

scottishnews

CIPFA
IN SCOTLAND

THE QUARTERLY NEWSLETTER OF CIPFA IN SCOTLAND | FEBRUARY 2006



CIPFA in Scotland



Angela Scott
Head of CIPFA in
Scotland

angela.scott@cipfa.org
Direct Dial:
0131 559 3606



Don Peebles
Policy and
Technical Manager

don.peebles@cipfa.org
Direct Dial:
0131 559 3613



Tim Burrows
Policy and
Technical Officer

tim.burrows@cipfa.org
Direct Dial:
0131 559 3601



Robert Hogg
Business
Development
Manager

robert.hogg@cipfa.org
Direct Dial:
0131 559 3608



Helen Mackay
Events Manager

helen.mackay@cipfa.org
Direct Dial:
0131 559 3609

CIPFA in Scotland

Fettes Park
496 Ferry Road
Edinburgh
EH5 2DL

T: **0131 551 2100**
F: **0131 551 2223**

www.cipfascotland.org.uk

contents



04 BRIEFING

Angela Scott, Head of CIPFA in Scotland discusses Norman Drummond's *Tonypany Test* and explains its relevance to CIPFA members.



06 TECHNICAL UPDATE

Local Taxation Review / Public Benefit OFR's / Abolition of Council Tax Bill / Governance / Sustainability



08 LASAAC

Landfill Allowance Trading Scheme / Guidance Notes for Local Authority Practitioners 2005/6 / LASAAC Next Meeting / LASAAC Website



09 GOVERNMENT SECTOR BRIEFING

This periodic sector briefing on government will provide updates on matters affecting finance professionals in the Scottish Executive and all other government bodies.



11 HOUSING ASSOCIATIONS SECTOR BRIEFING

The sector briefing on Housing Associations is provided by Arthur Cockburn, Finance Manager at Prospect Housing Association.



12 MEMBERS NEWS

Centenary Celebrations / Tom Sowerby Award 2006 / CIPFA Learning Centre Update / CETC East Scotland Students Exam Results



14 CAREER

In this edition of CIPFA Scottish News, we welcome Change CRS, a new partner organisation for CIPFA. In the first of a series of regular career and recruitment articles, Julia Coltart, Managing Consultant in the Public Sector Finance Division, discusses the positive prospects for talented finance professionals balanced against the need for professional career advice

BRIEFING



The Tonypandy Test

Norman Drummond, is the author of *The Spirit of Success* and was a speaker at last years CIPFA Annual Scottish Conference. In his book there is a chapter entitled *Everyone Matters* which promotes the principle everyone has something of value to offer, talent to be developed or a contribution to make.

Norman then goes on to share an anecdote about George Thomas, Viscount Tonypandy and Speaker of the House of Commons between 1976 and 1983. The anecdote describes how Norman arrived with George at chapel to find adaptation work in progress to accommodate a set for a forthcoming major school musical production. A senior student, by no means an academic, was working

hard very late into the evening. Despite his lack of academic, or musical ability, the boy was one of the best all round contributors. He was always available to help and was attentive to fellow students or member of staff in need.

George spoke to the boy for a little while, at the end of which George stood back and said "well then young man, I can tell you one thing. You are

BRIEFING



going to lead a very useful life". And he has. Apparently to this day he remembers George's words of encouragement making him realise how much he mattered and how important his contribution was, both in school and beyond.

Norman has since developed what he refers to as "The Tonypandy Test". If you were given a relatively short

steps in achieving this goal. Firstly, we need to achieve high levels of student registrations. We have had significant success in this in the last five years. Registered students must then successfully complete their examinations to become full members of the Institute. Unfortunately, this is where we have been less successful. Let me return

energy, goodwill, and sensitivity to encourage CIPFA students along the journey to qualification. In other words ask yourself this. Would I pass or fail the Tonypandy Test.

2006 is an important year in the history of the Institute in Scotland in that it is the centenary of the "Scottish Branch" of which every CPFA in Scotland is a member. The origins of the Branch, and consequently the presence of the Institute in Scotland, can be traced back to a few key individuals. Without the energy commitment and endeavours of those early pioneers the opportunities which CIPFA members, past and present have enjoyed would not have existed.

