

SALISBURY CITY COUNCIL

Subject : Proposed Change to Staffing Establishment – Finance
Committee : Personnel Committee
Date : 24 April 2024
Author : Steve Bishop, Responsible Finance Officer

1. Report Summary:

- 1.1. This report proposes one change to the staffing establishment for the Finance Team.
- 1.2. This change aims to resolve the problems caused by a long term vacancy filled by a series of temporary agency staff. This proposal makes a significant saving to the Council.

2. Overview of Staffing Changes Proposed:

- 2.1. The proposed change is to replace the part-time (30 hours per week) Finance Officer role with a new full-time Finance Apprentice. By recruiting an entry level apprentice, without previous experience, we can train them up in financial theory, through college study, and in finance practice in the office.

3. Finance Apprentice – new role:

3.1. Job Purpose:

- 3.1.1. To assist the Finance team to ensure that all financial transactions with both customers and suppliers are accurate, timely, and compliant with good practice, and that the experience for customers and suppliers dealing with us is friendly and positive.
- 3.1.2. To support the Finance Team, by carrying out the routine financial processes including entering transactions in the Council's accounting system (currently Exchequer), checking the bank account balances, counting petty cash floats and answering financial queries.
- 3.1.3. To use their day-to-day involvement in the Council's financial processes alongside ongoing academic financial training to develop their financial skills.

3.2. This new role will:

- 3.2.1. Provide tailored, cost-effective support to the Responsible Finance Officer and his team, increasing their capacity to improve the financial service to colleagues.
- 3.2.2. Provide a valuable training and development opportunity for any individual looking to gain financial experience and a qualification in the public sector, attracting a wider range of candidates including people with no relevant experience at all.

4. The business case for an apprentice

- 4.1. Apprenticeships make good business sense. Skills shortages are still one of the biggest threats to the UK economy. Apprenticeships can help organisations across all industries by offering a route to harness fresh talent. By training people with the right skills for the job they can do a wider range of tasks and take on new responsibilities; this can help to reduce skill shortages, minimise staff turnover and increase productivity.
- 4.2. Taking on an apprentice is cost-effective because people can learn while they're on the job and the government contributes to the costs of learning. There are clear financial benefits to employers and their investment in Apprenticeships is repaid many times over.
- 4.3. A 2008 study by the University of Warwick Institute of Employment Research found that the costs of Apprenticeship training are recouped relatively quickly – in some cases within a year – and that where the investment is nurtured the returns are significant. The report found that "the evidence points to employers obtaining a range of qualitative benefits from the Apprenticeship training in which they invest, but importantly that investment is recouped in monetary terms within two to three years in most instances".
- 4.4. In a recent survey 92% of employers said that their Apprenticeship programme better motivated staff and increased job satisfaction.

5. Pay rate

- 5.1. The apprentice would be paid the National Minimum Wage in respect of their age once their college course starts in September. The RFO will seek to recruit in May and provide several months on-the-job training prior to the college course commencing. Ordinarily the Council's policy would be to pay the Foundation Living Wage, which is slightly above National Minimum Wage, during this period. However, to avoid the apprentice suffering a wage cut in September it is recommended that, as an exception to the Council's policy, the apprentice would be paid at National Minimum Wage in respect of their age from their start date.

6. Costs summary

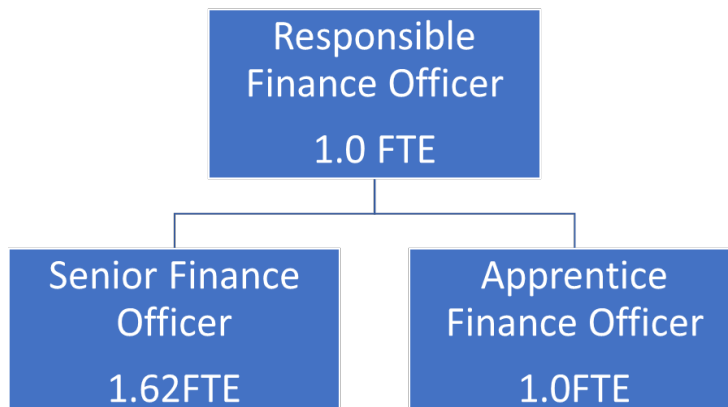
6.1. Details of the current establishment for the Finance Team is shown below in the table.

