission
 Helen Whyman, KPMG UK LLP
 Sarah Yvette Williamson, Lambeth LBC
 Sarah Wisner-Davies, Bath NHS Trust

Apology

In our last issue we presented an incorrect list of new members. To all included in our March issue, we do apologise.



Continuing professional development

Change for the better

Kaizen is a Japanese management philosophy that encourages organisations to implement constant, incremental changes to practices, processes and procedures (ie continuous improvement). Its focus is on finding solutions without the need for substantial investment.

The word Kaizen is derived from two Japanese words: kai meaning ‘change’ and zen meaning ‘for the better’.

The core concept of the Kaizen philosophy is: to improve the performance of something, you must improve the processes that support it – and that means involving the people who work directly with them.

Good things come in small packages

Kaizen encourages everyone in an organisation to come up with small improvement suggestions on a continual basis. Small day-to-day improvements will, over time, substantially enhance productivity, efficiency, quality and delivery.

Everyone counts in large amounts

A big part of the Kaizen philosophy is respect for people. From senior management to frontline employees, everyone’s ideas should be considered and where implemented, recognition and/or reward should be forthcoming.

Take out the trash

The elimination of waste is one of the main goals of Kaizen. Waste can be defined as activities that add time and cost, but not value. This is not just about eliminating excess processes but concerns how employees interact with each other. For example, blaming colleagues for mistakes is considered wasteful as the time and effort spent would be better used correcting the error.

The 5S philosophy of Kaizen

The 5S philosophy of Kaizen is a five step guide to discipline and good housekeeping in the workplace that can help you and your team to:

- Organise your working environment and ensure it is properly maintained
- Increase efficiency
- Simplify workplace processes
- Adopt effective working practices as standard
- Improve safety at work
- Highlight areas for improvement

Each S in the philosophy is based on a Japanese word

TERM	MEANING
Seiri	Sorting Out
Seiton	Set in Order
Seiso	Shine
Seiketsu	Standardising
Shitsuke	Sustaining

Kaizen takes time and patience

While the philosophy itself is straightforward, Kaizen requires a very particular organisational culture.

In many cases this will involve a significant change in thinking.

What is important is that improvements are made at source. Those closest to the processes are best placed to identify problems, suggest changes, implement them and monitor their success.

Kaizen isn’t suitable in every organisation at every time. Sometimes a results-oriented approach – such as Six Sigma – is required.

The CIPFA Learning Centre (CLC) includes lots more from GoodPractice on Kaizen and other topics around continuous improvement. Log on to the [CLC](#) and search continuous improvement.

Related resources on the CLC include:

- Continuous Improvement: How do others do it? – a tool kit to help you benchmark your organisation
- Understanding Six Sigma
- Developing a new policy, process or procedure
- Considering change requests – a questionnaire to help you decide whether or not to accept a change request
- Process mapping
- Creating an improvement survey – a template for asking employees for suggestions
- Holding a quality circle meeting

Something to say on policy?

CIPFA's specialist panels play an integral part in developing best practice and supporting the profession. Their influence can impact on many areas of policy as they shape the Institute's responses to government consultation papers, exposure drafts and discussion documents issued by other professional bodies. If you have something to say on the policy issues that concern public financial managers, becoming a member of one of our panels could be a good move.

Code of Practice Board vacancies

The CIPFA/LASAAC Local Authority (Scotland) Accounts Advisory Committee is responsible for developing and maintaining the Code of Practice



on Local Authority Accounting in the United Kingdom – an essential role in local authority accounting.

We currently have vacancies for volunteer members representing English practitioners.

As a board member you will:

- Attend approximately three meetings a year, alternating between London and Edinburgh, with the possible introduction of Cardiff and Belfast in the future
- Review papers and draft sections of the code circulated between meetings, and to comment on these
- Respond to any urgent issues arising between meetings.

Any additional support you can offer to champion the work of CIPFA/LASAAC, for example supporting local events and encouraging wider participation in consultations, is greatly appreciated.

Membership of the CIPFA/LASAAC Local Authority Code Board requires commitment, but it can be a stimulating opportunity to shape the development of local authority accounting. If you are interested, send your CV and covering letter by 20 May to Paul Mason, CIPFA, 3 Robert Street, London WC2N 6RL, email paul.mason@cipfa.org.uk.

We welcome applications from both chief financial officers and those involved in the day to day preparation of accounts and aim to keep a balance of both on the board.

Are you an auditor with education sector experience?

Could you be at the forefront of formulating CIPFA's policy on public sector audit?

We are looking for a professional to bring their particular knowledge and experience of auditing in the education sector to CIPFA's Audit Panel www.cipfa.org.uk/audit.

The mission of the Audit Panel is to promote professionalism in public service audit. To achieve this, the panel pursues the following objectives:

- Raising the profile of audit in all parts of the public sector
- Promoting the highest professional standards of audit
- Encouraging delivery of quality audit services
- Supporting CIPFA members working in audit and associated fields.

The Audit Panel meets three times a year and this position will be a three-year rolling appointment.

To apply, send your CV and covering letter by 13 May 2011 to keeley.lund@cipfa.org.uk or telephone Keeley on 020 7543 5609 if you would like more information about the role.

We depend on volunteers keen to ensure the views of all audit practitioners are heard on the Audit Panel. If education is not your speciality, we may have vacancies coming up that would fit your expertise, so keep an eye open for further news.

PMM and third sector accounting

If you are a charities professional or simply interested in third sector accounting, the May issue of Public Money & Management will appeal to you. This themed issue focuses on charities accounting, accountability and governance. Guest editors are Noel Hyndman (Professor of Management Accounting and Director of Research in Accounting at Queen's University Management School, Belfast) and Ray

Jones (Head of Accountancy Policy at the Charity Commission for England and Wales).

Good governance is as vital to sound management decision making and accountability in charities as in private and public sector organisations. However, while lessons can certainly be taken from the private and public sector, there are differences which mean charities must ultimately find their own solutions to

secure their continuing growth.

This is particularly the case when we consider the motivations of those that support charities and the expectations of those that benefit from them. From the supporter perspective, forms of governance that emphasise compelling and controlling (rather than, say, partnering, encouraging and supporting) may be inappropriate. And in terms of continuing to meet the needs of

Carbon pricing is here to stay

The CRC Energy Efficiency (CRC) scheme looks very different to the way it looked a year ago but one thing has not changed – a price for carbon emissions.

With the removal from the CRC scheme of the recycling of allowances revenue and the confirmation in the 2011 budget of a price of £12 per tonne of CO₂, we now have a better idea of the potential cost of carbon emissions in 2011/12.

This price is substantially higher than it would have been under the original revenue recycling system. But some argue, a key reason for the failure to address climate change is the failure of the market to recognise the scarcity value of the atmosphere – if there is no price signalling

the increasing scarcity of this particular carbon sink then, the argument goes, there is no incentive to manage our emissions.

As well as confirming the price of CRC allowances the 2011 budget also referred to establishing a floor price for carbon. The aim is to provide certainty and so encourage investment in this area. The floor price is likely to be around £16 per tonne in 2013, rising to £30 a tonne by 2020.

The CRC scheme is being simplified and we don't yet know the final outcome of proposed changes. But be aware – carbon pricing and carbon trading will, if anything become increasingly relevant to financial planning and management decisions. Carbon pricing is here to stay.

or latest news on the CRC visit the Department for Energy and Climate Change website. News and guidance are also available from the [CIPFA Carbon Finance Network](#) and our [Sustainability website](#).



beneficiaries, their involvement in the decision making processes can prevent mission drift; provide useful feedback to management; and cement a mutual vision that is shared by all stakeholders.

Articles exploring these and related topics include:

- Sustainability reporting: a missing piece of the charity reporting jigsaw
- The hand of government in shaping

accounting and reporting in the UK charity sector

- The role of independent examiners in the accountability of UK charities
- Increasing public trust and confidence in charities: on the side of the angels
- The real value of permanent endowments

For more information visit [Public Money & Management](#).

New charity structure incorporates benefits

The Charity Commission (England and Wales) has published the first part of its guidance for those interested in setting up a Charitable Incorporated Organisation (CIO). The new structure is now available in Scotland and will come to England and Wales later this year.

The CIO is a corporate body which is a legal entity able to enter into contracts, employ staff, incur debts, own property, sue and be sued. Its trustees will normally have limited or no liability for its debts.

Although incorporated, a CIO is not a company, and organisations that become CIOs only need to register with the relevant charity regulator and not Companies House. This has the attraction of simplifying charity administration in terms of only reporting and responding to one regulator rather than two.

Following earlier consultations, a number of changes have been made to the CIO regulations. The expectation is that the CIO will be most suitable for small to medium sized charities that employ staff and enter into contracts. It is also likely to be of interest to those involved in setting up social enterprises with charitable objects.

Guidance is available on the websites of the Charity Commission (England and Wales) and the Office of the Scottish Charity Regulator (OSCR).

