

GUIDE TO THE FINANCIAL MANAGEMENT DEVELOPMENT SCHEME

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GUIDE TO THE FINANCIAL MANAGEMENT SCHEME

1 Purpose of this document

- 1.1 This document sets out the framework for the DWP Financial Management Development Scheme (FMDS). It is intended to give you information to help you decide whether you wish to join us. If you would like any additional information, please do not hesitate to contact us or the Institutes. The contact details are provided at the end of this document.

2 The Department for Work and Pensions

- 2.1 The Department for Work and Pensions is responsible for the Government's Welfare reform agenda. Its aim is to promote opportunity and independence for all, delivering support and advice through a modern network of services. These services are available to people of working age, employers, pensioners, families and children, and disabled people.

- 2.2 The objectives of the Department are:

- To ensure the best start for all children and end child poverty by 2020
- To promote work as the best form of welfare for people of working age, while protecting the position of those in greatest need
- To combat poverty and promote security and independence in retirement for today's and tomorrow's pensioners
- To improve rights and opportunities for disabled people in a fair and inclusive society
- To ensure customers receive a high-quality customer service, including high levels of accuracy

Further information is available at www.dwp.gov.uk

3 The Financial Management Development Scheme (FMDS)

- 3.1 The Financial Management Development Scheme aims to recruit high calibre graduates, fully qualified Accounting Technicians, CIPFA Diploma Holders and other suitable individuals to become the Finance Directors of the future. The Scheme is intended to meet the changing needs of the Department.

- 3.2 The emphasis within the FMDS is on the individual taking responsibility for their own development, supported throughout their training by the Scheme. The FMDS encourages trainees to think creatively and suggest methods for meeting their development needs themselves. Guidance and assistance in doing this, and in making practical arrangements will be given as necessary by the FMDS management team.

- 3.3 The Scheme has 3 components:

- Training for an Accountancy Qualification

Trainees will be supported to study for the Chartered Institute of Public Finance and Accountancy [CIPFA] professional qualification or the Chartered Institute of Management Accountants [CIMA] professional qualification. For further details please see Appendix 1 Accountancy Institutes and Appendix 2 for contact details.

As we are trying to achieve an overall balance, and currently have significantly more CIMA qualifieds and trainees, we are currently supporting most individuals not already studying for a qualification for the CIPFA qualification. Where trainees have already commenced studies for the CIMA professional qualification and are currently at the intermediate stage, they will be supported to complete their studies with CIMA if they wish.

- Practical experience, gained through a series of placements while on the scheme. This is vital both to qualify, but also to become a high performing financial manager.
- Management and interpersonal skills training and development

- 3.4 The aim, over the three year period of training, is to produce a financial manager who is not only a qualified accountant but who has a comprehensive range of practical and managerial skills, giving her or him the potential to advance quickly to senior positions within the finance function.
- 3.5 The scheme allows the Department to 'home-grow' qualified accountants of the calibre to take the Department's financial management forward. In the meantime they are making a valuable contribution while training.
- 3.6 It is important that you understand the commitment that you would be making if you join the scheme. Trainees on the FMDS will be expected to perform to a high level in their work placements, while at the same time studying for demanding professional examinations. This is challenging, but the rewards are excellent. You will have a highly respected professional qualification, a wide range of experience and achievements that provide a firm foundation for your future career, and a strong set of management and interpersonal skills.
- 3.7 We advise that you carefully consider your decision and ensure you understand the level of commitment that will be expected of you. Working in demanding placements, studying for professional examinations and working to develop your wider skills is challenging. If you require additional information, after reading this document and attending the presentation on the FMDS, please speak to Alison Lally, the scheme manager, during the event, or contact Sandra Somers on 0113 232 4044 or <mailto:Sandra.Somers@dwp.gsi.gov.uk>

4 Pay, Progression and Performance

- 4.1 All FMDS trainees will start their career in the DWP as an Executive Officer (unless already a member of the civil service and higher graded). Having reviewed market rates, we have identified a trainee entry point, which places trainees a significant way up this scale. The Executive Officer (EO) grade is the third grade in the Department's grading structure.
- 4.2 Once you have successfully completed two year's experience and stage 2 of your accountancy studies (the definition of which is shown in the table below), provided you meet the performance, behaviour and potential criteria, you will then be promoted to Higher Executive Officer (HEO) grade.

