

<b>Meeting:</b>	<b>Employment panel</b>
<b>Meeting date:</b>	<b>23 September 2016</b>
<b>Title of report:</b>	<b>Designation of section 151 officer</b>
<b>Report by:</b>	<b>Director for economy, communities and corporate</b>

## **Classification**

Open

## **Key decision**

This is not an executive decision.

## **Wards affected**

Countywide

## **Purpose**

To recommend to Council the designation of a post as section 151 officer.

## **Recommendation(s)**

That:

- (a) **it be recommended to Council that the interim director of resources (name to be advised) be designated as section 151 officer to the council.**

## **Alternative options**

- 1 It is a statutory requirement that the council appoints a section 151 officer. Whilst it is open to Council to designate this function to another post (excluding the monitoring officer), this is not recommended given the need to maintain a clear focus on delivery of the medium term financial strategy.
- 2 The council could consider entering into a 'shared' section 151 officer arrangement with another council. This is not recommended given the need to maintain a clear focus on delivery of the medium term financial strategy; the unknown level of interest in such an arrangement amongst neighbouring councils facing similar financial challenges, and the length of time such negotiations would take.

## Reasons for recommendations

- 3 To ensure effective leadership of the council's budget planning process, on-going financial management, and to meet statutory requirements. The designation of a post as section 151 officer is reserved to Council.

## Key considerations

- 4 The council's director of resources resigned with effect from 2 September 2016; he held the statutory role of section 151 officer; pending either interim or permanent recruitment to the role the responsibilities are being fulfilled by the head of corporate finance (deputy section 151 officer).
- 5 It is the intention to appoint to this role permanently, however given the need to maintain momentum regarding delivery of the medium term financial strategy and to ensure the section 151 role is met in full, it is vital that the council has an experienced director of resources in position to lead a challenging budget setting process. It is proposed therefore to appoint an experienced interim for a period of up to six months whilst the process of recruiting permanently is progressed.
- 6 The council's constitution delegates authority to the chief executive, as head of paid service, to make interim appointments to senior management positions; however the designation of a post as section 151 officer remains reserved to Council.
- 7 The selection of an interim appointee is underway, in accordance with the council's contract procedure rules and recruitment and selection policies, and the outcome of that process will be reported verbally to the panel, who are asked to recommend to Council the designation of that appointee as section 151 officer.
- 8 To ensure maximum focus on the section 151 officer role and delivery of the medium term financial strategy some adjustments have been made to the role profile for the interim post which will not have responsibility for HR (which will instead report to the director for economy, communities and corporate) or be managing director designate for Hoople (which will be a matter for the Hoople board to determine). The revised interim role profile is at appendix 1 for information.

## Community impact

- 9 Working with the council's management board and members, this role will ensure that the council's directorates and services are supported to meet the challenges imposed by financial reductions and will ensure the council meets its statutory duties.

## Equality duty

- 10 The council's recruitment and selection policies and procedures ensure that the council meets its public sector equality duties.

## Financial implications

- 11 The establishment budget for the director of resources post is available to support the interim appointment in 2016/17, but indicatively there will be an in-year budget pressure of up to £20k (assuming a 6 month interim appointment) over and above the establishment budget. This pressure will be addressed through underspends across the ECC directorate.

## **Legal implications**

- 12 Section 151 of the Local Government Act 1972 requires all councils 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 Under Part 3 of the council's constitution, the duty to designate an officer as the section 151 officer is reserved to full Council. Under the council's employment rules arrangements for the appointment of a statutory chief officer is to be made by the employment panel, which also approves the terms and conditions of employment, and make a recommendation to full Council.

## **Risk management**

- 14 If the council does not have statutory officers in post there is a risk that focus will be lost on fulfilment of key statutory duties. This risk is mitigated by statutory officers having appointed or designated deputies who are qualified, capable, and authorised to act in their absence. The head of paid service is authorised to make interim appointments to fill key senior manager posts pending permanent recruitment.
- 15 There is a risk that the council is unable to make an interim appointment; early indications on the level and quality of applicants suggest this risk is low; should an appointment not be made before the panel meeting a further search will be undertaken and the existing arrangements covering the section 151 responsibilities will remain in place.

## **Consultees**

- 16 None.

## **Appendices**

Appendix 1: Interim director of resources role profile

## **Background papers**

- None identified.