

## **RECOMMENDATIONS TO CABINET 30 OCTOBER 2012 FROM THE MEETING OF THE RESOURCES AND PERFORMANCE PANEL 23 OCTOBER 2012**

### **RP69: CABINET REPORT: OUTSOURCED PAYROLL CONTRACT**

In presenting the report, the Personnel Services Manager reminded the Panel that in September 2012 Cabinet considered a report which outlined the tendering process being undertaken to award the contract for outsourced payroll provision from 1 April 2013.

Members were informed that six companies were invited to tender for the contract. Five companies submitted tenders and following an assessment of these, 3 companies were invited to make formal presentations to relevant Officers. As a result of the process the Bedford Borough Council had been identified as the Council's preferred supplier.

In response to questions from Councillor de Winton on the contract, the Personnel Manager explained that the contract had not been awarded just on a cost basis. The current contract had been reviewed and other services had been added as well as taking into consideration changes to payroll legislation. The criteria used during the tender process was outlined. The Personnel Manager highlighted that although the cost was an important element, the overall performance of the service was the priority to ensure employees and Members were paid on time and accurately. Issues such as the functionality of the software used by the provider, and data security were also priority considerations.

In response to a question from the Chairman, Councillor Manning on the software required, the Personnel Manager explained that Bedford Borough Council had the required software for the processing of the payroll function. The contract had been awarded for a period of five years, with the option of extending it for a further two years.

Councillor Mrs Watson asked if a saving had been achieved by awarding the new contract to the existing supplier. In response the Personnel Manager explained that although the current provider had been awarded the contract there were no additional savings to the Council. The savings had been achieved six years ago when the Council had originally decided to outsource the payroll function.

In response to questions from Councillor Langwade on the tender process, the Personnel Services Manager explained that the Council was required to following the laws of procurement and there were strict steps and timescales which had to be adhered to. No additional resource was necessary, the Council's in-house Procurement Team had assisted during the process.

**RESOLVED:** That Cabinet be informed that the Resources and Performance Panel supports the recommendation as set out in the report to Cabinet as follows:

That Cabinet approve the awarding of the outsourced payroll contract to Bedford Borough Council.

RP70: **CABINET REPORT: CORPORATE APPRENTICESHIP SCHEME**

The Personnel Services Manager presented the report and explained that as part of Central Services Directorate Plan for 2012/13 it was agreed that Personnel would investigate the potential benefits and costs of introducing an Apprenticeship Scheme to the Council. A report was taken to Management Team in August where it was agreed that the proposal should be taken forward for consideration by Cabinet.

The Personnel Services Manager explained that Apprenticeships were a Government initiative to offer an alternative to university for people looking for a direct and affordable route to skilled jobs and careers. Apprenticeships were available to anyone over 16 years of age and who were not in full-time education and were in employment. Members were advised that there were a wide range of apprenticeships available with over 200 different types of apprenticeships on offer, however, many of these would not “fit” with the services that the Council delivered. An assessment of available courses had been undertaken against the needs of the organisation which had resulted in the proposal to provide the six apprentice opportunities in the following areas:

- Two Business Administration apprentices based within King’s Court.
- Front Office Receptionist based at Downham Market Leisure Centre.
- Accountancy based at King’s Court.
- Horticulture based at the Depot.
- Exercise and Fitness based at Downham Market.

As an apprentice employer the Council would be able to display the employer badge on all Council documents, at no cost and the Council would also be able to display a certificate in Reception to recognise the commitment to the Apprenticeship Scheme.

The Panel was informed that there was no budget provision for the Apprenticeship Scheme. The costs of the posts over an eighteen month period were estimated to be £80,900 with a government grant of £9,000 reducing the cost to £71,900. It was proposed to meet the cost from the savings of £313,000 made to date in 2012/13. It was noted that any separate costs of training would be met from the Corporate Training Budget in the relevant year.

In response to questions on any apprentices opting out of the scheme, the Personnel Manager explained that during the interview process, candidates would be required to demonstrate a commitment to completing the 18 month apprenticeship. However, if any candidates should opt out then the Council would need to look at the reasons why and would then need to decide if the candidate should be replaced.

Following questions from Councillor Morrison on apprentices being placed in a high turnover area of the Council, the Personnel Manager explained that within the organisation there were some areas of administration which had a high level of turnover, as once the skills had been achieved, future opportunities would be sought elsewhere. The Apprenticeship Scheme provided young people with an opportunity to get on the career ladder.

Councillor Morrison commented that it was an excellent scheme and asked how it would be publicised. The Personnel Manager informed the Panel that an article had appeared in the Lynn News and that case studies, as they developed, could be published on the Council's website.

Councillor Langwade asked how the six apprentice opportunities had been selected and commented that stage management within the Corn Exchange was an ideal venue to have an apprentice. In response, the Personnel Manager explained that in some service areas there was no capacity to provide the relevant structured training. Core Service areas had been identified to place apprentices, however, if the scheme proved successful, then the Council would look at other suitable service areas. The Deputy Chief Executive added that the Corn Exchange had originally been identified for an apprentice, but there was no capacity to provide the relevant training.

In response to questions from Councillor de Winton, the Personnel Manager explained that potentially the Apprenticeship Scheme could commence in January 2013.

Following questions from Councillor Mrs Watson on the scheme, the Personnel Manager advised that the proportion of time for day release was equal to one day per week during normal college hours. It was noted that some distance learning may be built in and study time would be allocated.

Councillor Loveless commented that the Council should be proud of proposing such a scheme and added that the Council had previously run an apprenticeship scheme. The Personnel Services Manager reminded the Panel of the Boroughskills Centre which was a stand alone scheme. Councillor Loveless asked if the scheme would continue after the 18 month period. In response, the Deputy Chief Executive explained that it would be dependant on the success of the scheme and if it worked well, then the Council would try to repeat it if financially possible in order to invest in the community.

The Personnel Manager informed the Panel that as well as Government funding there were other sources of external funding available for apprenticeship schemes which were being investigated.

Councillor Mrs Watson commended the scheme and added that she hoped it would encourage other businesses and organisations to participate in an apprenticeship scheme.

In response to questions from Councillor Morrison on the operation of the scheme, the Personnel Manager explained that Personnel would have regular contact with all six apprentices and monitoring arrangements would be put in place.

Councillor de Winton suggested that the Panel received progress reports on the Apprenticeship Scheme, which was agreed by those present. Following the meeting, the Personnel Manager confirmed that the following reports would be received by the Panel:

- 23 April 2012 – Progress Report on Appointment of Apprentices.
- October 2013 – Progress Report on Apprentices.

**RESOLVED:** That Cabinet be informed that the Resources and Performance Panel supports the recommendation as set out in the report to Cabinet as follows:

- 1) That six apprentices to be employed on 18 month Fixed Term Contracts which are supernumerary to the Fixed Term Establishment List.
- 2) That these posts be funded corporately and that the cost of the apprentices (either £13,484 or £14,795 per annum (including oncosts) depending on their age) be met from budget savings made to date in the 2012/13 year.