Table: Summary of trainee pay and progression arrangements

| STAGE | CIPFA | CIMA | Pay scale | Additional Reward |
|---------------------------------|---------------------------------------|--------------------------------|--|------------------------|
| On joining scheme | On joining | On joining | EO – trainee entry point | Nil |
| On completion of stage 1 | Certificate | Foundation | EO – with normal progression from trainee entry point above | Nil |
| On completion stage 2 | Diploma – Year 1 | 4 papers at Intermediate Level | HEO – on normal promotion terms from previous point | Nil |
| On completion stage 3 | Diploma – Year 2 | Whole of Intermediate stage | HEO – with 10% uprating | Nil |
| On completion stage 4 | Final Test of Professional Competence | Final Level | HEO – with normal progression | £1,000 lump sum |
| On qualification | Qualification | Qualification | HEO – with progression to top of scale | £2,000 lump sum |

- 4.3 After qualification, individuals compete for promotion in the same way that other staff do. We believe that the scheme has provided a range of experience and training that positions individuals to make the most of their potential. We expect qualified accountants to achieve Senior Executive Officer grade within two years of qualification.

Extract of 2006 payscales : these are currently under review as part of the 2007 pay negotiation process

| NATIONAL PAYSCALES | |
|-------------------------|---------|
| Executive Officer Grade | |
| Max | £23,510 |
| Min | £18,160 |

| INNER LONDON PAYSCALES | |
|-------------------------|---------|
| Executive Officer Grade | |
| Max | £27,300 |
| Min | £21,480 |

| Higher Executive Officer | |
|--------------------------|---------|
| Max | £28,920 |
| Min | £23,930 |

| Higher Executive Officer | |
|--------------------------|---------|
| Max | £32,530 |
| Min | £27,420 |

| Qualified Accountant Senior Executive Officer | |
|---|---------|
| Max | £41,650 |
| Min | £35,760 |

| Qualified Accountant Senior Executive Officer | |
|---|---------|
| Max | £45,990 |
| Min | £40,940 |

- 4.5 FMDS trainees are expected to complete a full stage of study in a single academic year, whether by taking a limited number of examination papers in two sittings or by taking all papers in a single sitting. Trainees can apply to self-suspend from the scheme for a single period if they need to during their training.

5 Standards for the Scheme

We set a very high standard for the scheme. Candidates reaching the assessment centre have already demonstrated considerable potential. For example, the 2006 intake the figures were:

- 655 applications received
- 187 candidates taken to test centre
- 44 candidates to assessment centre
- 9 candidates appointed

If the number of candidates meeting the standard is higher than the number of positions we have available, offers will be made to the highest scoring candidates, with a reserve list of the next highest scoring candidates. We would like to stress that candidates on the reserve list have performed exceptionally well.

6 Support Provided by the Scheme

If you join us, the FMDS will support you by:

- meeting the costs of registering you with the professional body (CIPFA or CIMA) and with the tuition provider, open learning materials, tuition fees, examination fees, and exemption fees where applicable, plus the Institute's annual membership subscription.
- providing CIPFA trainees with a total of 130 days study leave (the number of days provided to CIMA trainees will be confirmed) to complete the full professional academic syllabus. It is usual to progress at a rate of 4 subjects per year. These days include provision for attendance at college, revision and the examinations. They are supplemented by days for conferences, trainee network meetings, job shadowing and other development opportunities.
- providing a mentor for you
- practical experience: providing a series of placement within the DWP that will structure tasks and objectives so as to stretch you recognising your capacities and learning needs. Some of the placements may have a steep learning curve. It is important that all trainees recognise the importance of meeting the business needs in each of their placements, while keeping up to date with their studies.
(Operating within the Department's Equal Opportunity Policy, the FMDS team will try to negotiate postings that take account of trainees' circumstances. At times this may include an element of home or distance working. The practical experience requirements are such that trainees who are able to will usually need to take placements outside their base location once or twice in their training)
- tailored training and generic events
- other development opportunities e.g. Executive Stretch which is an outward bound weekend; job shadowing; front line experience
- management skills training and development
- networking days: 2 two-day networking meetings are held each year to update trainees on current developments, and to enable trainees to support and communicate with each other.
- personal development planning – we support you to develop your personal plan, using the feedback report from this assessment centre as the starting point for doing this