So in this centenary year it is right that we look back and celebrate the past 100 years. It is also important however to look to the future. Membership is the lifeblood of the Institute and strong membership growth secures the future of CIPFA. So let your contribution to the centenary celebrations be in taking the Tonypandy Test. Give words of encouragement to potential and existing CIPFA students in order that they may fulfil their potential. In doing so not only will you make a difference to them, you would make a difference to the Institute.

If you were given a relatively short briefing about an individual in your office, would you be able to show interest and encouragement in that person's life?

briefing about an individual in your office, would you be able to show interest and encouragement in that person's life? Would you leave them feeling good about themselves and their contribution? Would you enable them to fulfil their potential and achieve their best?

You may well be asking what has this to do with being a CIPFA member? A lot I think. Let me explain. If you replace the individual in your office in the above paragraph with a CIPFA student or a potential CIPFA student then you'll be able to understand.

The Institute is presently developing its long term strategy for the next five years. One of the main aims of the Institute is to grow the membership. There are two critical

to Norman Drummond and George Thomas at this point.

What role have you played in the life of a CIPFA student to ensure that they fulfil their potential and achieve their best? Have you given them words of encouragement? Perhaps you recognise someone in your organisation who, like the senior boy, with a few words of encouragement could fulfil their potential. As a CIPFA member, what have you done to encourage them to study for CIPFA?

The Institute is debating how we improve the conversion rate from registered students to qualified CPFA's. Perhaps the answer in some way rest with all of us as members of the Institute. Ask yourself, like I am asking myself, whether you have the

TECHNICAL UPDATE

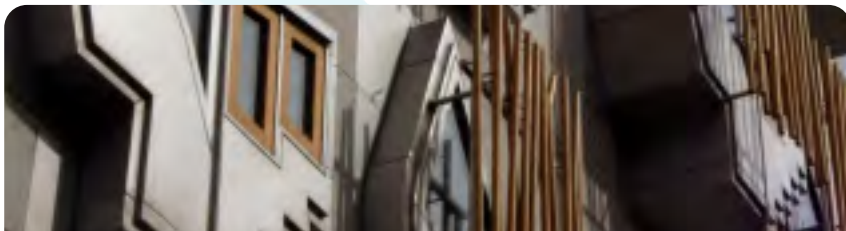
LOCAL TAXATION REVIEW

Readers of CIPFA Scottish News will be aware of the ongoing independent review of local taxation in Scotland. The review committee, chaired by Sir Peter Burt, is now in the latter stages of the second phase of the review: receiving oral evidence from expert witnesses. The CIPFA Scotland Policy & Technical team gave evidence to the Committee on 6 February. The team was questioned on CIPFA's preference to retain a property based system of local taxation. The present costs of administering and collecting council tax and non-domestic rates were explored.

The team was also invited to expand upon the Institutes' work on local income tax, and in particular on the likely costs, should a system of local income tax which supplemented council tax be implemented.

The report from the Committee is now anticipated between late summer and early autumn of 2006.

You can monitor progress of the work of the review committee at www.localgovernmentfinancereview.org



ABOLITION OF COUNCIL TAX BILL

Local taxation was also the subject of recent, but separate, consideration and debate by the Scottish Parliament. On 1 February, Parliament considered and debated a Private Members Bill which proposed the abolition of the Council Tax and the introduction of a Scottish Service Tax. The Bill had been considered in detail by the Local Government and Transport Committee. The Committee had called for evidence in November 2005 from the CIPFA Policy & Technical team and this was reported previously in CIPFA Scottish News. The Scottish Executive opposed the Bill and reaffirmed its commitment to the independent Burt review (see article entitled Local Taxation Review). The motion, proposed by Tommy Sheridan MSP was defeated. Mr Sheridan has subsequently lodged a further proposal for a private members Bill which sets out proposals for the setting of non-domestic rates to be returned to local authority control. You can read details of the proposal within the consultation document at www.scottish.parliament.uk/business/bills/membersBills

OFR'S IN THE PUBLIC SECTOR

Reporting Standard 1, "Operating and Financial Review" was issued by the ASB in May 2005. The standard was intended to apply to all listed companies in the UK and any other entities which produce an operating financial review statement (OFR).

