

MEETING:	COUNCIL
MEETING DATE:	18 OCTOBER 2013
TITLE OF REPORT:	CHIEF FINANCE OFFICER AND SECTION 151 OFFICER DESIGNATION
REPORT BY:	ASSISTANT DIRECTOR, ORGANISATIONAL DEVELOPMENT

1. Classification

Open

2. Key Decision

This is not an executive decision.

3. Wards Affected

County-wide

4. Purpose

To designate the post of Chief Officer Finance as the authority's Section 151 Officer.

5. Recommendation(s)

THAT:

- (a) the person holding the post of Chief Officer Finance be designated as Section 151 Officer for Herefordshire Council; and**
- (b) the Monitoring Officer be authorised to make any consequential amendments to the Constitution as are necessary.**

6. Alternative Options

- 6.1 It is a statutory requirement that the council employs a Section 151 Officer. Whilst it is open to Council to designate this function to another post (excluding the Monitoring Officer), given the council's critical financial position it is vital that the council has an experienced Chief Officer Finance in position to lead what will be a challenging budget setting process and handle on-going budget management processes.

7. Reasons for Recommendations

- 7.1 To comply with statutory requirements and ensure effective leadership of the council's budget planning process and on-going financial management.

8. Key Considerations

- 8.1 The council's Chief Officer (Finance and Commercial Services) left the authority at the end of September 2013 to take up a post with another authority. He also held the statutory role of Section 151 Officer. Members of the Employment Panel received a briefing on the process for managing this change on 6 August 2013.
- 8.2 The statutory role of Section 151 Officer must be performed by a council officer.
- 8.4 Under Part 3 of the council's Constitution, the 'Duty to designate officers as the Monitoring Officer and the Section 151 Officer is reserved to Full Council'. Under the council's Employment Rules (para 4.9.3.7) appointment of a Statutory Chief Officer is to be made by the Employment Panel, which also approves the Terms and Conditions of Employment. At its meeting on 11 September, the Employment Panel made an interim appointment to the new post of Chief Finance Officer, approved arrangements for the recruitment 7 selection of a permanent postholder, and recommended to Council that this post be formally designated as the council's Section 151 Officer.

9. Community Impact

- 9.1 Working with the council's Management Board, this role will ensure that the council's directorates and services are supported to meet the challenges imposed by financial reductions which, without change, would be more likely to result in less effective service delivery in future.

10. Equality and Human Rights

- 10.1 The recommendations in this report take full account of this legislation.

11. Financial Implications

- 11.1 The Employment Panel were advised of the financial implications of the interim and substantive posts. There are no further financial implications associated with the designation of the post as Section 151 officer.

12. Legal Implications

- 12.1 Section 151 of the Local Government Act 1972 requires all local authorities to 'make arrangements for the proper administration of their financial affairs' and to 'secure that one of their officers has responsibility for the administration of those affairs.'

13. Risk Management

- 13.1 The risks of not being able to successfully recruit to the permanent role are being considered and mitigating actions built into the recruitment & selection approach.

14. Consultees

- 14.1 The views of the council's external auditors were sought regarding the arrangements proposed to ensure continuity of robust Section 151 Officer arrangements, and the proposals were supported.

15. Appendices

- 15.1 None

16. Background Papers

- 16.1 None identified.