

North East Derbyshire District Council

Extraordinary Council

19 June 2017

Interim Arrangements for the Statutory role of Section 151 Officer

Report of the Joint Chief Executive

This report is public

Purpose of the Report

- To seek approval for the Joint Assistant Director – Finance & Revenues and Benefits to be designated as Section 151 Officer to the Council on a temporary basis pending the Strategic Alliance Senior Management Team restructure.

1 Report Details

- 1.1 As part of the Strategic Alliance Management Team (SAMT) restructure the posts of Joint Executive Director – Transformation and Joint Executive Director – Operations will be deleted from the Council's establishment from 30 June 2017. The latter post holder is also the Section 151 Officer for the Council.
- 1.2 Two new posts of Joint Strategic Director are currently being recruited to. Once these posts are recruited to the Directors will work with the Joint Chief Executive to undertake a wider review of the Senior Management Team structure. During this exercise the role of the Section 151 Officer will be filled on a permanent basis.
- 1.3 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. Therefore it is a statutory requirement that the Council appoints a Section 151 Officer during the intervening period between the departure of the Joint Executive Director – Operations and completion of the Senior Management Team restructure. In order to ensure compliance with the statutory requirement interim arrangements are required.
- 1.4 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.
- 1.5 As outlined above it is the longer term intention to appoint to the Section 151 Officer 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 individual in position to

lead a challenging budget setting process. It is therefore proposed to temporarily appoint the Joint Assistant Director – Finance & Revenues and Benefits to the Section 151 officer role until the Senior Management Team restructure is complete. The Joint Assistant Director – Finance & Revenues and Benefits has the necessary qualifications and experience to fulfil the role and is currently the Deputy Section 151 officer.

2 Conclusions and Reasons for Recommendation

- 2.1 There are only two possible options to consider. The first is a sharing option with a neighbouring Authority as outlined in paragraph 1.4 and the second is an internal temporary arrangement as outlined in paragraph 1.5.
- 2.2 Taking the risks, financial implications and legal implications into account it is recommended that Council approve paragraph 1.5 as the preferred option.

3 Consultation and Equality Impact

- 3.1 The Joint Chief Executive has consulted with the Joint Assistant Director – Finance & Revenues and Benefits to confirm her ability, competence, qualifications and expertise to carry out the role of Section 151 Officer.
- 3.2 There are no specific equality issues at this time.

4 Alternative Options and Reasons for Rejection

- 4.1 The alternative option is to enter 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.

5 Implications

5.1 Finance and Risk Implications

- 5.1.1 Finance – there will be no additional cost to the Council.
- 5.1.2 Risks – if the Council failed to appoint a Section 151 Officer during the intervening period of the Senior Management Team restructure it would not be compliant with Section 151 of the Local Government Act 1972. Consequently the Council could not demonstrate that one of its officers had responsibility for the proper administration of its financial affairs. Furthermore if the Council does meet the statutory requirements there is a risk that focus will be lost on fulfilment of key statutory duties.

5.2 Legal Implications including Data Protection

- 5.2.1 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. The

Council would not meet this statutory requirement if it failed to appoint to the S151 officer role.

5.2.2 Under the Council's Constitution, the duty to designate an officer as the Section 151 Officer is reserved to full Council.

5.3 Human Resources Implications

5.3.1 All outlined throughout this report.

6 Recommendations

6.1 That Council:

- (i) agrees to the temporary appointment of the Joint Assistant Director – Finance & Revenues and Benefits as the Section 151 Officer from 1 July 2017 pending the completion of the Senior Management restructure.

7 Decision Information

Is the decision a Key Decision? A Key Decision is an executive decision which has a significant impact on two or more District wards or which results in income or expenditure to the Council above the following thresholds: <i>BDC: Revenue - £75,000 <input type="checkbox"/></i> <i>Capital - £150,000 <input type="checkbox"/></i> <i>NEDDC: Revenue - £100,000 <input type="checkbox"/></i> <i>Capital - £250,000 <input type="checkbox"/></i> <input checked="" type="checkbox"/> <i>Please indicate which threshold applies</i>	No
Is the decision subject to Call-In? (Only Key Decisions are subject to Call-In)	No
District Wards Affected	N/A
Links to Corporate Plan priorities or Policy Framework	Transforming our Organisation

8 Document Information

Appendix No	Title
Background Papers (These are unpublished works which have been relied on to a material extent when preparing the report. They must be listed in the section below. If the report is going to Cabinet (NEDDC) or Executive (BDC) you must provide copies of the background papers)	
Report Author	Contact Number
Dan Swaine – Joint Chief Executive	01246 217155

AGIN 4 (Ex. COUNCIL 0719) 2017/Section 15 Officer Post (CONF)AJD