

Designation of Chief Financial Officer (Section 151 Officer) Responsibility

30 January 2019

Report of the Personnel Committee

PURPOSE OF REPORT

To enable the Council to designate an officer to be the Council's Chief Financial Officer (Section 151 Officer) with effect from 1 March 2019.
--

This report is public

RECOMMENDATIONS

- (1) **That Paul Thompson, the Council's current Accountancy Manager, be designated as the Council's Chief Financial Officer (Head of Finance & Section 151 Officer) with effect from 1 March 2019, for the purposes of Section 151 of the Local Government Act 1972.**

1.0 Introduction

- 1.1 Every local authority must make arrangements for the proper administration of its financial affairs and shall secure that one of their officers has responsibility for the administration of those affairs; that officer should be designated as the Section 151 Officer. This is a statutory chief officer level responsibility.
- 1.2 The Council's current interim S151 Officer, Daniel Bates, will cease to hold the statutory role on 28th February 2019, to take up his new role of permanent Director of Corporate Services with the Council from 1 March 2019.
- 1.3 The Council commenced the process to recruit permanently to the post of Head of Finance & S151 Officer during Autumn 2019, and Mr Thompson was identified as the most suitable candidate. He has been through a two stage interview process in competition with other candidates, and was then interviewed by Personnel Committee on 20 December 2018, who unanimously agreed to propose his appointment to full Council.
- 1.4 Mr Thompson has significant finance and financial management experience, having worked with the Council since August 2017, and previously in senior finance roles within the further education sector. Prior to that, he occupied senior audit roles both in private practice and central government. He is

CIPFA qualified and has acted as Deputy S151 Officer within Lancaster City Council. Mr Thompson meets the requirements of S113 of the Local Government Finance Act 1988.

2.0 Proposal Details

- 2.1 It is proposed that Paul Thompson be designated as the Council's S151 Officer from 1 March 2019.

3.0 Conclusion

- 3.1 Council is asked to approve this designation.

CONCLUSION OF IMPACT ASSESSMENT

(including Health & Safety, Equality & Diversity, Human Rights, Community Safety, Sustainability and Rural Proofing)

There is no impact.

LEGAL IMPLICATIONS

Section 151 of the Local Government Act 1972 requires local authorities to make arrangements for the proper administration of their financial affairs and appoint a Chief Financial Officer to have responsibility for those arrangements.

Section 113 of the Local Government Finance Act 1988 requires the responsible officer under Section 151 of the 1972 Act to be a member of a specified accountancy body.

FINANCIAL IMPLICATIONS

The appointment of Mr Thompson as S151 Officer (and Head of Finance) is in line with the proposals made through the Chief Executive's restructure of the Council's executive Team, where it was agreed that the S151 responsibility will sit at Head of Service level.

The costs relating to this appointment fall within the overall cost proposals for the restructure. There are therefore no additional costs to the Council of agreeing to the designation of Mr Thompson as the Council's S151 Officer.

OTHER RESOURCE IMPLICATIONS

There are no other resource implications.

SECTION 151 OFFICER'S COMMENTS

The Section 151 Officer is a statutory role and as stated in the report every Council must have a designated officer to fulfil that role. The appointment will ensure the Council fulfils that duty and will provide the necessary professional advice and support

MONITORING OFFICER'S COMMENTS

The operating principles for the Chief Financial Officer (CFO) in a local authority can be summarised as follows:

- 1 is a key member of the Leadership Team, helping it to develop and implement strategy and to resource and deliver the organisation's strategic objectives sustainably and in the public interest;
- 2 must be actively involved in, and able to bring influence to bear on, all material business decisions to ensure immediate and longer term implications, opportunities and risks are fully considered, and alignment with the organisation's financial strategy; and
- 3 must lead the promotion and delivery by the whole organisation of good financial management so that public money is safeguarded at all times and used appropriately, economically, efficiently and effectively.

To deliver these responsibilities the CFO:

- 4 must lead and direct a finance function that is resourced to be fit for purpose; and must be professionally qualified and suitably experienced.
- 5 The Chief Financial Officer has a fiduciary duty to the tax payer and this public interest role is in addition to that of an employee.

BACKGROUND PAPERS

None

Contact Officer: Dave Rigby

Telephone: 01524 582180

E-mail: darigby@lancaster.gov.uk

Ref: