
Extension of Appointment of s151 Officer

Relevant Portfolio Holder	Cllr Matt Dormer
Portfolio Holder Consulted	Yes
Relevant Head of Service	Kevin Dicks
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Wards Affected	All
Ward Councillor(s) consulted	N/A
Relevant Strategic Purpose(s)	All
Non-Key Decision	
If you have any questions about this report, please contact the report author in advance of the meeting.	

1. RECOMMENDATIONS

The Council RESOLVE that:-

The appointment of the Interim Chief Finance Officer and Section 151 officer approved by Council for twelve months on 22nd June 2022 be extended for up to a further six months until 22nd December 2023.

2. BACKGROUND

- 2.1 The Council is required to nominate an officer under section 151 of the Local Government Act 1972 to be responsible for the proper administration of its financial affairs, a role designated as part of the Director of Resources position.
- 2.2 Members will recall that in June 2022 a report was considered by full council recommending the appointment of Peter Carpenter as Interim section 151 officer. This was necessary following the resignation of the former Director of Resources, James Howse. The staff structure assigns the role of section151 officer to the post of Director of Resources, and with this post vacant a separate appointment to the section 151 officer role had to be made.
- 2.3 At the time of the June 2022 report, Peter Carpenter had already been working in the finance team to cover the vacant Head of Finance and Customer Services post since February 2022 and had assumed the role of deputy section 151 officer. Although the Head of Finance and Customer Services post had recently been recruited to, the report set

out the need for continuity of support for the new post holder, and other newly appointed officers in the finance team. The report also highlighted the length of time it would take to carry out a full recruitment of a new Director of Resources and recommended the appointment of Peter Carpenter as Interim Chief Finance Officer and interim section 151 officer for 12 months.

- 2.4 Members resolved to appoint Peter Carpenter and this has been facilitated through West Midlands Employers. The appointment period expires on 22nd June 2023.
- 2.5 The current position is that the Head of Finance and Customer Services has been in post since 21st June 2022 and the staff recruitment of more junior posts referred to in the June 2022 report has resulted in the strengthening of the team. Although there still remains some gaps within the structure this is primarily the result of a significant shortage of appropriate staff within both the public sector and the finance profession.
- 2.6 Recruitment to the post of Director of Resources was started earlier this calendar year however the feedback from a couple of the recruitment agencies that were approached to undertake the process was that it was not a good time to be recruiting to a permanent Section 151 Officer and that it was best to wait until after the elections. This was discussed with the Leaders at the time and it was agreed to delay the permanent recruitment until after the election.
- 2.7 As members will be aware the council has in place a detailed Finance Recovery Plan which seeks to address the issues the Section 24 and the 2020/21 Interim Annual Audit Report recommendations and as such it is important to continue to have in place an experienced Section 151 Officer to oversee delivery. Whilst the recruitment process of the permanent Section 151 is now being prioritised, the Council remains subject to the legal requirement to have a section 151 officer in place, and the recommendation therefore is to extend the current appointment of Peter Carpenter for a further six month period.

3. OPERATIONAL ISSUES

- 3.1 This proposal will secure continuity of operations in a critical function. The finance team is currently operating with Peter Carpenter in post and the recommendation will allow this arrangement to continue pending appointment of a new Director of Resources.

4. FINANCIAL IMPLICATIONS

- 4.1 The report in June 2022 set out the financial implications. The cost of the further 6 month extension is £72,500 compared to the budget for the substantive Director of Resources post of £71,025. The small additional cost can be met from within existing budgets. These costs will be split equally between Bromsgrove District Council and Redditch Borough Council.

5. LEGAL IMPLICATIONS

- 5.1 Section 151 of the Local Government Act 1972, sets out that “Without prejudice to section 111 above, 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.”
- 5.2 Section 6 of the Local Government and Housing Act 1989, further sets out that “ (1) On and after the commencement day the Common Council shall – (a) make arrangements for the proper administration of such of its financial affairs as relate to it in its capacity as a local authority, police authority, or port health authority, and (b) secure that one of its officers has responsibility for the administration of those affairs”.
- 5.3 Part 1, introduction to the Constitution - Section 9 Officers – Functions Reserved to the Council, paragraph 9.1.1 of the Council’s Constitution states that it is the Council’s responsibility to appoint “statutory officers”. The role of the Section 151 officer is a statutory Chief Officer to the Council.
- 5.4 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.

6. OTHER - IMPLICATIONS

Relevant Strategic Purpose

- 6.1 Effective financial management underpins all the Council’s operation and achievement of strategic purposes.

Climate Change Implications

- 6.2 None

Equalities and Diversity Implications

6.3 None related to the appointment of Section 151 Officer.

7. RISK MANAGEMENT

7.1 The recommendation set out in this report will mitigate the risks associated with a lack of continuity and senior capacity. Through the continued engagement of a senior and experienced Section 151 officer the Council will continue to support the strengthening of the finance team and will also ensure that the Council is complying with its legal obligations.

8. BACKGROUND PAPERS

Report to Council “Appointment of Section 151 Officer” dated 22nd June 2022.

9. REPORT SIGN OFF

Department	Name and Job Title	Date
Portfolio Holder	Cllr Matt Dormer	June
Lead Director / Head of Service	Report author	N/A
Financial Services	Michelle Howell – Head of Finance and Customer Services	June
Legal Services	Claire Felton – Head of Legal and Property Services	June
Policy Team (if equalities implications apply)	N/A	N/A
Climate Change Team (if climate change implications apply)	N/A	N/A

REDDITCH BOROUGH COUNCIL

Council
2023

26th June