CIPFA, in partnership with Robson Rhodes, has prepared a discussion paper entitled "Public Benefit OFR's A Catalyst for Enhancing Accountability?" This paper considers the issues for public benefit entities including:

- the merits of applying and application of RS1 to public benefit entities;
- what is the audience for OFR's?
- to what extent can existing published information be used in the OFR?

The paper also discusses the issues which may arise from public policy changes and from changes to the political administration of a public body.

The paper has been widely circulated and comments are sought from all practitioners and stakeholders to identify the most appropriate form of narrative reporting for the various sectors. Comments are invited by 20 March 2006. You can download the discussion paper and contribute to the debate at www.cipfa.org.uk/cgi-bin/CIPFA.storefront/EN/product/FM034

TECHNICAL UPDATE



GOVERNANCE

CIPFA has been directly involved in leading and supporting the development of governance in the public sector. Over a number of years much has been written about governance. At its simplest however it is about the way in which public service organisations manage themselves in delivering services to the public. It embraces every type of public organisation from schools and voluntary groups to major government departments. Governance therefore, is at the heart of delivering good quality public services and more is expected from those who govern in terms of standards, behaviour and outcomes. CIPFA and IPF have developed a dedicated governance website to act as a portal for all public sector news and developments on governance. www.cipfagovernance.net includes news on the progress of the CIPFA/SOLACE Joint Working Group

which is presently reviewing and considering an update to the framework document "Corporate Governance in Local Government".

Governance will be the subject of a two day course held by CIPFA Scotland called Essentials of Governance. It takes place on 24 & 25 April at the Radisson SAS Hotel in Edinburgh. The course offers participants a unique opportunity to consider the foundations of good governance in their own organisation and how it impacts. The course will be of particular interest to executive managers or board members with responsibility in health, education, housing, social work, criminal justice or any other aspects of publicly funded services. More information about the course content and online booking can be found at www.cipfascotland.org.uk or by e-mailing robert.hogg@cipfa.org for information and a booking form.

SUSTAINABILITY IN THE PUBLIC SECTOR

At the end of 2004, CIPFA issued a publication entitled Advancing Sustainability Accounting and Reporting: An Agenda for Public Service Organisations. The report sought to advance the debate on sustainability. The report set a challenge to the wider public services by commencing discussion on the subject of sustainability. This discussion paper recognised that reporting on sustainability is an emerging area and that key questions require to be addressed, including how reporting should be developed.

Sustainability is generally recognised as being the ability of one generation to meet its resource needs without compromising the ability of future generations to meet its needs. Sustainability accounting and reporting, for the purpose of the discussion paper, has the following working definition:

'A public account of an organisation's sustainability performance achieved through a combination of: leadership; strategic partnering; stakeholder engagement; policy outcomes; and the management of the organisations impacts on the local environment, social well being and economic prosperity

CIPFA has launched a microsite to raise and maintain awareness of the development of this increasingly important area. You can visit the microsite and download the publication at www.cipfa.org.uk/pt/sustainability

FINANCIAL REPORTING STANDARDS

This new and expanded section of CIPFA Scottish News will provide selected up to date information and commentary on the development of Financial Reporting Standards. This section will also include up to date information on the development of auditing standards and other guidance provided by the Auditing Practices Board.

FRS 25 - FINANCIAL INSTRUMENTS: DISCLOSURE AND PRESENTATION & FRS 26 - FINANCIAL INSTRUMENTS: MEASUREMENT

Financial instruments cover a large area, and their capacity to provoke controversy is demonstrated by the protracted deliberations on EU adoption of these standards. Much of the content FRS 25 and FRS 26 (and their international counterparts International Accounting Standard (IAS) 32 and IAS 39) relates to complex instruments, many of them derivatives, which are unlikely to be commonplace in the public services. Nevertheless the scope of these standards is broad. FRS 25 in particular is wider in scope than its predecessor, FRS 13.

FRS 25 also has the effect of withdrawing FRS 4 'Capital instruments', except for material on the measurement of debt, and gains and losses on the repurchase of debt. This material is withdrawn for entities applying the measurement requirements in FRS 26, but remains applicable for other entities.

FRS 25 and FRS 26 will also supersede three UITF Abstracts: 11 'Capital instruments: issue call options'; 33 'Obligations in capital

instruments'; and 37 'Purchase and sales of own shares'. FRS 25 also replaces the offset rules in FRS 5 'Reporting the substance of transactions'.

