

**TEESDALE DISTRICT COUNCIL**

**Report To: COUNCIL**  
**28 January 2009**

**From:** Lead Member for Resources: Councillor G K Robinson

**Ward Member:** All

**Subject: SECTION 151 OFFICER**

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**1.0 SUMMARY**

1.1 The Council's Section 151 officer, the Chief Finance Officer, will be leaving the authority on 1 February 2009. As this is a statutory post and the post holder must be a qualified accountant, and taking into account the position in respect of local government reorganisation, it is proposed that a temporary external appointment is made for the period to 31 March 2009.

2.2 Given the short period of time remaining until local government reorganisation, support has been sought from Durham County Council in respect of this role. Durham County Council has agreed that the Section 151 responsibilities may be undertaken by Mr Jeff Garfoot, Head of Finance.

**2.0 RECOMMENDATION(S)**

**2.1 It is recommended that**

**2.1.1 The Section 151 Officer role is undertaken by Mr Jeff Garfoot of Durham County Council from 2 February to 31 March 2009, and**

**2.1.2 The additional arrangements set out in paragraph 4 are approved.**

**3.0 LINK TO CORPORATE KEY PRIORITIES/AMBITIONS**

3.1 Priority: All priorities

3.2 Ambition: All ambitions

3.3 Outcome: The Council meets the statutory requirement contained in section 151 of the Local Government Act 1972.

**4.0 BACKGROUND**

- 4.1 All local authorities are required under section 151 of the Local Government Act 1972 to make arrangements for the proper administration of their financial affairs and to secure that one of their officers has responsibility for the administration of those affairs.
- 4.2 The current Section 151 Officer, the Chief Finance Officer, will be leaving the authority on 1 February 2009 and the Council must therefore ensure that this statutory role continues to be provided.
- 4.3 The constitution requires that the Council approves all appointments to statutory posts.

## **5.0 PROPOSED ARRANGEMENTS**

- 5.1 The Council has sought assistance from Durham County Council in addressing the vacancy and Durham County Council has agreed to provide the Section 151 role through Mr Jeff Garfoot, Head of Finance.
- 5.2 A similar arrangement was entered into with Durham County Council to cover maternity leave in 2005 and independent legal advice was received at that time that confirmed the legality of the proposals. The legal opinion also advised that the temporary Section 151 Officer should ensure that he becomes as fully involved as possible in the financial matters of the Council.
- 5.3 Appropriate indemnity cover will be required for Mr Garfoot and this is being arranged with the Council's insurers.
- 5.2 In addition to the above arrangement, a qualified interim finance manager will be in place to manage the accountancy, internal audit, risk management, asset management and corporate finance functions. These arrangements are still being finalised, and more information will be provided to members as it becomes available.
- 5.3 Further support has also been identified in respect of accountancy to address areas that were undertaken by the Chief Finance Officer and assist in preparing for and closing the accounts.

## **6.0 STATUTORY CONSIDERATIONS**

- 6.1 Financial Implications:

The costs of the above arrangements will be met from savings within the Finance Department budget that have resulted from staff vacancies. There are therefore no financial implications arising from these proposals.

- 6.2 Risk:

<b>Risk</b>	<b>Category</b>	<b>Implications</b>
The Council does not have a Section 151 Officer	Legal, financial, reputational, service delivery	This is a statutory requirement and the Council would be acting illegally. The Council may not be advised appropriately and key financial requirements may not be met.

6.3 Equality and Diversity: None

6.4 Human Resources: There is a statutory requirement to fill this vacancy and as there are no other qualified accountants employed by the Council, this must be addressed externally.

6.5 Community Safety: None

6.6 Legal Issues:

There is a legal requirement contained in section 151 of the Local Government Act 1972 to make arrangements for the proper administration of the Council's financial affairs and to secure that one of its officers has responsibility for the administration of those affairs. Advice has been received previously from the Council's legal advisors that the proposed arrangements are satisfactory. An agreement is being developed by Durham County Council's legal services team.

**Background papers:**

1. None

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