

NAME OF COMMITTEE	COUNCIL
DATE	11 DECEMBER 2012
REPORT TITLE	HEAD OF FINANCE AND AUDIT (S151 OFFICER) - MATERNITY COVER ARRANGEMENTS
Report of	CHIEF EXECUTIVE
WARDS AFFECTED	ALL

Summary of report:

Under s151 of the Local Government Act 1972, 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. This report sets out the recommended s151 Officer arrangements for the Council to cover the maternity leave period of Mrs Lisa Buckle.

Financial implications:

The overall costs of the maternity cover arrangements are £13,000 which can be funded by a specific Earmarked Reserve for maternity cover.

RECOMMENDATIONS:

- 1) It is recommended that Mr Daniel Bates be appointed as the officer responsible for the administration of the Borough Council's finances under s151 of the Local Government Act 1972 with effect from 1 January 2013 (the s151 Officer) up until the end of the maternity cover for Mrs Lisa Buckle.
- 2) That Members note that Mrs Jackie Waites (Chief Accountant) will continue to act as the Council's Deputy S151 Officer throughout, as this is a specific duty of the Chief Accountant post.

Officer contact:

Richard Sheard, Chief Executive
01822 813641

1. BACKGROUND

- 1.1 The Council must make arrangements for the proper administration of its financial affairs and shall secure that one of its officers has responsibility for the administration of those affairs, under s151 of the Local Government Act 1972.
- 1.2 The current s151 Officer (Mrs Lisa Buckle) will be on maternity leave from mid January 2013 and this report considers the temporary arrangements to cover the period until the end of the maternity leave.

2. ROLE OF THE S151 OFFICER

- 2.1 The rules governing the authority's financial administration are set out in the Council's Standing Orders, Contracts Procedure Rules and Financial Procedure Rules. These require, amongst other things, that the s151 Officer be responsible for many of the obligations under the rules, including, for example, arrangements for the banking and drawing of cheques in the Council's name, which must bear the name of the s151 Officer.
- 2.2 There are also many other statutory requirements for the s151 Officer, such as:-
 - i) s113 of the Local Government Finance Act 1988 (the "1988 Act"), in that the s151 Officer must be a member of one of a number of specified accountancy bodies. The statutory role must be performed by an "Officer" of the authority.
 - ii) s114 of the 1988 Act significantly extends the Chief Financial Officer's duties. This requires the S151 Officer to write a report to all Members, in consultation with the Monitoring Officer and the Head of Paid Service, if there is, or is likely to be, unlawful expenditure or an unbalanced budget. Section 114 also requires the authority to provide its Chief Financial Officer with such staff, accommodation and other resources as are in their opinion sufficient to allow their duties under that section to be performed. When a decision may involve unlawful expenditure or a loss or deficiency or an unlawful item of account, the Chief Financial Officer must submit their report to the Council. They must also send copies of the report to every Member of the authority and the External Auditor.
 - iii) s2(1) of the Local Government and Housing Act 1989 makes the s151 Officer a statutory chief officer and, therefore, a politically restricted post.
 - iv) Under the Local Government Act 2000, the Chief Financial Officer has a role in advising whether particular decisions are likely to be contrary to the policy framework or budget of the authority.
 - iv) Under the Local Government Act 2003, the Chief Financial Officer is required to report to the authority at the time that the budget is considered and the Council Tax set, on both the robustness of the budget estimates and the adequacy of financial reserves. The Chief Financial Officer also has to ensure that the guidelines and ratios set down for the purposes of the Prudential Capital regime are adhered to once fixed and report to Council if they are going to be infringed.

- 2.3 Mr Daniel Bates qualified with the Chartered Institute of Public Finance and Accountancy in 1996 and has worked in a number of senior finance roles in Local Government, most recently as Head of Finance at Torridge District Council until 2009. Prior to that he worked at West Devon Borough Council as a Principal Accountant and held the post of Assistant Chief Executive with the Council from 2004 to 2007. He works part-time for the Rural Services Network and focuses on the Local Government Financial Settlement with a particular emphasis on rural authorities.
- 2.4 Mrs Jackie Waites qualified with the Institute of Chartered Accountants of England and Wales in 2002. She started with West Devon in June 2006 as the Senior Accountant and became the Chief Accountant in October 2011.
- 2.5 It is recommended that Mr Daniel Bates be appointed as the temporary s151 Officer for three days per week to cover the period of maternity leave and that Mrs Jackie Waites (Chief Accountant) will continue to act as the Council's Deputy S151 Officer.

3. LEGAL IMPLICATIONS

- 3.1 The Section 151 role is categorised under the Local Government Act 2000 as a "statutory Chief Officer". This means that their appointment is the responsibility of the Council. The appointment cannot be delegated to the Head of Paid Service or his nominee. More detail on the statutory nature of the s151 Officer are covered in paragraphs 2.1 and 2.2.

4. FINANCIAL IMPLICATIONS

- 4.1 The overall costs of the maternity cover arrangements are £13,000 which can be funded by a specific Earmarked Reserve for Maternity Cover.

5. RISK MANAGEMENT

- 5.1 The Risk Management implications are shown at the end of this report in the Strategic Risks Template.

6. OTHER CONSIDERATIONS

Corporate priorities:	Customer First, Towards Excellence
Statutory powers:	The statutory powers are set out in Section 2.1 and 2.2 of the report.
Considerations of equality and human rights:	The Council is under a statutory obligation to ensure that appropriate equality consideration is given in the exercise of its services and functions. This means that ensuring that recruitment and selection is based on the skills and abilities needed to do the job, rather than other characteristics. The recommended candidate for the role of S151 Officer reflects a selection based on merit because of their skills, experience and previous experience.

Biodiversity considerations:	None
Sustainability considerations:	None
Crime and disorder implications:	None
Background papers:	None
Appendices attached:	None

STRATEGIC RISKS TEMPLATE

No	Risk Title	Risk/Opportunity Description	Inherent risk status				Mitigating & Management actions	Ownership
			Impact of negative outcome	Chance of negative outcome	Risk score and direction of travel			
1.	Statutory requirement to have s151 Officer.	There are risks set out in Section 2 of not having a nominated s151 Officer of the Council. These are that the Council would not meet its statutory requirements with the various legislation as detailed in Section 2.	5	2	10	↔	Employment of temporary cover as set out in this report.	Head of Finance and Audit

Direction of travel symbols ↓ ↑ ↔