

Council

Supplementary Agenda

Date: Tuesday 27th February 2024
Time: 11.00 am
Venue: The Assembly Room - Town Hall, Macclesfield SK10 1EA

In accordance with Section 100B(4)(b) of the Local Government Act 1972, the Mayor has agreed that this item can be considered as an item of urgent business as it cannot wait until the next scheduled meeting of Council

19 Urgent Item of Business: Appointment of an interim, and permanent, Chief Financial Officer (pages 3 – 8)

To consider the report on the arrangements for the appointment of the an interim, and permanent, Chief Financial Officer.

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OPEN

Council

27 February 2024

**Appointment of an Interim, and
permanent, Chief Financial Officer**

Report of: Rob Polkinghorne, Chief Executive

Report Reference No: C/19/23-24

Ward(S) Affected: All Wards

Purpose of Report

- 1 To secure authority for the appointment of a Chief Financial Officer, (Interim Section 151 Officer) and to commence the process for the appointment of a permanent Section 151 Officer.

Executive Summary

- 2 In the light of the existing Chief Financial Officer- Section 151 Officer's announcement that he will be leaving the Council, it is important to put in place arrangements for his replacement by an Interim Section 151 Officer, in the first instance, and to begin the process for the appointment of a permanent Section 151 Officer.
- 3 This report seeks a resolution from Council which will give effect to the above.

RECOMMENDATIONS

Council is recommended to:

1. Authorise the Chief Executive to recruit and appoint an Interim Chief Financial Officer in consultation with the Appointments Committee Chair and Vice Chair.
2. Authorise the Appointments Committee to commence the process for appointing a permanent Chief Financial Officer, and to make recommendations to Council upon that appointment.

Background

- 4 Section 151 of the Local Government Act 1972 states that “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 officer is the Chief Financial Officer of the Council.
- 5 The Council’s Chief Financial Officer or Section 151 Officer has recently announced that he will be leaving the Council on 6 May 2024 to take up a new role as Executive Director for Finance and Transformation at Sandwell Metropolitan Borough Council.
- 6 In the light of the timing of this announcement, it was not possible to place a report on the published agenda for the Council meeting on 27 February 2024. However, it is essential for authority to be given by Council for the appropriate recruitment of an Interim Section 151 Officer, and a permanent Section 151 Officer, to commence immediately.
- 7 The appointment of a Section 151 Officer is an appointment which must be made by Council, given that this is a statutory role.
- 8 Section 100B (4) of the Local Government Act 1972 states that “an item of business may not be considered at a meeting of a principal council unless either—
 - (a) a copy of the agenda including the item (or a copy of the item) is open to inspection by members of the public in pursuance of subsection (1) above for at least five clear days before the meeting or, where the meeting is convened at shorter notice, from the time the meeting is convened; or
 - (b) by reason of special circumstances, which shall be specified in the minutes, the chairman of the meeting is of the opinion that the item should be considered at the meeting as a matter of urgency”.
- 9 Taking into account the fact that, if a report to appoint an interim Section 151 Officer had to await decision by Council on 15 May 2024, there would be a gap between the current postholder leaving the Council, and an Interim Section 151 Officer being appointed, the Mayor has agreed that this report is urgent within the meaning of Section 100B (4) of the 1972 Act as it cannot await the next meeting of Council. These reasons for urgency will be included in the minutes of the Council meeting which takes place on 27 February 2027.
- 10 This report proposes that authority be given to the Chief Executive, to immediately put in place a process to recruit an Interim Section 151

Officer, and to appoint the successful candidate, in consultation with the Appointments Committee Chair and Vice Chair.

- 11 This report also proposes that authority be given to the Appointments Committee to commence the work of appointing a permanent Section 151 Officer, and to make recommendations to Council upon that appointment.

Consultation and Engagement

- 12 No consultation or engagement is required.

Reasons for Recommendations

- 13 To ensure that the Council has seamless Section 151 coverage, during a time of financial challenge. This aligns with our Corporate Plan priority: “Open”: “We will provide strong community leadership and work transparently with our residents, businesses and partners to deliver our ambition in Cheshire East.”

Other Options Considered

- 14 The Council could choose not to appoint a Section 151 Officer, but this would be in conflict with Section 151 of the Local Government Act 1972, which states that “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”

Option	Impact	Risk
Do nothing	The Council would not have a Section 151 Officer	The Council is facing significant financial challenges and there would therefore be significant risks if it did not have a Section 151 Officer to oversee these matters. The Council would also be acting in contravention of the legislation which requires local authorities to have a Section 151 Officer.

Implications and Comments

Monitoring Officer/Legal

- 15 The legal implications of this report are set out in the paragraphs above. The Council must have a Chief Financial Officer.
- 16 The Terms of reference of the Appointments Committee are Constitution Chapter 2 part 4.
- “1.1 with regard to the Head of Paid Service, Monitoring Officer and Chief Finance Officer (Designated Statutory Officers (the ‘DSOs’)):*
- 1.1.1 to undertake the recruitment and selection process in accordance with the Employment Procedure Rules*
- 1.1.2 make a recommendation to the Council to approve the proposed appointment before an offer of appointment is made to that person”.*
- 17 The Employment procedure rules are set out at Chapter 3, part 6 paragraph 22. An interim appointment has all the same duties and responsibilities of a permanent appointment but requires and expedited approach. As this is for a limited period of time proportionate oversight by members may be achieved through a consultation process.

Section 151 Officer/Finance

- 18 The financial implications of this report are set out in the paragraphs above. Given that the Section 151 Officer is leaving the Council, the costs associated with his employment can be used to fund the proposed interim and permanent appointments.

Policy

- 19 The following Corporate Plan priority applies:

An open and enabling organisation
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Equality, Diversity and Inclusion

- 20 These important matters will be addressed in the proposed recruitment process.

Human Resources

- 21 The Council’s employment and human resources obligations will be fulfilled as part of the proposed recruitment process.

Risk Management

- 22 Whilst there are risks, as outlined above, should the Council choose not to appoint a Section 151 Officer, there are no identifiable risks associated with making an appointment.

Rural Communities

- 23 There are no direct implications.

Children and Young People including Cared for Children, care leavers and Children with special educational needs and disabilities (SEND)

- 24 There are no direct implications.

Public Health

- 25 There are no direct implications.

Climate Change

- 26 There are no direct implications.

Access to Information	
Contact Officer:	Brian Reed, Head of Democratic Services and Governance. Brian.reed@cheshireeast.gov.uk
Appendices:	N/A
Background Papers:	N/A

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