As well as the complex instruments mentioned above, the new standards encompass simple instruments such as cash and receivables. Furthermore, the extent of disclosures and the potential volatility in performance statements engendered by a much more widespread use of fair value are likely to pose challenges for public services.

These new standards have potential implications for the valuation of financial assets and liabilities and the treatment of gains and losses on the early redemption of debt that could have a substantial effect on the 'bottom line' and taxation.

These issues are discussed more fully in how these standards might be applied to local authorities in a LASAAC discussion paper at www.cipfa.org.uk/scotland/lasaac.cf

FRS 28 - CORRESPONDING AMOUNTS

FRS 28 sets out the requirements for the disclosure of corresponding amounts (also known as comparative figures in other standards) in financial statements. This builds on recent changes to company law and largely replicates previous legal requirements on corresponding amounts.

In summary:

- corresponding amounts are to be shown for items in primary financial statements and notes;
- corresponding amounts which are not directly comparable with the current financial year shall be adjusted;
- most exemptions in the Companies Act 1985 are maintained; and
- corresponding amounts are not required for earliest period presented where financial statements for two or more consecutive periods are presented together.

The requirements of the FRS apply except where an accounting standard or Urgent Issues Task Force abstract requires or permits an alternative treatment. It applies to accounting periods that begin on or after 1 January 2005 and which end on or after 1 October 2005, and as such will impact on financial year ending 31 March 2006.

FRS 27 - LIFE ASSURANCE

The foreword to FRS 27 states that it "applies to all entities that have a life assurance business, including a life reinsurance business". As such, its direct impact on Public Sector bodies is limited.

FINANCIAL REPORTING STANDARDS

FRS 29 - FINANCIAL INSTRUMENTS: DISCLOSURES

FRS 29 implements international financial reporting standard (IFRS) 7 'Financial instruments: Disclosures' and the related amendment to IAS 1 'Presentation of financial statements – Capital disclosures', and applies to accounting periods commencing on or after 1 January 2007. FRS 29 replaces the disclosure requirements of FRS 25 (IAS 32) 'Financial instruments: Disclosure and presentation'. The disclosures required by the FRS include:

- information on the significance of financial instruments for an entity's financial position and performance;
- information about exposure to risks arising from financial instruments; and
- the entity's objectives, policies and processes for managing capital.

FRS 29 applies only to entities within the scope of FRS 26 – that is, listed entities and entities that use the fair value accounting rules of the Companies Act 1985 to produce their financial statements. Certain companies have been exempted from the requirements. These include parent companies and 90% controlled subsidiary companies, on condition that there are publicly available consolidated financial statements that do comply.

More information on Financial Reporting Standards is available at the Accounting Standards Board website at <http://www.frc.org.uk/asb>

GUIDANCE PROVIDED BY AUDITING PRACTICES BOARD

CIPFA Scottish News reported previously that, the Auditing Practices Board (APB) is providing guidance to assist auditors in the process of the ongoing international harmonisation of Reporting and Accounting Standards.

This has continued in 2006 with the issue of a revised version of Practice Note 10, which deals with the "Audit of Financial Statements of Public Sector Bodies in the United Kingdom". This revision of Practice Note 10 includes updated guidance for auditors following the replacement of the APB's Statements of Auditing Standards (SASs) with International Standards on Auditing (ISAs). It also takes account of legal and regulatory developments affecting public sector bodies in the United Kingdom since the previous Practice Note 10 (Revised) was issued in April 2001.

The more significant ISAs include:

- ISA 220 which requires public sector auditors to consider the circumstances in which an engagement quality control review of the audit is necessary with reference to the size and characteristics of each entity;
- ISA 320 which states that the assessment of materiality be made with reference to the expectations of users of the accounts, but is not dictated directly by any interest

expressed by any individual and also covers situations where auditors report on matters that do not affect the opinion on the accounts; they adopt an appropriate level of significance that may differ from the materiality level set for the accounts;

- ISA 510 which explains that predecessor auditors are expected to co-operate in dealing with enquiries and requests for information from the incoming auditor;
- ISA 570 which deals with the circumstances in which a public sector entity may cease to continue in its operational existence, and provides guidance on the treatment of such an entity; and
- ISA 700 covers the auditor's report. Illustrative auditor's reports for public sector entities are provided in APB bulletin 2006/2 on public sector audit reports. This guidance was developed to provide illustrative auditor's reports on public sector financial statements in the United Kingdom that supersede those included in the previous Practice Note 10, and was issued earlier this year.