Two model constitutions have also been made available on the Charity Commission (England & Wales) website.

Find out more about CIPFA engagement with charities and social enterprise from the [Charities Panel website](#) and our [Big Society website](#).



CIPFA office contacts

London, Robert Street

T: 020 7543 5600

CIPFA Scotland

T: 0131 551 2100

CIPFA Northern Ireland

T: 028 9026 6770

CIPFA in the Republic of Ireland

T: 00 35 31 668 6233

CIPFA Cymru-Wales

T: 029 2052 3470

CIPFA Business (Croydon)

T: 020 8667 1144

CIPFA Property

T: 01244 399 699

Technical enquiry service

T: 020 7543 5888

Member services

T: 020 7543 5665

Business Development (E&T)

T: 020 7543 5851

Education and training information service

T: 020 7543 5678

Regional and volunteer support

T: 020 7543 5781

How to tell the story... calling all chief financial officers

By now, work on local authorities' first financial statements to be prepared under IFRS will be well under way. But preparing the financial statements isn't the end of the road. Chief financial officers will then need to explain the accounts to members and other stakeholders. If you're not sure how best to do this, don't worry – help is at hand.

CIPFA has recently published a brief guide to explaining the financial statements. In a few short pages, *IFRS – How to Tell the Story* will take you through the key messages to take from the accounts, highlight where the key figures can be found in the new format statements, and explain what these figures mean for members and officers.

IFRS – How to Tell the Story can be downloaded free of charge from the CIPFA [website](#), and explains in simple terms key issues such as:

- What IFRS is and why local authorities' accounts now use IFRS
- How IFRS can be used to simplify presentation and make the messages clearer in a number of areas – for example, comparisons with budgets, General Fund and HRA performance, and the reserves position
- The difference between usable and unusable reserves
- The significance of reserves such as the pension reserve and the capital adjustment account.

If you haven't started thinking about how to present the accounts to your members, *IFRS – How to Tell the Story* is a good place to begin. And if you have started, it will help formulate your thoughts and give you some fresh ideas'.



Simplify your IFRS based financial statements

CIPFA's new Proforma Accounting Toolkit follows from the highly successful Cash Flow Toolkit that launched in 2010 and has now sold to over 150 organisations.

The Profoma Accounting Tool kit is designed to simplify production of the forthcoming 2010/11 IFRS based financial statements, saving staff time and resources and providing additional assurance to auditors.

For further information contact jenny.mcclaughlin@cipfa.org.uk, or call Jenny on 028 9026 6774.

Accounting charity places 100th volunteer

Accounting for International Development (AfID), a charity with which several CIPFA members have already enjoyed some stimulating placements, has placed its 100th volunteer. This equates to over 12,000 hours of professional coaching, close to £750,000 of accounting services – a fantastic contribution to international public financial management. But the true value of this time is immeasurable, as volunteers have made a tremendous difference to the long term sustainability of many amazing community organisations.

Thank you, CPFAs

We wish CIPFA member Stella Ogunleye 'bon voyage' as she starts a placement in Uganda with Childs' i Foundation. AfID always welcomes new volunteers from CIPFA.

For a taste of the incredible experiences you could have as a AfID volunteer, read the blog of recently returned volunteer and CPFA, Catherine Crowther on the AfID [website](#).

Visit www.afid.org.uk to find out more about volunteer placements with AfID.

Code of Practice on Local Authority Accounting

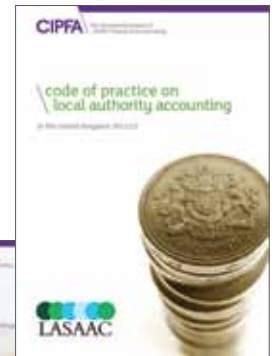
The new Code is the first annual update since IFRS was adopted as the basis for public sector accounting in the UK.

Book CD

Disclosure Checklist

The 2010/11 edition of the Disclosure Checklist is the first to be based on International Financial Reporting Standards (IFRS) and reflects the reporting requirements introduced by the 2010/11 IFRS-based *Code of Practice on Local Authority Accounting*.

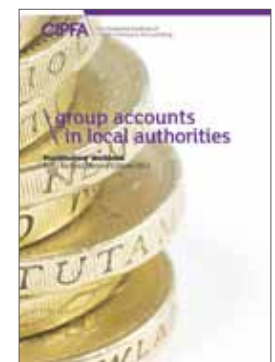
Book CD



Group Accounts in Local Authorities: Practitioners' Workbook

The updated Group Accounts workbook will help authorities establish group boundaries; account for their wider interests in other organisations in accordance with the IFRS-based Code and guide finance officers in the important tasks of making plans for collecting and consolidating information from other organisations.

