

Title of report: Designation of s151 Officer and Salary for Director of Finance Post

Meeting: Council

Meeting date: 26 July 2024

Report by: Chair of Employment Panel

Classification

Open

Decision type

This is not an executive decision

Wards affected

(All Wards);

Purpose

To approve employment panel's recommendations for the salary for the new post of Director of Finance and the designation of the post as the statutory s151 officer.

Recommendation(s)

That:

- a) The salary for the new role of Director of Finance is set at £104,583; and**
- b) The Director of Finance role is designated as the statutory s151 officer.**

Alternative options

1. Council could determine that the salary proposed for the post is not appropriate. This is not recommended as the salary has been determined after taking external advice on the appropriate level of pay for the role.

2. Council could determine that an alternative post should be designated as the statutory s151 officer. This is not recommended because the Director of Finance will be the council's most senior finance officer and the post holder will be best placed to fulfil the s151 responsibilities.

Key considerations

3. On 13 May 2024, the Chief Executive shared his plans with employment panel for disestablishing the post of Director of Resources and Assurance and establishing the new post of Director of Finance.
4. All finance related responsibilities would move to the Director of Finance, providing a single focus for the post holder. The remaining corporate responsibilities from the disestablished post include facilities, property, reception, executive support and the project management office (PMO) and these services would move to other directors or transfer to Hoople in line with the council's plan to transform the way in which we provide services.

Salary for the role of Director of Finance

5. At employment panel in May 2024, the Chief Executive committed to having the grade for the new Director of Finance role evaluated. The role of Director of Finance has now been evaluated with the assistance of West Midlands Employers. The role of Director of Resources and Assurance was previously evaluated at £114,261. Taking into account that the new role of Director of Finance is smaller in scope, the new role has been evaluated at £104,583. The evaluation takes into account the new size and scope of the role, benchmarking for comparable roles and recognises that it is proposed that the role will fulfil the statutory s151 responsibilities.
6. The Director of Finance is a new post with a new salary package. Approval for new salary packages over £100,000 is reserved to full council.
7. At its meeting on 18 July, employment panel received the salary recommendation for the Director of Finance post and decided to recommend to full council that the post of Director of Finance is established with a salary as recommended at £104,583
8. It is therefore proposed that Council approve the proposed salary of £104,583.

Designation of s151

9. Designating a newly established post as the s151 officer is also reserved to council.
10. At its meeting on 18 July employment panel considered a recommendation for the designation of the s151 officer and decided to recommend to full council that the post of Director of Finance is designated as the s151 officer.
11. The Director of Finance will be the council's most senior finance officer and the post holder will be best placed to fulfil the s151 responsibilities.

12. It is therefore proposed that Council approve the recommendation to designate the Director of Finance as the Statutory s151 Officer.

Appointment of the Director of Finance

13. The designation of a post as s151 officer, but not the appointment of an individual to that post, must be approved by Council and appointing a candidate into the post is delegated to employment panel. For completeness Council are advised that employment panel held an interview process for the role on 18 July and have identified a preferred candidate to undertake the role on a secondment basis pending full external recruitment in the autumn. A start date of 29 July 2024 is assumed to allow for all the necessary governance processes to take place.
14. The council has a suitably qualified deputy s151 officer who is able to assume all the relevant statutory duties while an appointment to the new post is made.

Community impact

15. In accordance with the adopted code of corporate governance, the council needs appropriate structures and leadership, as well as people with the right skills, qualifications and mind-set, to operate efficiently and effectively. The council is accountable for how it uses the resources under its stewardship, including accountability for outputs and outcomes achieved. In addition the council has an overarching responsibility to serve the public interest in adhering to the requirements of legislation and government policies.
16. The post holder for this role provides strategic leadership to council services and has a key leadership role in Herefordshire, regionally and nationally. Without effective leadership, outcomes for communities and individuals in Herefordshire could be adversely affected.

Environmental Impact

17. The council's directors have shared responsibility for the delivery of the county plan and corporate delivery plan and the inherent environmental objectives and outcomes within these plans.

Equality duty

18. Under section 149 of the Equality Act 2010, the 'general duty' on public authorities is set out as follows:

A public authority must, in the exercise of its functions, have due regard to the need to

- a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;

- b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
- c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

The council’s policies in relation to job evaluation and recruitment and selection pay full regard to the council’s responsibilities as set out in the public sector equality duty. The council is a disability confident employer and the council encourages applications from candidates from diverse backgrounds.

Resource implications

- 19. This new post is being established as part of a restructure of the senior team. A number of senior posts will be disestablished including the Director of Resources and Assurance and the Delivery Director, PMO. The combined salaries for those posts is £202,000 and the proposed salary for this post is £104,000.
- 20. Given the above, the table below sets out the cost of this new post, but it should be understood that this is not an additional cost. This appointment will be made within agreed base budgets.
- 21. Allowing time for the necessary governance process to take place, a start date of 29 July 2024 is assumed.
- 22. All salaries quoted are exclusive of on costs and before the 2024/25 pay award.

Revenue budget implications	2024/25
	£000s
Disestablished senior posts budgets	202
April 24 to June 24 costs	(56)
Salary for Director of Finance July 24 – March 25	(70)
Total Savings for 2024/25	76

Legal implications

- 23. The council is required to appoint a suitably qualified s151 officer to lead on the council’s financial functions and ensure they are fit for purpose as prescribed in Section 151 of the Local Government Act 1972.
- 24. Any employee employed by the council must be employed on the council’s normal terms and conditions and will be subject to all relevant policies and procedures as any other employee would be.
- 25. The Council’s Constitution at Part 3 Section 1 para 29 reserves appointments in excess of £100k and para 32 to designate a post as the s151 officer. Under para

4.9.10 of Part 4 Section 9, the Employment Panel has been delegated the role of selecting and appointing the s151 officer.

Risk management

26.

Risk / opportunity	Mitigation
The council will not have adequate arrangements in place to cover all s151 responsibilities	A well-qualified and experienced deputy s151 officer is in post and will cover all s151 responsibilities while an appointment is made

Consultees

27. Employment panel considered this proposal on 18 July 2024 and agreed to recommend the proposal to Council.

Appendices

None

Background papers

None identified.