

Appendices:  
0



**NORTHAMPTON**  
BOROUGH COUNCIL

# COUNCIL

## 9<sup>th</sup> July 2018

**Agenda Status: Public**

**Directorate: Borough Secretary**

<b>Report Title</b>	<b>Appointment of Chief Finance Officer (Section 151)</b>
---------------------	---

### 1. Purpose

---

- 1.1 To confirm the appointment of the Chief Finance Officer (Section 151), following the end of the provision of this service by LGSS.

### 2. Recommendations

---

- 2.1 That Council confirms the appointment of Stuart McGregor as Chief Finance Officer (Section 151 Officer) from the 1<sup>st</sup> June 2018.

### 3. Issues and Choices

---

#### 3.1 Report Background

- 3.1.1 The position of Chief Finance Officer is critical to the governance of Councils. Section 151 of the Local Government Act 1972 requires every local authority to make arrangements for the proper administration of their financial affairs.
- 3.1.2 Section 151 requires the Council to make arrangements for the proper administration of its financial affairs and to secure that one of its officers has responsibility for the administration of those affairs.
- 3.1.3 The Chief Finance Officer has a number of statutory duties which include the duty to report any unlawful financial activity involving the authority, or, failure to set or keep to a balanced budget. The Chief Finance Officer also has a number of statutory powers that enable the role to be carried out.

- 3.1.4 Until 31<sup>st</sup> May 2018, the Chief Finance Officer (Section 151 Officer) was provided to the Council by LGSS through a Partnering and Delegation Agreement.
- 3.1.5 On the 22<sup>nd</sup> January 2018, Council resolved that Stuart McGregor be appointed as Chief Finance Officer (Section 151 Officer) from 18<sup>th</sup> February 2018, until 1<sup>st</sup> June 2018, or later if otherwise agreed as being needed until a permanent appointment be made.
- 3.1.6 On 22<sup>nd</sup> January 2018 Council also resolved that the Chief Finance Officer (Section 151 Officer) role revert back to the Council's employment on a full-time basis post 1<sup>st</sup> June 2018, or as soon as reasonably practicable, and that recruitment to that permanent position be undertaken.
- 3.1.7 The Council has brought the Chief Finance Officer (Section 151 Officer) role back in-house from 1<sup>st</sup> June 2018, so that the post holder is employed directly by the Council on a fixed-term basis. The contract is fixed term due to the ongoing discussions in the County about the potential creation of unitary authorities in the County from 2020.
- 3.1.8 From 1<sup>st</sup> June 2018, Stuart McGregor continued to undertake the Chief Finance Officer role. However, the basis of his engagement was changed, so that he became engaged by the Council directly and was no longer provided through the LGSS Contract.
- 3.1.9 On 23<sup>rd</sup> August 2018, the Appointments and Appeals Committee endorsed the appointment of Stuart McGregor as the Head of Finance on a fixed term contract basis for a period of 18 months from 1<sup>st</sup> June 2018 and reconfirmed to Full Council that Stuart McGregor's appointment as the Council's Section 151 Officer (Chief Finance Officer) be continued. (The Head of Finance role includes the Section 151 Officer designation/responsibility).
- 3.1.10 Full Council is therefore asked to confirm the appointment of Stuart McGregor as Chief Finance Officer (Section 151 Officer) from the 1<sup>st</sup> June 2018.
- 3.1.11 As stated in the report to Council in January 2018, Mr McGregor has accountancy experience in the public sector spanning 30 years, the last 14 of which has been primarily in local government - including as Chief Finance Officer (Section 151) for Havant Borough Council and East Hampshire Borough Council, North Wiltshire District Council and, most recently, Wycombe District Council. He has also acted as Head of Paid Service.

#### **4. Implications (including financial implications)**

---

##### **4.1 Policy**

4.1.1 None

##### **4.2 Resources and Risk**

- 4.2.1 There are no resource implications arising directly from this Report. The anticipated revenue budget costs of bringing the role in-house were identified to Full Council when it resolved on 22<sup>nd</sup> January 2018 that the post should revert to the Council's employment. The resource implications were considered again at the time the role was brought back in-house.
- 4.2.2 Circumstances changed between the 22<sup>nd</sup> January 2018 and the time that the role was brought back in house, due to the unitary discussions commencing in the County and the consequential decision to appoint the Chief Finance Officer on a fixed term, rather than continuing basis. Confirming the continued appointment of Stuart McGregor as Section 151 Officer provides clarity.

### **4.3 Legal**

- 4.3.1 Section 151 of the Local Government Act 1972 requires the Council to appoint an Officer to act as its Chief Finance Officer, to be responsible for the administration of the Council's financial affairs.
- 4.3.2 Article 4.2.9 of the Council's Constitution states that only Full Council will exercise the function of confirming the appointment of the Chief Finance Officer.

### **4.4 Equality**

- 4.4.1 There are no equality implications arising directly from this report.

### **4.5 Other Implications**

- 4.5.1 None

## **5. Background Papers**

---

- 5.1 None

**Francis Fernandes**  
**Borough Secretary**  
**0300 330 7000**