Book CD



Latest 'rewards' for CIPFA members...

- Vehicle Servicing Manager uses the UK's largest network of independent garages to deliver average savings of 30% on your car servicing and repair requirements. You can also save 20% on the cost of your next MOT.*
- Cashback Gift Cards can earn you cash back on everyday purchases from major retailers including M&S, Comet, Debenhams and more.
- Gourmet Society dining card at just £24.95 for 14 months

Visit **CIPFA Rewards**.

*Terms and conditions apply. See the website for further details. Not available in Northern Ireland.

CIPFA Rewards is managed on the behalf of CIPFA by Parliament Hill Ltd of 127 Cheapside, London, EC2V 6BT.

One public estate conference

CIPFA is holding a major conference examining the critical issues facing public sector place-based estate asset management. Parliamentary Under Secretary of State at Communities and Local Government, Baroness Hanham, will deliver the keynote speech at the conference in London on 26 May.

Book online at:
www.cipfa.org.uk/property.

CIPFA statement concerning member Mr Alan Flockton

On 15 December 2010, CIPFA's Disciplinary Committee heard allegations against Mr Alan Flockton (unemployed) and Mr Michael Wilkinson (working as a Business Manager at a boys' school in Surrey).

Mr Wilkinson had resigned from the Institute in July 2010, whilst he was the subject of regulatory action. The proceedings continued against him in his capacity as a former member.

Attendance

Neither Mr Flockton nor Mr Wilkinson attended their Disciplinary Committee hearing and neither was represented in his absence. Both had previously been in communication with CIPFA about the issues in their case and these communications were considered by the Disciplinary Committee.

Continuation of proceedings

The Committee determined that the length of time since Mr Wilkinson ceased to be a member was not such that it would be inappropriate to continue with the disciplinary proceedings.

Background

The facts concerned Mr Flockton's failure to participate in CIPFA's mandatory Continuing Professional Development Scheme ('the CPD Scheme') for the years 2006, 2007, 2008 and 2009 and Mr Wilkinson's failure to participate in the CPD Scheme for the years

2008 and 2009.

CIPFA introduced its mandatory CPD Scheme in 2003 – with member participation being phased in from January 2005 to January 2007. Any member not registered onto the mandatory CPD Scheme by December 2007 was deemed registered from that date. Guidance about the CPD Scheme, including how to register onto it, participate in it and confirm participation, was available to members from 2004 onwards.

In essence, the CPD Scheme requires members to (i) undertake 120 hours of CPD activity over a three year period with a minimum of 20 hours of verifiable activities within any one year and (ii) to confirm participation on an annual basis.

Members are able to seek exemption from participation, suspension of the requirement to participate or a reduction in the hours required to comply with the Scheme in defined circumstances (for example retirement, career break). Each application received by CIPFA is considered on an individual basis and is subject to annual review.

The position of each respective member and the requirement for him to participate in the CPD Scheme – Mr Flockton from January 2006 and Mr Wilkinson from January 2007 – were advised to him by CIPFA.

Mr Flockton – the facts

Mr Flockton, when it became clear that he

was not in employment, was advised of his right, if he so wished, to apply for an exemption and of how he might reduce the required number of hours.

Mr Flockton failed to participate in the CPD Scheme for the years 2006 and 2007.

Despite extensive correspondence between Mr Flockton and the Institute seeking to encourage him to participate – Mr Flockton also failed to participate in the CPD Scheme for the years 2008 and 2009.

Mr Flockton did not apply for exemption from the Scheme, for his participation to be suspended or for a reduction in the number of hours he was required to undertake, even though the means of doing so were set out in the guidance and had been explained to him.

In various communications with CIPFA Mr Flockton indicated his intention not to participate in the CPD Scheme and he returned standard forms indicating that he was not participating in the scheme. He used rude language on occasion in his communications and referred to CPD as being completely pointless.

Mr Wilkinson – the facts

Mr Wilkinson did not register with the CPD Scheme in January 2007, as required by the phased introduction, so was deemed to be registered and required to participate from January 2008. His position and the requirement for him to participate were

Optimise your FM capability

Good financial management (FM) is vital to the success of all organisations. It underpins sound decision making, drives accountability, improves understanding and enables businesses of all kinds to manage their risks.

