

**Council**

**21 February 2017**

**Name of Cabinet Member:**

Cabinet Member for Policing and Equalities - Councillor Abdul Khan

**Director Approving Submission of the report:**

Executive Director of Place

**Ward(s) affected:**

All

Title: **Appointment of Section 151 Officer and Delegation of Powers**

---

**Is this a key decision?**

No

---

**Executive Summary**

The Council is required by Section 151 of the Local Government Act 1972 to appoint a Chief Finance Officer (the Section 151 Officer). That position is held by the Executive Director, Resources. As he is about to leave the Council, the City Council needs to appoint another officer to fulfil this statutory function.

In addition, changes to the directorate structure of the Council following the departure of the Executive Director, Resources mean that a number of changes need to be made to the Scheme of Delegation for Employees in the Constitution. Other parts of the Constitution also need to be amended to reflect changes in the structure and in post titles.

This report sets out:

- (a) A recommendation that the Director of Finance and Corporate Services be appointed as the Council's Chief Finance Officer under Section 151 of the Local Government Act 1972;
- (b) Changes needed to allocate functions of the Executive Director, Resources to other officers, including Proper Officer functions and onwards delegations; and
- (c) Changes needed to other parts of the Constitution to reflect the changes in the directorate structures.

**Recommendations:**

Council is recommended to:

1. Designate the Director of Finance and Corporate Services as Chief Finance Officer under Section 151 of the Local Government Act 1972 with effect from 22 February 2017;
2. Approve the proposed allocation of the functions of the Executive Director, Resources to other officers as set out in Appendix 1 to the report, including Proper Officer functions and onwards delegations with effect from 22 February 2017; and
3. Authorise the Legal Services Manager (Place and Regulatory) to amend the Constitution accordingly and to make consequential changes to the other parts of the Constitution reflecting the changes in the Scheme of Delegation and in post titles.

**List of Appendices included:**

**Appendix 1:** Proposed Amendments to the Scheme of Delegation

**Other useful background papers:** None

**Has it been or will it be considered by Scrutiny?**

No

**Has it been or will it be considered by any other Council Committee, Advisory Panel or other body?**

No

**Will this report go to Council?**

Yes

## **Report title: Appointment of Section 151 Officer and Delegation of Powers**

### **1. Context (or background)**

- 1.1 Section 151 of the Local Government Act 1972 requires each local authority to appoint an officer to oversee the proper administration of its financial affairs (the Section 151 Officer). Any person appointed as Section 151 Officer must be a member of a prescribed accountancy body. The role is currently carried out by the Executive Director, Resources. As he is now leaving the Council and the post of Executive Director, Resources is to be disestablished, the Council needs to appoint a new Section 151 Officer.
- 1.2 The Council's Scheme of Delegation to Employees sets out functions and powers which are delegated to named post holders. The Executive Director, Resources has a number of delegated powers which under the Constitution are further delegated to other officers. Certain functions are exercised by the Executive Director as Proper Officer (with an onwards delegation in the Scheme to other officers) and these need to be re-delegated by full Council. The same applies in relation to one Proper Officer function of the Chief Executive.
- 1.3 In other parts of the Constitution there are references to the Executive Director, Resources. As the post is to be disestablished, these references need to be updated to whichever post is to take over those particular functions.

### **2. Options Considered**

#### **2.1. Appointment of Section 151 Officer**

The Council must have a Section 151 Officer appointed to oversee the proper financial administration of the Council. As the person appointed must be a member of a prescribed accountancy body, it is recommended that the holder of the newly created post of Director of Finance and Corporate Services be appointed as Section 151 Officer with effect from 22 February 2017.

#### **2.2 Appointment of Proper Officer**

The Executive Director, Resources is the Council's appointed Proper Officer for a number of functions with onwards delegation to, among others, the City Solicitor and the Assistant Director (Finance, Revenues and Benefits). As the posts of Executive Director and Assistant Director are to be disestablished, the appointment of Proper Officer and onwards delegations need to be reallocated by Council. The table in Appendix 1 to this report sets out all of the Executive Director, Resources' delegations (including Proper Officer functions) and proposals for reallocation of the Proper Officer functions and onwards

delegations. An additional column has been added to the table to show to which officer or officers it is recommended that these functions be delegated.

