

Cherwell District Council

Council

22 February 2016

Appointment of Interim Section 151 Officer

Report of Chief Executive

This report is public

Purpose of report

To appoint an Interim Section 151 Officer to replace Martin Henry who leaves the Council on 31 March 2016.

1.0 Recommendations

The meeting is recommended to:

- 1.1 Appoint Paul Sutton as the Council's Interim Section 151 officer with effect from 1 April 2016 and request him to appoint a suitably qualified and experienced Deputy Section 151 Officer from the same date.

2.0 Introduction

- 2.1 In accordance with Local Government Act 1972, there is a statutory requirement on the authority to designate a Section 151 Officer/ Chief Finance Officer, who is required to be a suitably qualified individual, holding a CCAB recognised professional accountancy qualification.
- 2.2 Martin Henry, Director of Resources, is currently Section 151 Officer for both Cherwell District Council and South Northamptonshire Council and is leaving the councils on 31 March 2016.

3.0 Report Details

- 3.1 The most senior finance role in any organisation plays a critical role in ensuring the overall success of the organisation or business. In local government each council is required to appoint a statutory finance officer, known as a Section 151 officer, who must hold a recognised qualification.
- 3.2 Martin Henry is currently the S151 Officer for CDC and SNC and leaves the councils on 31 March 2016. The councils need to appoint another suitably qualified

and experienced person prior to Martin's departure. This will be on an interim basis whilst recruitment is carried out for the permanent role of Chief Finance Officer as agreed by the Joint Commissioning Committee in January 2016. It is important that, the period of the interim arrangement is kept to a minimum to reduce the risk to either or both councils.

- 3.3 There have been a number of interim appointments in the Finance section over the last two years and additionally during the interim arrangements the councils will implement their move to a new financial management system. The reduction in public sector budgets increases the dependency of CDC and SNC on the provision of robust and appropriate financial information and due to this the interim S151 officer needs to be close to the Finance team and be focused on providing financial information and advice to members.
- 3.4 Paul Sutton has been Head of Finance and Procurement and Deputy Section 151 Officer since September 2014. Paul is on a fixed term contract which expires in August 2016. Paul is both suitably qualified and experienced to be appointed as Interim Section 151 Officer. Paul has worked closely with and supported the finance team during a period of considerable change and is currently rebuilding the team following a period of high turnover and reliance on interim and temporary staff. Additionally Paul is leading the implementation of the new financial management system. As the council already has a suitably qualified and experienced individual who is able to provide continuity and stability to the team, it is believed that there would be risk to the council in making another external interim appointment at this time. Additionally Paul is the only joint management post at management team level who is suitably qualified.
- 3.5 In order to enable Paul to take on the added responsibility of Interim Section 151 Officer, it is likely that temporary finance resources may be required to work on projects, transformation and commercialisation; this can be resourced from underspends within the Resources Directorate, although these funds will need to be carried forward into the new financial year.

4.0 Conclusion and Reasons for Recommendations

- 4.1 It is believed that the recommendations set out in this report are in the best interests of the councils during a critical period of change.

5.0 Consultation

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| Leader of Cherwell District Council | Supportive of report recommendations |
| Leader of South Northamptonshire Council | Supportive of report recommendations |

6.0 Alternative Options and Reasons for Rejection

- 6.1 The following alternative options have been identified and rejected for the reasons as set out below.

Option 1: To appoint an external interim Section 151 Officer (who would also need to be designated as an officer of one of the councils). This will be at cost to the council and not provide continuity which is strongly felt to be of importance to the Council at this time.

7.0 Implications

Financial and Resource Implications

- 7.1 There are no financial implications arising from this report. The Section 151 Officer post attracts an annual allowance of £2,500 which is built into council budgets and will be available to be utilised when Martin Henry leaves the authority. Any other temporary finance resources that are required can be funded through underspends within the Resources Directorate. It is recommended that sufficient underspends are carried forward from this financial year in order for them to be utilised in 2016-17 when this arrangement comes into place.

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Legal Implications

- 7.2 It is a legal requirement that the councils appoint one of their suitably qualified officers as chief finance officer pursuant to section 151 of the Local Government Act 1972. This must be done by each full council.

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8.0 Decision Information

Wards Affected

All

Document Information

| Appendix No | Title |
|---------------------|---|
| N/A | N/A |
| Background Papers | |
| None | |
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