The updated CIPFA FM Model can help your organisation reach its strategic goals through developing an optimal financial management capability. The good practice it promotes should be the aspiration of every top organisation.

What will it tell you?

The FM Model is a diagnostic toolkit specifically designed for use by any public body organisation to undertake



a complete self assessment of the organisation's financial management. It helps to pinpoint weaknesses – as well as strengths – in financial management. Crucially, it can provide solid evidence to substantiate known weaknesses and highlight latent sub-optimal practice – powerful in the identification of critical cost cutting opportunities and efficiency gains.

This updated CIPFA FM Model reflects the current and emerging challenges across the public sector as well as crucial developments in Best Practice.

The FM Model:

- Profiles strengths and development areas

- Is shaped to support your organisation
- Has an improved electronic survey, data reporting and output functionality
- Is the most comprehensive assessment of financial management against good practice.

Liz Corrin, Head of HM Treasury Group Finance says, 'The CIPFA FM Model provided a very useful insight into the Treasury's internal financial management performance, highlighting strengths as well as areas for potential development. Key stakeholders welcomed the opportunity to input into the review.'

Contact stuart.fair@cipfa.org.uk if you need anymore information or visit [website](#).

and former member Mr Michael Wilkinson

advised to him by CIPFA.

Despite extensive correspondence between Mr Wilkinson and the Institute between 2008 and early 2010 – the Institute seeking to encourage him to participate – Mr Wilkinson failed to participate in, or seek an exemption from the requirements of the CPD Scheme for the years 2008 and 2009.

In various communications with CIPFA Mr Wilkinson indicated his deliberate intention not to participate in the CPD Scheme. He referred to CPD as pointless and threatened to withhold his membership subscription.

In August 2009, in consequence of CIPFA being made aware of Mr Wilkinson's part time working, it agreed to reduce the minimum CPD hours requirement of the CPD Scheme by 40%. Nonetheless, Mr Wilkinson failed to comply with the CPD Scheme.

Breach of professional standards

By not participating in the CPD Scheme Mr Flockton and Mr Wilkinson were found to be in breach of CIPFA Bye-Law 23(b) – in that each had failed to comply with the requirements of the Standard of Professional Practice for CPD.

Mr Flockton and Mr Wilkinson were also found to be in breach of CIPFA Bye-Law 23(c) – in that each of them had prejudicially affected the status, reputation and welfare of the Institute. The regard the public is entitled to have for a professional accountancy qualification is dependent on members

abiding by rules which require them to keep their knowledge and skills up to date. Mr Flockton and Mr Wilkinson's failure and unwillingness to undertake mandatory CPD undermined the respect of the public and fellow professionals for the Institute which sought to maintain its reputation, and the reputation of the accountancy profession, by regulating its members in accordance with ethical, technical and professional standards designed to maintain public confidence in the profession.

By their actions, Mr Wilkinson and Mr Flockton were also found to be in breach of Bye-Law 23(d). Mr Flockton and Mr Wilkinson had each acted in a manner likely to bring discredit on himself, the Institute and the profession of accountancy – and in the case of Mr Wilkinson only, on his employer – by their demonstrated quite deliberate intention not to comply with the requirements of the Standard of Professional Practice for CPD and by conducting themselves in a manner which was wholly unacceptable and unprofessional – and in the case of Mr Flockton only, rude. Mr Wilkinson was a member of CIPFA at all relevant times but declined to abide by its rules and threatened to withhold his subscription pending resolution of the matter. Whilst each member may have disagreed with the concept of CPD the manner in which each did so was discreditable.

Sanction and relevant considerations

The Disciplinary Committee determined to expel Mr Flockton and Mr Wilkinson from the Institute. It took into account that Mr Flockton and Mr Wilkinson did not agree with CPD (which CIPFA regarded as essential) and, in Mr Flockton's case that he showed a blatant disregard for the processes of the Institute and his attitude remained unchanged even when provided with an opportunity to reflect on his actions before the Disciplinary Committee. In Mr Wilkinson's case, even when every effort was made to demonstrate the importance of his registering or seeking an exemption, he gave no indication that he was prepared to do so. Both Mr Flockton and Mr Wilkinson showed a blatant disregard for the processes of the Institute. Their actions were a serious breach of the Bye-Laws and caused serious harm to the Institute. The evidence demonstrated a fundamental incompatibility with membership of the Institute.

Given Mr Wilkinson's status as a former member, the effect of the sanction is that re-admittance can only be sought in accordance with procedures set down in the Institute's Disciplinary Regulations.

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