

RECORD OF MAYOR'S URGENT ACTION

Title of Report: Designation of the Interim Deputy Chief Executive as the Council's Chief Finance Officer under s151 Local Government Act 1972

Reason for urgency or

Relevant paragraph for authority under scheme of delegation

Part 3 Section E, Section 1 - Scheme of delegation section 5, indicates that where action needs to be taken on an urgent matter between meetings of the Cabinet, or any Committee or Sub Committee of the Cabinet or Council this can be taken forward by the Leader for Executive functions and in the case of non Executive functions, the director can take the decision in consultation with the Chair of the Committee.

Decision of the Interim Chief Executive

Signature 

Date 12th June 2017

Concurrence of the Mayor – Chair of full Council



Once signed by the Chief Officer this cover sheet together with the substantive report must be forwarded to Democratic Services- Level 5, River Park House - for processing.

Report for: Interim Chief Executive and Head of Paid Service

Title: Designation of the Interim Deputy Chief Executive as the Council's Chief Finance Officer under s151 Local Government Act 1972

Report authorised by: Richard Grice – Interim Director of Transformation & Resources

Lead Officer: Liz Hammond – Interim Head of HR Transformation

Ward(s) affected: N/A

Report for Key/ Non-key Non Key Decision:

1 Describe the issue under consideration

- 1.1 On 17th May 2017 the Interim Chief Executive and Head of Paid Service made changes to the Senior Leadership Structure of the Council. This includes a significant change in the future management of finance under a new role of Chief Finance Officer. This role has not yet been appointed to. On a temporary basis, the current s151 officer, the Chief Operating Officer (COO), is to perform the role of Interim Deputy Chief Executive, and the COO position will be vacant.
- 1.2 Section 151 of the Local Government Act 1972 requires the Council to designate one of its officers with responsibility for the proper administration of its financial affairs. This report seeks approval to designate the post of Interim Deputy Chief Executive with the statutory section 151 Officer responsibilities to enable the current incumbent to continue with these duties.

2 Cabinet Member Introduction

N/A

3 Recommendations

- 3.1 It is recommended that the Interim Chief Executive and Head of Paid Service designate the Interim Deputy Chief Executive as Chief Finance Officer pursuant to section 151 Local Government Act 1972, from 12 June until 24 July 2017.

4 Reason for Decision

- 4.1 This is a statutory requirement upon the Council.

5 Alternative Options Considered

- 5.1 There is no alternative option, this is a statutory requirement.

6 Background information

- 6.1 The Interim Chief Executive on 17th May 2017 has put in place an interim structure beneath the Chief Executive post that is designed to best serve the delivery of the Council's strategy outcomes in the short term until the appointment of a permanent Chief Executive.
- 6.2 The interim structure envisages removal of the Chief Operating Officer to be replaced by a Chief Finance Officer. The Chief Finance Officer post has not yet been recruited to.
- 6.3 The Chief Operating Officer post is currently designated as the Section 151 Officer. However this post holder is to perform the Interim role of Deputy Chief Executive, on a temporary basis, and the Chief Operating Officer post will be vacant.
- 6.4 Section 151 Local Government Act 1972 states that the Council is required to 'make arrangements for the proper administration of their financial affairs and shall secure that one of their officers has responsibility for the administration of those affairs'. Section 113 of the Local Government Finance Act 1988 requires the person to be a member of a specified accounting body, namely a professionally qualified accountant. As a consequence of the Chief Operating Officer post becoming vacant the Council is now required to designate an alternative officer post with the statutory responsibilities of section 151 of the 1972 Act.
- 6.5 In accordance with Article 11.01 (d), it is usual practice for the Full Council to designate these responsibilities. Pending the next meeting of the Full Council the interim Chief Executive in consultation with the Mayor is being requested to designate the responsibilities of the Chief Finance Officer to the Interim Deputy Chief Executive in accordance with Part 3 Section E Section 1 paragraph 5.01 (b) of the Constitution. It is proposed that the Interim Deputy Chief Executive is designated with statutory responsibilities of section 151 of the 1972 Act on a temporary basis, with immediate effect and until the next meeting of the Council on 24 July 2017. At this point the Council will be asked to designate the responsibilities of the Chief Finance Officer to an officer post on a longer term basis.
- 6.6 In accordance with section 114 Local Government Finance Act 1988, when the Chief Finance Officer is unable to act due to absence or illness, the Chief Finance Officer is able to nominate someone to act

on their behalf. This person should also be a professionally qualified accountant.

7 Contribution to strategic outcomes

- 7.1 The above changes to the Executive Team structure are designed to provide the Executive Team with the right skills to deliver the Council's strategic outcomes and ensure the continuity of the statutory requirement to have a Section 151 Officer in post.

8 Statutory Officers' comments (Chief Finance Officer (including procurement), Assistant Director of Corporate Governance, Equalities

8.1 Finance

The interim changes are expected to be cost neutral.

8.2 Legal

The legal and constitutional implications are set out in the body of the report.

8.3 Equalities

N/A

9 Use of appendices
Not used

10 Local Government (Access to Information) Act 1985
N/A