



Full Council

Monday, 27 January 2024

**Subject: Recommendation from Chief Officer Employment Committee -
Appointment of Interim Section 151 Officer**

Report by:

Chief Executive

Contact Officer:

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Chief Executive
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Purpose / Summary:

To seek approval for the interim appointment to one of the Council's Statutory Roles, the Section 151 Officer, following the resignation of the current Post Holder and until such time as a permanent Officer is recruited.

RECOMMENDATION(S):

1. That Council formally appoint Peter Davy as interim Section 151 Officer with effect from 18 February until a permanent Officer is recruited and approved by Council on recommendation from the Chief Officer Committee.
2. The Constitution be amended, as necessary, to reflect this revised appointment.

IMPLICATIONS

Legal:

The Chief Executive, as the Head of the Paid Service, has a duty under section 4 of the Local Government and Housing Act 1989 to determine the staffing arrangements necessary to deliver the Council's functions.

In accordance with the Local Authorities (Standing Orders) (England) Regulations 2001, matters relating to the appointment of a S151 Officer are reserved to Council.

As an interim appointment has been made recommended by Chief Officer Employment Committee in considering the permanent recruitment going forward but given that this role carries the statutory responsibilities of S151 Officer, in accordance with the Local Government Act, the appointment requires the approval of Council following a recommendation from the Chief Officers Employment Committee.

It is a statutory requirement for local authorities to have a Section S151 Officer in place, in order to ensure that their necessary roles and functions are delivered effectively.

Section 113 of the Local Government Finance Act 1988 imposes professional qualification requirements for officers having responsibility under Section 151 of the Local Government Act 1972 for the administration of an authority's financial affairs.

The Interim appointee holds the relevant qualifications.

Financial : FIN/137/25/SL

The appointment of an interim Section 151 officer will be funded from savings arising from vacancies with the management structure.

Staffing : The Director of Corporate Services (S151) job description, the constitution and statutory functions, reflects the requirements and obligations of this statutory role.

Equality and Diversity including Human Rights :

None from this report

Data Protection Implications : None from this report

Climate Related Risks and Opportunities: None from this report

Section 17 Crime and Disorder Considerations: None from this report

Health Implications: None from this report

Title and Location of any Background Papers used in the preparation of this report :

West Lindsey District Council Constitution
Local Government and Housing Act 1989
Local Government Act 1972
Local Authorities (Standing Orders) (England) Regulations 2001

Risk Assessment :

It is a statutory requirement to appoint a Chief Finance Officer (S151) to ensure the proper administration of the Council's financial affairs

Call in and Urgency:

Is the decision one which Rule 14.7 of the Scrutiny Procedure Rules apply?

i.e. is the report exempt from being called in due to urgency (in consultation with C&I chairman)

Yes

No

x

Key Decision:

A matter which affects two or more wards, or has significant financial implications

Yes

No

1 Introduction

- 1.1 The Local Government Act 1972 requires every local authority to appoint a suitably qualified officer responsible for the proper administration of its financial affairs. This role is commonly referred to as the Section 151 officer. The term S151 Officer has been used as a short form expression to refer to the role and duties of the 'Responsible Financial Officer' as defined by The Chartered Institute of Public Finance and Accountancy (CIPFA) (the function of the most senior finance officer employed by an organisation).
- 1.2 Section 113 the Local Government Finance Act 1988 requires that the officer appointed as the Chief Finance Officer (CFO) must be a member of a specified accountancy body.
- 1.3 The role of a CFO lies at the heart of any effective and well governed organisation. The over-riding duty of this officer is to fulfil the statutory responsibilities.

2. Regulations

- 2.1 Under Section 151 of the Local Government Act 1972, it is stated: "Without prejudice to section 111 above, every local authority shall 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."
- 2.2 Section 6 of the Local Government and Housing Act 1989, further states: "(1) On and after the commencement day the Common Council shall – (a) make arrangements for the proper administration of such of its financial affairs as relate to it in its capacity as a local authority, police authority or port health authority, and (b) secure that one of its officers has responsibility for the administration of those affairs."
- 2.3 The West Lindsey District Council Constitution, Part IV Responsibility for Functions, requires the Council to designate the Head of Paid Service, Monitoring Officer, Chief Finance Officer (Section 151 Officer) and Electoral Registration Officer / Returning Officer paragraph
- 2.4 Section 113 of the Local Government Finance Act 1988 requires that the officer appointed as the Chief Finance Officer (CFO) must be a member of a specified accountancy body to the position in a manner that enhances the overall reputation of the Council. The CFO has a statutory duty under Section 151 of the Local Government Act 1972 to ensure that there are proper arrangements in place to administer the Council's financial affairs.
- 2.5 Section 114 of the Local Government Finance Act 1988 requires the S151 Officer to report to the full Council, the District Executive and the External Auditor if the authority or one of its officers:
 - has made, or is about to make, a decision which involves incurring unlawful expenditure

- has taken, or is about to take, an unlawful action which has resulted or would result in a loss or deficiency to the authority
- is about to make an unlawful entry in the authority's accounts.

3 Need for Interim Appointment

3.1 The role of Section 151 Officer is currently assigned to Mrs Foy, Director of Resources and has been since June 2022.

3.2 Mrs Foy has resigned from her position and will leave the Council on the 18th February 2025.

3.3 Due to the departure of the current post holder, it is essential that a Section 151 Officer is appointed on an interim basis whilst a permanent officer, is recruited.

3.4 The Chief Officer Employment Committee, at their meeting on 7 January considered and approved recruitment to a permanent but slightly revised role, and this process began on 20 January.

3.5 The Committee also considered interim arrangements, whilst recruitment to the role was undertaken, noting the Council must continue to employ a Section 151 Officer in the intervening period, and that such appoint, must be approved by Council.

4 Recommended Interim Appointment

4.1 Peter Davy is currently the Council's Deputy Section 151 Officer.

4.2 Peter is a qualified accountant and a member of Chartered Institute of Public Finance and Accountancy (CIPFA) and holds the qualification required for the Statutory position of Section 151.

4.3 The Chief Officer Employment have recommended that Peter Davy be appointed interim Section 151 Officer with effect from 18 February until a permanent Section 151 Officer is recruited and approved by Council on recommendation from the Chief Officer Committee.