7 Alteration of the length of membership of the FMDS

- 7.1 A trainee may temporarily suspend their studies and membership of the FMDS. If they wish to do this, they should contact the FMDS team. In exceptional circumstances that are not connected with academic achievement, trainees may ask to suspend themselves from studying for up to two years.
- 7.2 In some circumstances a trainee may be a member for longer than the three or four years shown usually required. The examinations for the CIPFA and CIMA professional qualifications are very demanding. Some trainees may fail one or more examinations. Should this happen, the position of each trainee will be reviewed individually.
- 7.3 First failure of a single examination will not usually on its own be reason for removing a trainee from the FMDS. However, if college progress reports indicate non-attendance or poor results in mock exams this will be considered. A trainee who has failed one exam and is allowed to remain on the Scheme will not be held back in terms of progression through the FMDS programme outlined above.
- 7.4 Where a second examination is failed, the circumstances will be reviewed. In the first year if two examination papers are failed, either at a single sitting or separately, a trainee will not be allowed to remain on the FMDS. In the second and subsequent years it is likely that the trainee will be suspended, or in some circumstances removed, from Scheme, unless there are strong mitigating circumstances. On the third sitting where one or more examinations are failed, the trainee will usually be removed from the scheme.
- 7.5 Unfortunately it is necessary to remove trainees from the scheme sometimes. Examination failures or unprofessional conduct are examples of the reasons this may be necessary. If this happens within the individual's probationary period, it may lead to the individual leaving the Department. We are pleased to say that this has to date only happened once in the history of the scheme, but wish to make prospective trainees aware of this possibility. Trainees who have left the scheme, but wish to stay within the Department, are redeployed in accordance with their choice where possible.

8 Monitoring progress on the scheme

- 8.1 It is a condition of membership of the FMDS that a trainee displays the potential to progress rapidly to the Senior Executive Officer (SEO) grade. This is the fifth third grade in the Department's grading structure. Trainees are expected to show the potential to develop the competency levels required of this grade during the early part of their training, which is defined as after a year; or by the end of the second placement at the latest.
- 8.2 Where, after the first year a trainee fails to demonstrate the required potential at the end of two placements they are removed from the FMDS. Additionally FMDS trainees are not considered for promotion to HEO if they have not consistently demonstrated the potential to progress rapidly to the SEO grade.

9 Contact Details for the Financial Management Development Scheme

Scheme Training Manager

Sandra Somers
Room 2S32
Quarry House
Quarry Hill
Leeds
LS2 7UA
Tel: 0113 232 4044 or GTN 513 ext 4044
Email: <mailto:Sandra.Somers@dwg.gsi.gov.uk>

Scheme Manager

Alison Lally
Room 2S32
Quarry House
Quarry Hill
Leeds
LS2 7UA
Tel: 0113 232 4044 or GTN 513 ext 24044
Email: Alison.Lally@dwg.gsi.gov.uk

10 Contact Details for the Institutes

Chartered Institute of Public Finance and Accountancy [CIPFA]

3 Robert Street
London
WC2N 6RL

General Tel: 0207 543 5600

Education and Training Information Tel: 0207 543 5678

Student Services Co-ordinator Tel: 0207 543 5625

Website www.cipfa.org

Chartered Institute of Management Accountants [CIMA]

26 Chapter Street
London
SW1P 4AP

General Tel: 0207 663 5441

CIMA Student Services Tel: 0207 663 5441

Website www.cimaglobal.com