Current establishment cost:

Post Title	FTE	Grade of Post	No. of persons in role	Salary costs 24/25 incl oncosts
Responsible Finance Officer (post A4)	1.0	L	1	£ 80,500
Senior Finance Officer (A5)	1.62	F	2	£ 53,000
Finance Officer (A6)	0.8	E	Temps	£34,000
			Total Salary Costs	£ 167,500

6.2. The above table shows the cost during the past year when temps were covering the vacant A6 post. If the post were filled substantively with a permanent employee instead of temps the cost of the post would be £29,760 and the total salary costs for the team would be £163,260, £4,240 less than current expenditure.

Proposed establishment structure:



Proposed establishment cost:

Post Title	FTE	Grade of Post	No. of persons in role	Salary costs 24/25 incl oncosts
Responsible Finance Officer (post A4)	1.0	L	1	£ 80,500
Senior Finance Officer (A5)	1.62	F	2	£ 53,000
Finance Apprentice	1.0	E	1	£23,600
			Total Salary Costs	£ 157,100

- 6.3. The proposed change is to replace the 0.8 FTE A6 Finance Officer post with a 1.0 FTE Finance Apprentice. An apprentice would spend on average 4 days per week working in the office (comparable to the current 0.8 FTE) but would also receive 1 day per week college training or study leave.
- 6.4. Under the Government's apprenticeship programme, the Government pays 95% of the cost up to a maximum of £6,000. The training cost to the Council would be £300 non-levy employer contribution.
- 6.5. The annual salary cost of the apprentice post will ordinarily be £18,794, although there will be exceptional costs of £660 in 2024/25 if the apprentice starts in May and is paid the enhanced real living wage in the period until their college course starts in September.
- 6.6. The maximum annual total cost including oncosts would therefore be £23,600. The proposed change would therefore save the Council a minimum of £6,160 per year whilst also providing the non-financial benefits discussed above.

7. The apprenticeship

- 7.1. An apprenticeship contract would be offered to the successful candidate. For ease of commuting and for proximity to the Council's workplace we would use the Wiltshire College and University Centre. The College offers the Level 2 Accounts or Finance Assistant apprenticeship including AAT Foundation Certificate in Accounting qualification.
- 7.2. The intention would be to support and encourage the apprentice to progress successfully through to completion of apprenticeship and AAT Foundation Certificate in Accounting qualification, after which there would not be any guaranteed role at the Council; instead, the experienced and qualified ex-apprentice would look elsewhere for a suitable position.

- 7.3. The council would support the apprentice with college attendance, study leave and a maximum of two re-takes of any failed module/examination. This is expected to take 12 – 18 months. Should the apprentice be unable to complete the qualification their apprenticeship and employment with the Council would be terminated.
- 7.4. After the apprenticeship is completed or terminated the Council would review the arrangement to decide whether to recruit a new apprentice or not.

8. Governance:

- 8.1. The Personnel Committee has delegated authority via the Scheme of Delegation as shown in the Council's Standing Orders to consider the final decision on staff structures and consideration of staffing reviews.
- 8.2. Standing Orders notes that "Any matter requiring additional or new budget provision outside that previously agreed by the Council in respect of the above work areas shall be referred to the Finance and Governance committee for final consideration and determination". As the proposed change does not require additional budget there is no need to refer this matter to the Finance and Governance Committee.

9. Recommendations:

It is recommended that the Committee:

- 9.1. Approve the proposed restructure of the Finance team.
- 9.2. Approve the creation of a Finance Apprentice role, to replace the Finance Officer, and commit to its continuance through to successful completion of the first apprenticeship, at which point the role will be reviewed.
- 9.3. As an exception to Council policy the apprentice would be paid at National Minimum Wage from their commencement.

10. Wards Affected: None

11. Implications:

- 11.1. **Financial:** As shown within this report.
- 11.2. **Legal:** Employment Law will apply in all situations
- 11.3. **Personnel:** As shown in this report.
- 11.4. **Environmental Impact:** None
- 11.5. **Equalities Impact Statement:** All employees will be managed in accordance with our employment policies.