The guidance referred to above, as well as the International Standards on Auditing, can be downloaded at the APB website <http://www.frc.org.uk/apb>



GUIDANCE NOTES FOR LOCAL AUTHORITY PRACTITIONERS 2005/6

The guidance for local authorities on the 2005 SORP and which applies to financial year 2005/6 has been released. The guidance notes not only address the changes to the 2005 SORP, but also provide wider guidance on local authority accounting.

The guidance, amongst other things, includes an example statement of accounting policies, clarification on leasing, and deferred charges.

Local authority practitioners in Scotland have further opportunities

to receive technical assistance and guidance on local authority accounting. Specific technical queries can be answered by calling Don Peebles or Tim Burrows at the CIPFA Technical Enquiry Service (see inside cover of Scottish News for contact details). Additionally, practitioners can attend the forthcoming Local Government Practitioners Update in which the 2005 SORP will be specifically addressed.

www.cipfascotland.org.uk/events

LANDFILL ALLOWANCE TRADING SCHEME

This scheme has been under consideration by CIPFA's Local Authority Accounting Panel and will shortly result in the issue of a bulletin which provides guidance on accounting treatment to local authorities in England. The scheme enables landfill allowances to be traded between local authorities and requires that a valuation be placed upon the allowances. In Scotland, the governing regulation is "The Landfill Allowances Scheme (Scotland) Regulations 2005 (Scottish Statutory Instrument No 157)". Regulation 8, which allows for the transfer (or trading) of landfill allowances does not however come into force until 1 April 2008. This means that the accounting treatment envisaged for local authorities in England will not be applicable in Scotland until 2008/9.

LASAAC NEXT MEETING

The next meeting of the Committee will take place on Monday 13 March 2006. The Committee will, in advance of the CIPFA/LASAAC Joint Committee, consider the response from stakeholders to the proposed amendments to the 2006 SORP. The proposals to eliminate notional interest, comments on FRS 25 and FRS 26 and the proposed modification to the financial statements will form the key features of the Committee's deliberations.

LASAAC WEBSITE

The LASAAC website has undergone the first phase of development. The site now includes a news page upon which any developments in local authority accounting will be announced. Guidance issued by LASAAC on reserves, insurance, FRS 17 and trading accounts is contained within the site. Comments on the website are welcomed, including suggestions for improvement, and can be emailed to lasaac@cipfa.org

GOVERNMENT SECTOR BRIEFING

This periodic sector briefing on government will provide updates on matters affecting finance professionals in the Scottish Executive and all other government bodies.

THE SCOTTISH PUBLIC FINANCE MANUAL

The Scottish Public Finance Manual (SPFM) has been amended to take account of developments since its last revision in July 2005.

The substantive changes include an expanded Grant & Grant in Aid section, including guidance on:

- the introduction of a charge / clawback condition over a publicly funded asset (note this also affects the section on Disposal of Tangible Fixed Assets);
- funding asset creation and maintenance through endowments or dowries; and
- using assets as collateral or to generate income

The guidance on certification by external auditors has also been revised to make it clear that such certification should not be considered the norm.

A new section, entitled the 'Annual Budgeting Process', has replaced the previous guidance on Departmental Budgets. It includes a link to the recently revised Written Agreements between the Scottish Executive and the Scottish Parliament Finance Committee covering the principles

and procedures for the annual budgeting process, the format of the budget documents and procedures for in-year reallocation of budgetary provision.

The section on Severance, Early Retirement & Redundancy Terms has been revised to clarify that proposals for compensation payments that do not conform to any approved scheme must be referred to the relevant departmental Finance Team for approval before any offer is made.

The independence and transparency of audit committees has been strengthened. Departmental Audit Committees (DACs) should now comprise only non-executive / independent external

members, one of whom should take the chair. In the case of DACs independent external members should not be Scottish Executive members of staff. Departmental Accountable Officers should attend meetings of DACs together with any other relevant persons but should not be members.

Finally, Annex 2 to the section on Annual Accounts, which provides guidance on the Retention of Financial Records, has been updated. It now includes links to the Generic Retention and Disposal Schedule for Financial Records on the website of the UK National Archives and to HM Customs and Revenue guidance on the retention of records relating to VAT.