## **2.3 Reallocation of Delegations to Executive Director, Resources**

2.3.1 The table in Appendix 1 to this report sets out extracts from different sections of the Scheme of Delegation to Officers (Part 2M of the Constitution) as follows:

- Section 5: General Delegations to all Senior Officers
- Section 6.1: Delegations to the Chief Executive
- Section 6.2: Delegations to the Executive Director, Resources

The third column of the table sets out the proposed reallocation of the delegations currently given to the Executive Director.

2.3.2. Members are asked to note that when the Constitution is updated to reflect the changes in structure, job titles and functions, a separate section will be created for the Section 151 Officer's functions and delegations set out in paragraphs 6.2.26 to 6.2.28 in the table. This is because the Section 151 Officer derives these powers directly from his appointment by full Council and not from an onwards delegation from an Executive Director.

## **2.3 Consequential Amendments to Other Parts of the Constitution**

2.3.1 Throughout the Constitution there are references to the Executive Director, Resources, for example in the Council Procedure Rules in Part 3A and the Financial Procedure Rules in Part 3F. The Council is asked to authorise the Legal Services Manager (Place and Regulatory) to make the necessary amendments to the rest of the Constitution depending on where the responsibility for the particular function is to be reallocated.

## **2.4 Recommendations**

Council is recommended to:

1. Designate the Director of Finance and Corporate Services as Chief Finance Officer under Section 151 of the Local Government Act 1972 with effect from 22 February 2017;
2. Approve the proposed allocation of the functions of the Executive Director, Resources to other officers as set out in Appendix 1 to the report, including Proper Officer functions and onwards delegations with effect from 22 February 2017; and
3. Authorise the Legal Services Manager (Place and Regulatory) to amend the Constitution accordingly and to make consequential changes to the other parts of the Constitution reflecting the changes in the Scheme of Delegation and in post titles.

### **3. Results of consultation undertaken**

- 3.1 No consultation has been undertaken because the changes are required to ensure that the Council complies with its statutory duty to appoint a Section 151 Officer and to ensure that functions may be exercised at the appropriate level.

### **4. Timetable for implementing this decision**

- 4.1 The amendments need to take effect from 22 February 2017.

### **5. Comments from the Executive Director, Resources**

- 5.1 Financial implications  
None.

- 5.2 Legal implications  
The Council must designate an officer as Chief Finance Officer under Section 151 of the Local Government Act 1972. In addition only Council can appoint officers as proper officers.

### **6. Other implications**

#### **6.1 How will this contribute to achievement of the Council's key objectives / corporate priorities (corporate plan/scorecard) / organisational blueprint / Local Area Agreement (or Coventry Sustainable Community Strategy)?**

The Constitution sets out the governance arrangements of the Council and it is important that these reflect changes in operational matters within the Council.

#### **6.2 How is risk being managed?**

Having a Constitution that reflects changes in operational matters will ensure that the Council meets its legal obligations.

#### **6.3 What is the impact on the organisation?**

To put in place appropriate governance arrangements that reflect operational changes.

#### **6.4 Equalities / EIA**

None

#### **6.5 Implications for (or impact on) the environment**

None

#### **6.6 Implications for partner organisations?**

None

**Report author(s):**

**Name and job title:** Carol Bradford, Corporate Governance Lawyer, Regulatory Team.

**Directorate:** Resources

**Tel and email contact:** 024 7683 3976/ carol.bradford @coventry.gov.uk

Enquiries should be directed to the above person.

<b>Contributor/approver name</b>	<b>Title</b>	<b>Directorate or organisation</b>	<b>Date doc sent out</b>	<b>Date response received or approved</b>
<b>Contributors:</b>				
Suzanne Bennett	Governance Services	Resources	10.02.17	
Carolyn Sinclair	Governance Services	Resources	10.02.17	
<b>Names of approvers for submission:</b> (officers and members)				
Julie Newman	Legal Services Manager, People	Resources	03.02.17	06.02.17
Helen Lynch	Legal Services Manager, Place and Regulatory	Resources	03.02.17	06.02.17
Gail Quinton	Executive Director, People	People	07.02.17	10.02.17
Martin Yardley	Executive Director, Place	People	07.02.17	08.02.17
Chris West	Executive Director, Resources	Resources		
Members: Councillor Abdul Khan	Cabinet Member Policing and Equalities			