



**Report to:** Senior Leadership Team

**Subject:** Restructure of Financial Services Team and Service Development Proposals

**Date:** 25 September 2012

**Author:** Financial Services Manager

**1. Purpose of the Report**

- 1.1 To request the approval of some minor changes to the structure of Financial Services which have a net nil budget impact and seek support for service development proposals.

**2. Background**

- 2.1 The imminent departure of one of the Council's Senior Assistant Accountants provides the opportunity to review the Accountancy structure to ensure it supports:

- Continuous improvement in service performance;
- Robustness of service delivery;
- Responsive to change;
- The provision of an appropriate level of professional technical advice.
- Staff development opportunities
- Delivery of efficiency savings

- 2.2 Securing continuous value for money improvements in the delivery of financial services to the Council are a permanent feature of the team's work, as evidenced by past cashable efficiencies delivered i.e. £14,300 2012/13; £21,500 2011/12; £10,000 2010/11. Making the best use of the financial management systems and improving and standardising working practices and structures are processes regularly challenged, together with entering into new service delivery models as appropriate e.g. shared payroll services.

**3. Proposal**

- 3.1 The current structure, attached at Appendix A, consists of two front line support teams each led by a Senior Asst Accountant. The functions delivered by the teams are generic i.e. budgeting, budgetary control and final accounts processes with each team providing services to different Service Managers.

- 3.2 The current two team system does not provide sufficient flexibility in terms of the ability to be responsive to change in a timely manner, for example, in implementing new more efficient working practices and adjusting workloads following Council Portfolio and management restructures. It is therefore proposed to create one team by deleting the vacant Band 8 and creating a Band 6 Assistant Accountant which will report to the remaining Band 8 Senior Assistant Accountant.
- 3.3 A higher level apprentice has recently been recruited to the team funded by temporary savings generated from maternity leave/vacant hours. It is considered beneficial for both service delivery and as a contribution to overall Council objectives and recent SLT initiatives in respect of apprentices, to identify a permanent resource to enable continued employment of an apprentice in the future. With the savings created from the reduction in grade described at 3.2 above together with the deletion of the overtime budget, I therefore propose to establish 15 additional clerical band 3 hours which can be used together with existing vacant Band 3 hours to enable continued employment of an apprentice in the future.
- 3.4 As the current apprentice is funded from other savings this resource will not be immediately required and consideration will be given to the recruitment of an additional one year apprentice within Financial Services (payroll/creditors), with a view to succession planning in a team with several staff approaching retirement age. Alternatively, any interim savings will be reported through the normal quarterly performance monitoring reports.
- 3.5 The proposed structure is attached at Appendix B. The changes are summarised as follows:
- Deletion of the Band 8 Senior Assistant Accountant
  - Creation of a Band 6 Assistant Accountant
  - Creation of 15 Hours Band 3 Clerical Assistant
- 3.6 The changes do not require a change to job descriptions.
- 3.7 The main implications for existing staff are changes to reporting lines and the Service Manager, Organisational Development has confirmed that the changes to reporting lines do not impact on any grades.

#### 4. **Resource Implications**

- 4.1 The resource implications of the proposed changes are summarised in the table below:

	£
Deletion of Band 8 Senior Asst Accountant	(£33,000)
Creation of Band 6 Asst Accountant	26,800
Creation of 15 hours Band 3 Clerical Assistant	7,700
Deletion of overtime budget	(1,500)
Net Budget Impact	<b>0</b>

## 5. **Future Developments**

- 5.1 With the support of SLT I would now like to implement the trial of a more risk based approach to the Council's budget monitoring process with a view to delivering future efficiencies whilst continuing to provide the same high quality outcomes in financial management.
- 5.2 With immediate effect I propose to move from full budget monitoring on a monthly basis to detailed monitoring each quarter in preparation of the Cabinet performance reports. Budget monitoring exception reports will continue to be provided to Services Managers on a monthly basis and the team will continue to provide advice and support at all times. However, routine budget monitoring meetings with Service Managers and the production of monthly management reports will cease. As Service Managers are accountable for their budgets this of course does not mean that they should scrutinise their budgets less, and so this change does place more reliance on those responsibilities being fulfilled more independently. However, this change should release Principal Accountant time to provide more support to Service Managers in project/service reviews.
- 5.3 In addition, I will consider how processes can be amended to ensure more scrutiny is given to high risk areas e.g. income, whilst budgets which are predominantly staff based will be given a lighter touch.
- 5.4 I anticipate that these changes will deliver further efficiencies in the back office, equivalent to 0.5-1fte at Assistant Accountant level, with minimal or no impact on quality outcomes but propose a trial period to evidence that this is the case before moving to a permanent change. If the trial is successful I would hope to be able to offer efficiencies during the 2014/15 Budget Process.

## 6. **Recommendations**

- 6.1 The Chief Executive is asked to approve the changes to the structure under delegated authority as detailed in the report.
- 6.2 SLT support is requested for the proposed trial of service developments as detailed in the report with a view to delivering future efficiencies in back office costs.