Finance Guidance note FGN 2006/01 provides further detail on these amendments, and can be found at

www.scotland.gov.uk/Topics/Government/Finance/spfm/GuidanceNotes

The SPFM itself can be found at

www.scotland.gov.uk/Topics/Government/Finance/spfm/Intro

GOVERNMENT SECTOR BRIEFING

	Education (£000s)	Social Work (£000s)	Police (£000s)	Fire (£000s)	Roads & Townships (£000s)	(Parks etc by Tourism & Remoteness) (£000s)
	129755	73406	42846	11189	14013	129
	183482	67509	31711	7715	27487	19
en City	82945	41793	18390	4609	11151	
eenabire	69724	34161	17679	4355	14020	
s	37912	15872	7017	2503	3656	
ll & Bute	115069	53108	27859	7919	20191	
ckmannanshire	102314	80527	34218	12615	10552	
& Galloway		45170	21566	5061	10103	
			13887	4944	8431	
				2607	7714	
					7016	

THE GREEN BOOK

The Treasury's Guide to Appraisal and Evaluation in Central Government ("The Green Book") is described as "binding guidance" for departments and for executive agencies but can be relevant to all public sector appraisals and evaluations.

Its rules apply to all new policies, programmes and projects; whether "revenue, capital or regulatory" and the stated purpose is to ensure that these initiatives are subject to comprehensive review.

The Foreword to the revised Green Book states;

"Appraisal, done properly, is not rocket science, but it is crucially important and needs to be carried out carefully. Decisions taken at the appraisal stage affect the whole lifecycle of new policies, programmes and projects. Similarly, the proper evaluation of previous initiatives is essential in avoiding past mistakes and to enable us to learn from experience."

The purpose of the Green Book is

to ensure that no policy, programme or project is adopted without first having the answer to these questions:

- Are there better ways to achieve this objective?
- Are there better uses for these resources?

The main changes in the new edition are:

- a stronger emphasis on the identification, management and realisation of benefits;
- an "unbundling" of the discount rate, introducing a rate of 3.5% in real terms, based on social time preference, while taking account of the other factors which were

in practice often implicitly bundled up in the old 6% real figure;

- the inclusion of an explicit adjustment procedure to redress the systematic optimism that historically has afflicted the appraisal process; and
- greater emphasis on assessing the differential impacts of proposals on the various groups in our society, where these are likely to be significant.

Although the Green Book is written with Central Government bodies in mind, as stated in the introduction, "it is relevant to all appraisals and evaluations".

CIPFA has issued a briefing paper on the Green Book revisions, which you can read at www.cipfa.org.uk/pt/download/green_book_briefing.pdf

In addition, there is a dedicated Green Book website, which can be found at <http://greenbook.treasury.gov.uk>

Housing Associations SECTOR BRIEFING

The sector briefing on Housing Associations is provided by **Arthur Cockburn**, Finance Manager at Prospect Housing Association.

ACCOUNTING ORDER

Communities Scotland have indicated that they will be commencing the process of putting together a new Accounting Order, and bring the 1999 Order up to date. The Order lays down accounting requirements for registered social landlords (RSLs) to ensure that their accounts give a true and fair view of the state of their affairs, and comply with regulatory requirements. It is intended to bring reporting requirements for RSLs into line with generally accepted accounting practice and sets out how legislation applies to statutorily registered RSL financial statements.

With the timescales involved in the preparation and for passing legislation, it may be ready for the 2007 financial statements. It is expected however that it is more likely to be in force for the 2008 financial statements.

VAT-RIVERSIDE TRIBUNAL

The VAT Tribunal for the Riverside case, which was related to the original Cardiff Community Housing case, has now been decided in favour of HM Revenue & Customs. Once the full narrative of the case is released, a more detailed discussion of the decision will be forthcoming and will be reported in Scottish News.

OSCR CHARITY TEST CONSULTATION RESPONSE

The Scottish Federation of Housing Associations (SFHA) has submitted a response to the recent OSCR consultation exercise on the operation of the new Charity Test. A copy of this response can be viewed on the SFHA website. The main points of the response relate to the position of Housing Co-operatives and to some of the ancillary activity that many housing associations carry out, such as factoring and its relationship to charitable status.



