

Staying out in front

Anne Davis explains how professional knowledge can be the key to IFA members keeping one step ahead of the crowd.



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TEN SECOND SUMMARY

- 1 The CPD requirements of the IFA are changing from 1 January 2018.
- 2 Members must certify that they have met the CPD requirements or are exempt as part of the membership renewals process.
- 3 CPD enables knowledge and skills to be kept up to date enabling the delivery of high-quality services.

Continuing professional development (CPD) is a core element of being a professional. It is an ongoing process by which members gain and document the knowledge, abilities and experience they have acquired to enhance their skills and remain competent. Whether in practice or business, IFA members are in a position of trust and their clients, work colleagues and the public, expect members to be competent and demonstrate high professional standards. In common with many professional bodies, the IFA has its own CPD requirements; however, these are changing from 1 January 2018 as detailed in the Institute's Continuing Professional Development Regulations. Why the change I hear you ask? The three main reasons are as follows.

- Alignment with the IPA bye-laws and CPD pronouncement, thereby ensuring Group members must meet similar requirements, taking account of jurisdictional differences.
- Forthcoming changes from the International Federation of Accountants (IFAC) outlined in their recent consultation on International Education Standards (IES 7) – Continuing Professional Development.
- Feedback from members which told us that the combination-based approach – a mixture of input (measures number of hours) and output (measures learning outcomes) – was confusing, difficult to implement and measure.

Key requirements

So, what are the key requirements of the new regulations? Members must take the following action.

- Keep training and development needs under review having regard to the professional and other work they undertake. Where a specific need for training or development is identified, prompt action must be taken to meet this.
- Compliance with the CPD requirements must be certified annually with the IFA. A minimum of 40 hours of CPD in any year must be completed, of which 20 hours must be verifiable.
- If requested, members must co-operate with the IFA compliance and monitoring process and provide evidence of their CPD records.



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CPD activities

Examples of CPD activities include the following learning commitments.

- Attendance at training courses, conferences, seminars, workshops, branch meetings and other meetings.
- Online learning or training.
- Studying for professional exams with formal testing.
- On-the-job training, including secondment, work shadowing, visiting other departments, performance feedback or professional guidance from a mentor or coach.
- Participation in and work on boards, technical committees, networks and other sector activities.
- Writing articles, papers or books that are technical, professional or academic in nature.
- Researching relevant subject matter, including reading professional literature and journals and technical discussions with colleagues.

Examples of evidence in support of verifiable CPD include, but are not limited to:

- course outlines and teaching materials;
- confirmation of participation in events or courses by a provider, instructor, employer, professional body, mentor or tutor; and
- independent confirmation that a learning activity has been completed successfully; for example, examination results, certificates, appraisals and assessments by an employer.

CPD exemptions

Members may be “CPD exempt” if they fall into the following categories.

- They provide no accountancy services (with or without reward).
- They do not act as trustee, director of a legal entity or in any other capacity which carries with it an equivalent level of legal or financial responsibility.
- They have no intention of providing the above services in the future.

Members will be asked to certify or declare to the IFA whether they have met the CPD requirements or are CPD exempt as part of the annual membership renewals process.

Recording of CPD

For some, recording CPD will be a bureaucratic chore and one they would like to avoid. To minimise this feeling and the email exchanges, questions and answers required by an IFA reviewer if selected for CPD monitoring, here are some practical tips.

- It is much easier to record CPD activity immediately after it has been undertaken. Not only does this make it easier to record the description and the evidence of the learning activity, but also the learning outcome and whether this was met.
- Evidence to support CPD activity should demonstrate what has been learnt. Superficial commentary such as “attended branch meeting” or “attended this conference because it was relevant to my work”, with relevant attachments to prove that you attended these events, does not demonstrate why the CPD activity was useful and what has been learnt.
- Use the IFA dashboard to record CPD activities electronically. If selected for monitoring, and with permission, the IFA reviewer can have access to the information recorded in the CPD section of member’s dashboard, making the review process much simpler.
- Ideally, those not using the IFA dashboard should keep electronic records to support their CPD activities.

Conclusion

In summary, the new regulations ensure that CPD activities relate to members’ roles, responsibilities or career, have specific learning outcomes and are supported by evidence. It should be a proactive rather than reactive or passive process and should not be a bureaucratic chore.

The importance of CPD should not be underestimated – it is a career-long obligation for professionals. While the Institute requires its members to meet specific CPD requirements, at its core this is about the personal responsibility of professionals to keep their knowledge and skills up to date so they can deliver high-quality services to their clients, employers and other stakeholders. It is also there to safeguard the public, the reputation of the Institute, its members and the accountancy profession.

➤ FURTHER INFORMATION

CPD regulations: www.ifa.org.uk/cpdregulations
Branch meetings, conferences and webinars: www.ifa.org.uk/events
CPD member benefits – Accountingcpd at: www.ifa.org.uk/nelsoncroom
Excel With Business: www.ifa.org.uk/excel
Institute of Business Ethics: www.ifa.org.uk/ibe
Intellectual Property Office: www.ifa.org.uk/ipo
Catax – R&D CPD training: www.ifa.org.uk/catax