

# REPORT FOR DECISION



<b>DECISION OF:</b>	<b>COUNCIL</b>
<b>DATE:</b>	<b>9 September 2020</b>
<b>SUBJECT:</b>	<b>Appointment of The Interim S151 Officer</b>
<b>REPORT FROM:</b>	<b>Cabinet Member for Corporate Affairs and HR, Councillor Tahir Rafiq</b>
<b>CONTACT OFFICER:</b>	Geoff Little, Chief Executive
<b>SUMMARY:</b>	To request Members to appoint Ms Lisa Kitto pending the recruitment to this position of a permanent employee. To recommend that the Council (a) appoints Lisa Kitto for interim period until February 2021 as interim Director of Financial Transformation and that this post will discharge the Council's responsibilities under Section 151 of the Local Government Act 1972; and (b) notes that these arrangements will be reviewed in February 2021
<b>OPTIONS &amp; RECOMMENDED OPTION</b>	<b>Lisa Kitto is appointed as interim Section 151 Officer and Director of Financial Transformation with immediate effect and until the successful appointment of a permanent Director of Financial Transformation and Section 151 officer is made.</b>
<b>IMPLICATIONS:</b>	
<b>Corporate Aims/Policy Framework:</b>	Do the proposals accord with the Policy Framework? Yes
<b>Statement by the S151 Officer: Financial Implications and Risk Considerations:</b>	The proposed appointment of Lisa Kitto as Interim Section 151 Officer and Director of Financial Transformation will be contained within existing budgets.
<b>Equality/Diversity implications:</b>	EIA attached. Recruitment following the restructure will be in line with equality and diversity
<b>Considered by Monitoring Officer:</b>	Yes Comments as set out in Report
<b>Wards Affected:</b>	All
<b>Background Papers</b>	The Role of the Chief Financial Officer in Local Government Published Apr 2016 CIPFA

## 1.0 Introduction and Background

- 1.1 At a meeting of Full Council on 10 July 2019 it was agreed to establish a Strategic Commissioning Board with the Bury NHS Clinical Commissioning Group (CCG) as a joint Committee of the Council to operate from 1 October 2019. The framework to support this arrangement included the appointment in June 2019 of a single Chief Finance Officer for both the Council and the CCG.
- 1.2 The Council is required by the Local Government Act 1972 to make arrangements for the proper administration of its financial affairs and employ a suitably qualified individual reporting directly to the Chief Executive as Section 151 Officer. This person is bound by professional standards and specific legislation to lead the promotion and delivery by the whole authority of good financial management so that public money is safeguarded at all times and used appropriately, economically, efficiently and effectively.
- 1.3 CIPFA the regulatory body for public service accountants requires the s151 Officer to be a full member of the leadership team with a status at least equivalent to other members of the team.

## **2.0 The Current Situation**

- 2.1 The Corporate Core Restructure proposals are due to be agreed by Cabinet on 2 September 2020. This will authorise a recruitment process to appoint a full time Director of Financial Transformation to include S151 officer responsibility. It is proposed that this arrangement be implemented on an initial fixed term basis to February 2021 and then be subject to review
- 2.2 Ms Kitto has been acting Deputy Chief Finance Officer since October 2019 and has played a key role in strengthening the Council's financial management and in the preparation for the 2020/21 budget. At the same time the Council and Bury CCG have, under the leadership of the Joint Chief Finance Officer Mike Woodhead, put in place the arrangements for pooled and aligned budgets including the Bury Strategic Commissioning Board and an agreement under Section 75 of the of the National Health Service Act 2006. By February of this year the Council was in a stronger financial position with increased reserves and the CCG had embarked on a programme of strategic reviews to balance its budget. Both organisations still faced significant budgets challenges in the medium term but the foundations had been laid to secure financial benefits from the integration of health and care services, especially the key budgets in Adult Social Care.
- 2.3 However the Council and Bury CCG are now facing new an unexpected financial challenges arising from the COVID-19 crisis. In addition to significant increases in funding gaps both organisations face huge uncertainties in funding from Government and NHS England. In these circumstances the Chief Executive recommends a re-focusing of roles so that the Joint Chief Finance Officer has the space to drive forward the financial opportunities within the Bury Health and Care Recovery and Transformation Programme and to contribute to Greater Manchester Health and Care Partnership financial strategy. The interim Director of Financial Transformation will focus on the Council budget, including the Capital Programme and Housing Revenue Account and the significant challenges of the DSG. The allocation of the Section 151 responsibilities is commensurate with these responsibilities.
- 2.4 The Joint Chief Finance Officer will continue to hold strategic responsibility for finance across the Council and the CCG; lead on the pooled budget and a portfolio

of strategic programmes including the housing delivery pipeline and delivery vehicle, One Public Estate and Radcliffe SRF.

- 2.5 In the interim the Council is unable to function legally without appointing a section 151 officer. Ms Lisa Kitto has been working for the Council on an interim basis as Interim Finance Officer since October 2019 and she has relevant experience, and is suitably qualified, to be able to perform the role. This complies with the requirements set out in the Cipfa Code 'Role of the Chief financial Officer' in that an individual must be professionally qualified and suitably experienced.

### **3. Financial and VAT**

- 3.1 The proposed appointment of Lisa Kitto as Interim Section 151 Officer and Director of Financial Transformation will be contained within existing budgets.

### **4. Legal**

- 4.1 The Council is required by the Local Government Act 1972 to employ suitably qualified individuals as Head of Paid Service, Section 151 Officer (Chief Financial Officer) and Monitoring Officer. The proposed appointment complies with those requirements.

### **5. Equity and Equalities**

- 5.1 The council has and will comply with its relevant policies and procedures.

### **6. Recommendation**

- 6.1 Lisa Kitto is appointed as interim Section 151 Officer and Director of Financial Transformation with immediate effect and until the successful appointment of a permanent Director of Financial Transformation and Section 151 officer is made.

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### **List of Background Papers:-**

The Role of the Chief Financial Officer in Local Government  
Published Apr 2016 CIPFA

### **Contact Details:-**

***Marie Rosenthal – Strategic Advisor***