SCOTTISH EXECUTIVE HOUSING INVESTMENT

SFHA has been advised that the Transfer of the Management of Development Funding will not be extended to other local authorities beyond Edinburgh and Glasgow. This decision has been taken by the Minister, Malcolm Chisholm, after discussion with CoSLA, SFHA and Communities Scotland. While funding will not transfer, a key aim for the

Strategic Housing Investment Framework (SHIF) will be to enhance the strategic role of local authorities in relation to housing. SFHA will be in further dialogue with the Executive regarding a draft paper on the operation of the SHIF.

Developments will be reported in future editions of Scottish News.

MEMBERS NEWS



CIPFA IN SCOTLAND CENTENARY



Past Chairs: Harry Nicoll, David Chynoweth, Caroline Gardner, Tom Carter, Bill Sutherland

Members in Scotland will by now be aware that 2006 marks the centenary year of 'the Scottish Branch', the volunteer arm of the Institute in Scotland.

A range of events will be held throughout the year to celebrate this landmark. Members will already have received their centenary calendars which chart the growth of CIPFA in Scotland through the years against the background of public services in Scotland throughout this period.

The Institute in Scotland commenced in 1906 with 22

members. Undoubtedly, those original members would have been proud of the way the membership and the Institute have grown in that time. Equally, they could only have been impressed by the centenary dinner which launched the centenary celebrations and which saw some of CIPFA's 'great and good' and other leading public service figures gathered in Glasgow.

The setting was the magnificent House for an Art Lover in Bellahouston Park. The venue was a modern construction built from the original early century designs by Charles Rennie Mackintosh. The building's growth from an original but early classic design to a construction fit for the 21st century was for some, a personification of CIPFA in Scotland in its centenary year. In both spirit and substance it provided the perfect backdrop for the initial drinks reception, dinner and networking.

A prerequisite of any birthday party of course is a cake. This party was no different with the cake being cut jointly by Sandra Black, Chair of CIPFA in Scotland Executive Committee and Allan Brackin, one of CIPFA's most senior members in Scotland.



Sandra Black, Irene Silvester, Tom Scholes, Angela Scott and Alan Geddes

You can read more about CIPFA in Scotland's centenary plans at www.cipfa.org.uk/regions/scotland

MEMBERS NEWS



THE TOM SOWERBY AWARD 2006

CIPFA is now inviting nominations for the Tom Sowerby Award 2006. This award honours those who have given outstanding service to CIPFA students, and will be presented at the National Student Forum Conference.

If you have a colleague, tutor or mentor in Scotland who has shown particular dedication to CIPFA students, why not recognise that dedication by nominating him/her?

To make a nomination for the Tom Sowerby Award 2006, go to the dedicated website at www.cipfa.org.uk/students/current/sowerby.cfm (If you don't have internet access you can phone Maria Locke at CIPFA on 020 7543 5639 for a print copy of the nomination form). The deadline for nominations is Friday 17 March 2006.

DIARY DATES

Members AGM

18th May, 5.30pm
Parish Halls, Glasgow

Graduation Ceremony

19th May
City Chambers, Glasgow

Members will be notified in full later.



THE CIPFA LEARNING CENTRE AN UPDATE

The CIPFA Learning Centre (CLC) was launched in June 2005 to provide CIPFA members with tools to support them in their everyday tasks, to improve their technical, management and leadership performance and to organise and record their Continuing Professional Development (CPD). The main features of the CLC are an online management and leadership toolkit, a comprehensive database of authoritative finance advice and a sophisticated learning and development system, which assists users in assessing their performance, identifying their learning needs, producing their development plan and reviewing its effectiveness.

For those new to the CLC, CIPFA recommends you get started by reading through the introduction to

the site which you will find by clicking on the Overview button in the "Get Started" section of the left hand menu. To help you find your way round the CLC, you'll find a Knowledge Base toolbar on the Home Page. As well as a standard Search button, there are also advanced search options available and an Explore button, which allows you to find your own way through the Management and Leadership toolkit and the database of technical finance and accounting material. You could try using these facilities to find the tips on preparing for a performance review meeting.

