

Report To: Annual Council

Date of Meeting: 25th May 2022

Report Title: Appointment of interim Chief Finance Officer/Section 151 Officer

Report By: Jane Hartnell, Managing Director

Key Decision: No

Classification: Open

Purpose of Report

The current Chief Finance Officer is due to retire on 31st May 2022, and council therefore needs to appoint a new Chief Finance Officer (S151 Officer) from with effect from 1st June 2022.

Recommendation(s)

- 1. That Kit Wheeler be appointed interim Chief Finance Officer (S151 Officer) with effect from 1st June 2022.**

Reasons for Recommendations

- The council is required by law to appoint three statutory officers, each of whom have responsibility for elements of governance within the authority. These are the Head of Paid Service (Managing Director), Monitoring Officer (Head of Legal Services) and the Chief Finance Officer.

Introduction

1. After an exemplary career, Peter Grace is retiring from the post of Chief Finance Officer on 31st May 2022.
2. The council therefore needs to appoint a new Chief Finance Officer.

Role of Chief Finance Officer (Section 151 Officer)

3. The council is required by law (section 151 of the Local Government Act 1972) to make arrangements for the proper administration of their financial affairs and appoint a S151 Officer, also known as a Chief Financial Officer (CFO) to have responsibility for those arrangements.
4. The Chief Finance Officer (CFO) must be a member of a specified accountancy body (section 113 of the Local Government Finance Act 1988).
5. The CFO duties include reporting to members (in consultation with the Monitoring Officer and Head of Paid Service) if there is, or is likely to be unlawful expenditure or an unbalanced budget (section 114 of the Local Government Finance Act 1988).
6. The CFO and the Monitoring Officer have a role in advising councillors whether particular decisions are likely to be contrary to the policy framework or budget of the authority.
7. The Chief Financial Officer is also 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. S/he is also required to ensure that the guidelines and ratios set down for the purposes of Prudential Capital regime are adhered to once fixed and report to Council if they are going to be infringed. (Local Government Act 2003)

Interim Arrangements

8. Councillors will be aware that an organisation-wide restructure will commence shortly and will form part of the strategy to address the councils budget deficit. The recruitment exercise to appoint to the permanent post of Chief Finance Officer will take place following this restructure.
9. Interim statutory and management arrangements therefore need to be put in place.
10. Whilst the Council has full powers to appoint a Chief Finance Officer, the Council's Employment Committee would usually be asked to make a recommendation on the appointment of a Statutory Officer, however due to the timing of the local elections this has not been possible.
11. Therefore, my recommendation to council is that the current Chief Accountant and Deputy S151, Kit Wheeler be appointed as interim Chief Finance Officer, and a further report to Council be submitted following the restructure and recruitment exercise within six months.

Wards Affected

Policy Implications

Reading Ease Score:

Please identify if this report contains any implications for the following:

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|---------------------------------------|---|
| Equalities and Community Cohesiveness | N |
| Crime and Fear of Crime (Section 17) | N |
| Risk Management | Y |
| Environmental Issues & Climate Change | N |
| Economic/Financial Implications | Y |
| Human Rights Act | N |
| Organisational Consequences | Y |
| Local People's Views | N |
| Anti-Poverty | N |
| Legal | Y |

Additional Information

Officer to Contact

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