

**COMMITTEE:** COUNCIL REF NO: C/17/22  
**DATE:** 21 MARCH 2018  
**SUBJECT:** APPOINTMENT OF REPLACEMENT  
SECTION 151 CHIEF FINANCIAL  
OFFICER  
**PROPER OFFICER:** HEAD OF PAID SERVICE

***Short description of report content and the decision requested:***

Under Section 151 (s151) of the Local Government Act 1972, 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. Peter Timmins has served as the Council's S151 Officer since May 2017.

Mr Timmins' interim position with the Council ends at the end of March 2018 and it is proposed to appoint the Council's Head of Finance and Revenues, Mr John Chance as the S151 Officer.

Mr John Chance, holds the necessary financial qualifications, and has worked in local government finance for over 30 years, being appointed by the Council as Head of Finance and Revenues in November 2017. He has previously held the S151 position at Brentwood Borough Council.

***List of Appendices included in this report:***

None

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***This report was prepared after consultation with:***

- Mr Chance
- Mr Timmins
- Chief Executive
- External auditors
- Members of the Audit and Governance Committee

***The following policies form a context to this report:***

*(all relevant policies must also be referred to in the body of the report)*

*Building a Better Ipswich 2017*

**LIST OF BACKGROUND PAPERS AS REQUIRED BY LAW**

*(papers relied on to write the report but which are not published and do not contain exempt information)*

**OTHER HELPFUL PAPERS**

*(papers which the report author considers might be helpful – this might include published material)*

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## **1. Introduction**

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- 1.1 Under s151 of the Local Government Act 1972, 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. Peter Timmins currently holds the position on an interim basis.
- 1.2 Mr Timmin's interim contract expires at the end of March 2018 and it is recommended that Council appoints a new s151 officer.
- 1.3 Mr John Chance, who is an appropriately qualified financial accountant (CIPFA) has been s151 Officer at Brentwood Borough Council and has been employed as Ipswich Borough Council's Head of Finance and Revenues since November 2017. Mr Chance is a member of the Council's Corporate Management Team ensuring that the Council's senior officers receive appropriate financial advice.
- 1.4 He is therefore recommended for appointment as the Council's s151 Officer from the date of this meeting.

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## **2. Background**

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- 2.1 The rules governing the authority's financial administration are set out in the Council's Standing Orders, Contracts Standing Orders Rules and Financial Standing Regulations. These require, amongst other things, that the s151 Officer be responsible for many of the obligations under the rules, including, for example, arrangements for the banking and drawing of cheques in the Council's name, which must bear the name of the s151 Officer.
- 2.2 There are also other statutory requirements affecting the s151 Officer appointment under the following statutes:
  - s113 of the Local Government Finance Act 1988 (the "1988 Act"), in that the s151 officer must be a member of one of a number of specified accountancy bodies. Mr Timmins is a full fellow member of one of the specified bodies, the Chartered Institute of Public Finance and Accountancy (CIPFA).
  - s114 of the 1988 Act in that the s151 Officer must make a public report in specified cases of actual or anticipated financial misconduct.
  - s2(1) of the Local Government and Housing Act 1989, the effect of which is to make the s151 Officer a statutory chief officer and, therefore, a politically restricted post.
  - s5 of the Local Government and Housing Act 1989 whereby the post of Monitoring Officer cannot also be held by the s151 Officer.
  - s25 of the 2003 Act requires the s151 to report on the adequacy of reserves and the robustness of estimates as part of the annual budget process.
- 2.3 The s151 officer is empowered to appoint his own deputy or deputies to assist with the discharge of his statutory duties or to cover his absences.

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### 3. Relevant Policies

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- 3.1 The appointment (or replacement of) of the s151 Chief Financial Officer is a mandatory appointment that has to be approved by the Council.

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### 4. Options Considered / Under Consideration

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- 4.1 No other candidates have been recommended for appointment, as the appointment is not a full time job in its own right, and in common with most other councils, the appointment has been coupled with other substantive duties and responsibilities contained in another senior management post.

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### 5. Consultations

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- 5.1 Consultation has been carried out with Mr Chance, Mr Timmins and the Chief Executive. A cross-party panel of Councillors, consisting of Councillors Ellesmere, Rudkin, M Cook, Cenci and Holmes, appointed Mr Chance to the post of Head of Finance and Revenues. Members of the Audit and Governance Committee (as constituted by the 2017 Annual Council Meeting (and subsequent changes), together with the Council's External Auditors, have been informed of the proposal to appoint Mr Chance and at the time of writing no adverse comment has been received in respect of the recommended appointment.

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### 6. Risk Management

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Risk Description	Consequence of risk	Risk Controls	Probability of risk occurring taking account of controls (scale 1-6) 1 - almost impossible 6 - very high	Impact of risk, if it occurred taking account of actions (scale 1 - negligible; 4 - catastrophic)	Actions to mitigate risk
1. Failure to replace the section 151 officer	That the existing s151 officer is unable to discharge the duties effectively in the longer term	Appoint a suitably qualified replacement with experience and capacity to discharge the duties	1	3	Make recommendation to Council on the replacement s151 officer

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### 7. Environmental Impact Assessment

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- 7.1 There are no environmental impacts arising out of this decision

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## **8. Equalities and Diversity Implications**

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- 8.1 Under the general equality duty as set out in the Equality Act 2010, public authorities are required to have due regard to the need to eliminate unlawful discrimination, harassment and victimisation as well as advancing equality of opportunity and fostering good relations between people who share a protected characteristic and those who do not.
- 8.2 The protected grounds covered by the equality duty are: age, disability, sex, gender reassignment, pregnancy and maternity, race, religion or belief, and sexual orientation. The equality duty also covers marriage and civil partnership, but only in respect of eliminating unlawful discrimination.
- 8.3 The law requires that this duty to have due regard be demonstrated in decision making processes. Assessing the potential impact on equality of proposed changes to policies, procedures and practices is one of the key ways in which public authorities can demonstrate that they have had due regard to the aims of the equality duty.
- 8.4 The appointment is one made by Council and the recommendation to appoint the Head of Finance and Revenues is based on experience and holding of the required statutory professional qualification. The male:female gender balance of the 3 statutory posts of Head of Paid Service, s151 Chief Financial Officer and the s5 Monitoring Officer will remain 2:1 in term of gender balance.

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## **9. Financial Considerations**

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- 9.1 There are no significant financial impacts arising out of the appointment as the duties, in common with the other statutory officers, are discharged as part of their relevant officers other substantive duties.

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## **10. Legal Considerations**

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- 10.1 The statutory duties are significant and should not be under-estimated. The appointment has to be approved by council and the appointee must be appropriately professionally qualified.

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## **11. Performance Monitoring**

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- 11.1 The appointment if it is approved is intended to take effect immediately.

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## **12. Conclusions**

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- 12.1 The Council is required to have a s151 officer. The end of the current s151 Officer's interim contract leads to a requirement to appoint a replacement. The Head of Finance and Revenues is suitably qualified and will manage the finance function as well as being a member of the Council's Corporate Management Team.

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**13. Recommendations**

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- 13.1 That Mr John Chance be appointed as the Council's Section 151 Officer, in accordance with the requirements of the Local Government Act 1972 and all other powers and duties, to replace Mr Peter Timmins with effect from the date immediately following this meeting.**