



**South
Cambridgeshire
District Council**

Report To: Council

29 November 2018

Lead Officer: Head of People and Organisational Development

APPOINTMENT OF CHIEF FINANCE OFFICER (S151)

Purpose

1. This report appraises Council of the requirement to appoint a Chief Finance Officer.

Recommendations

2. That Council:
 - a) Note that the individual who currently holds the role of Chief Finance Officer (S151) has resigned;
 - b) Endorse the recommendation of the Employment and Staffing Committee to appoint Mr Robert Palmer as Interim S151 Officer to Full Council with effect from 1 January 2019.

Reasons for Recommendations

3. The Local Government Act 1972 requires every local authority to appoint a suitably qualified officer responsible for the proper administration of its financial affairs. The employee who currently holds this role for South Cambridgeshire District Council will leave employment on 31 December 2018.
4. Mr Palmer is suitably qualified and experienced and has previously held the position of S151 at Epping Forest District Council.

Background

Chief Finance Officer (S151 Officer)

5. 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 S151 officer. The term S151 Officer has been used as a short hand expression to refer to the role and duties of the 'Responsible Financial Officer' as defined by CIPFA (the function of the most senior finance officer employed by an organisation).
6. 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.

7. The role of a CFO officer lies at the heart of any effective and well governed organisation. The over-riding duty of this officer is to fulfil the statutory responsibilities attached to the position in a manner that enhances the overall reputation of the Council. There are responsibilities which solely rest with a CFO.
8. The S151 officer role at the Council is currently held by the Executive Director Corporate Services. The postholder has tendered their resignation and will retire from the Council on 31st December 2018.
9. There are very important responsibilities to be fulfilled by SCDC, including the closing of accounts, finalising budget preparations, audit opinion, the Council's advisor on Ermine Street and Shire Homes Lettings and, commercial activities which require such a person. Failure to appoint a S151 officer exposes the Council to risk.
10. Legislation, which is reflected in the Council's standing orders, states that any appointment to the position of S151 officer is to be made by Full Council following the recommendation of such employment by the Employment and Staffing committee.

Considerations

11. The Council is embarking on an organisational review and as such it is appropriate that an interim appointment to the S151 officer role be appointed until such time as this review has concluded. It is envisaged that the interim appointment will be for a minimum period of six months to ensure that the Council has appropriate S151 arrangements in place.
12. Consideration has been given to a sharing arrangement with neighbouring authorities however, at this point, there is not a ready option that would satisfactorily meet the needs of this Council at this time.
13. In the light of the issues outlined in paragraphs 5 to 10 above, it is recommended that Mr Palmer assumes the S151 officer role on 1st January 2019 when the current postholder's retirement takes effect.
14. The Council, upon receipt of the current postholder's resignation, commenced a search for an interim Chief Finance Officer. The report to Employment Committee provides detail on the candidate search.
15. Mr Palmer has been interviewed by the Chief Executive and Head of People and Organisational Development. The candidate has also had discussions with the lead cabinet member for Finance and Staffing and members of the Employment and Staffing Committee. The interview and discussions have confirmed that Mr Palmer has the relevant experience, qualification and expertise that the Council is seeking at this point.
16. References from Mr Palmer's previous employer have been obtained and the Council has received very sound references.
17. Employment and Staffing Committee, at its meeting on 7 November 2018, considered a report in relation to this appointment and also met with Mr Palmer. Members of Employment and Staffing Committee agreed to recommend the interim appointment of Mr Palmer to Full Council.

Implications

In the writing of this report, taking into account financial, legal, staffing, risk management, equality and diversity, climate change, community safety and any other key issues, the following implications have been considered:

Legal

18. These are set out in paragraph 5, 6 and 10 of the report.

Financial

19. The cost of the interim appointment will be met from salary savings from the vacant Executive Director Corporate Services and other salary savings accrued from service areas.

Staffing

20. The Finance team have a number of relatively new members of staff who will benefit from the full time support from an experienced finance lead who can guide and mentor the team and provide professional advice to the Council in the conduct of its financial affairs.

Risk Management

21. This is set out in paragraph 9 above.

Equality and Diversity

22. There are no implications.

Climate Change

23. The absence of financial input, experience and knowledge at this senior level may impact on taking forward some of the energy projects including commercial opportunities.

Consultations

24. The lead cabinet member for Finance and Staffing has been consulted.

Background Papers

The Council's Constitution
Local Government Act 1972 section 151
Local Government Finance Act 1988 Section 113

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