For further information about the CPD scheme please visit the CIPFA Learning Centre at <http://learning.cipfa.org.uk>

CETC EAST SCOTLAND STUDENTS EXAM RESULTS

Students at the CIPFA Education and Training Centre (CETC) in Edinburgh are once again celebrating fantastic results in the recent Professional Accountancy Qualification exams. The Financial Accounting / Management Accounting group achieved a 100% pass rate for both modules and the Audit & Assurance / Accounting for Decision Making group students had pass rates of 86% and 71% for each module respectively.

CAREER

In this edition of CIPFA Scottish News, we welcome Change CRS, a new partner organisation for CIPFA. In the first of a series of regular career and recruitment articles, Julia Coltart, Managing Consultant in the Public Sector Finance Division, discusses the positive prospects for talented finance professionals balanced against the need for professional career advice

change | crs[®]
complete recruitment solutions

EMPLOYMENT IN SCOTLAND 2006

“With the Scottish economy outperforming the rest of the UK in 2005, the demand for talented professionals has never been greater.”

According to a recent HBOS survey, the 2005 labour market north of the border was the strongest in the UK. This striking economic growth has created a vibrant labour market. It is forecasted that in 2006 services, within both the private and public sectors, will continue to expand

of the border” to fulfil career expectations.

These inevitable skills gaps (as opposed to skills shortages) must make us take every opportunity for ongoing training and CPD to ensure that we can further increase our marketability. This current situation

Many of the current economic factors create the ideal environment for the individual to progress their career in the direction that they want.

leading to a steady increase in professional and managerial jobs.

Within the labour market the demand for skills is huge, with employers facing many recruitment difficulties. High employment and an ageing population will mean that those seeking fresh opportunities with strong skill sets and experience will be in an enviable position. No longer, is there the need to go “south

also lends itself to the highly employable individual being able to make lifestyle choices when planning their careers. That is, “right careers”, in terms of our motivating factors will ensure that we fulfil all personal and career goals. Organisations, in seeking potential employees, will have to offer flexibility to assure that this is achieved.

This shortage will also increasingly

CAREER

change | crs[®]
complete recruitment solutions

force employers to look within the organisation for future potential senior management. However, it must be the responsibility of the individual to plan his or her career and with all of the above in mind be honest with themselves as to their motivators. What they enjoy about their current role will not necessarily correspond if they were to make the "natural progression" to a more senior/strategic role. Employers equally, must have guidelines for what is in fact individual potential. That being, benchmarks for a high achiever in a current role, do not necessarily equate to the required quotients to have continued career success at senior management level. Genuine potential and goals both in lifestyle and role must be honestly analysed by both.

Many of the current economic factors create the ideal environment for the individual to progress their career in the direction that they want. However with the wealth of information regarding career planning and opportunities, it can all

become overwhelming. Professional information and support has never been so invaluable as well as a fresh and unbiased perspective.

At Change CRS we offer a total recruitment package, fulfilling expectations for both employers and employees. These can only be achieved from a comprehensive understanding of an individual's needs. Not only salary expectations, but also other motivators must be taken into account. At Change we take a long term perspective and have contact with candidates throughout their careers, not only in pursuit of new roles, but also in offering general career advice and helping to set short and long term career goals.

As either an employer or individual seeking recruitment advice, we would be delighted to discuss the services that we, at Change can provide.

Within the dedicated Public Sector Finance Division we are able to offer a bespoke service throughout Scotland at all levels from junior accountant to Financial Director level.

Current vacancies on offer:

FINANCIAL ACCOUNTANT

3 mth Contract
c£28 p/hr – Edinburgh

SENIOR INTERNAL AUDIT

Temp-Perm role
c£20 p/hr – Dundee

MANAGEMENT ACCOUNTANT

3 mth Contract
£15 p/hr – Edinburgh

INTERNAL AUDITOR

6mth Contract
£20 p/hr - Edinburgh

www.changejobs.net

In the first instance please contact:

Julia Coltart

Managing Consultant, Public

Sector – Finance Division

Change CRS

18 George Street

Edinburgh EH2 2PF

julia.coltart@changejobs.net

Telephone

0131 473 4937

Career Moves

Susan Cooper has been appointed to the new post of City Chamberlain at Aberdeen City Council.

Gordon Edwards has been appointed as Director of Corporate Services at Aberdeen City Council. Gordon is a former Chair of the CIPFA Directors of Finance Section.