



SHEFFIELD CITY COUNCIL Report to Council

Report of: Monitoring Officer / Director of Human Resources and Customer Services

Date: 14th December 2022

Subject: Statutory Officer Designation: Chief Finance Officer (Section 151 Officer)

Author of Report: Mark Bennett, Director of Human Resources and Customer Services

Purpose of Report:

The report seeks approval for the Interim Director of Finance and Commercial Services to be designated as the statutory Chief Finance Officer (Section 151 Officer) in accordance with Section 151 of the Local Government Act 1972.

Recommendations:

That the Council:-

- (a) notes the appointment of Tony Kirkham as Interim Director of Finance and Commercial Services with responsibility for management of the Finance and Commercial Services Directorate and line management of the other Directors in the Resources portfolio as a member of the Council's Senior Leadership Team;
- (b) agrees the designation of Tony Kirkham as Chief Finance Officer (Section 151 Officer) in accordance with Section 151 of the Local Government Act 1972 with effect from 1st January 2023;
- (c) notes that any specific references to the "Director of Finance and Commercial Services" throughout the Constitution include an interim appointment to that role;
- (d) agrees that the references to "Executive Director, Resources" as a Proper Officer at Part 7A and in the Management Structure at Part 7B of the Constitution be read as "Interim Director of Finance and Commercial Services"; and
- (e) agrees that generic references to Executive Directors throughout the Constitution be deemed to include the Interim Director of Finance and Commercial Services.

Background Papers: Constitution of Sheffield City Council

Category of Report: OPEN

Statutory and Council Policy Checklist

Financial & Commercial Implications
NO
Legal Implications
YES – Cleared by Andrea Simpson
Equality of Opportunity Implications
NO
Climate impact
NO
Tackling Health Inequalities implications
NO
Human Rights implications
NO
Economic impact
NO
Community Safety implications
NO
Human Resources implications
YES – set out within report
Property implications
NO
Area(s) affected
NONE
Is the item a matter which is reserved for approval by the City Council?
YES
Press release
NO

1. INTRODUCTION & BACKGROUND

- 1.1 This report asks the Council to specifically designate an officer to the statutory role of Chief Finance Officer (section 151 Officer) and provides details of a temporary change to be made to the Council's Management Structure.
- 1.2 Under section 151 of the Local Government Act 1972 every local authority is required 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. That officer is referred to as the "chief finance officer" in section 114 of the Local Government Finance Act 1988 (which sets out specific duties of the officer) and section 5 of the Local Government and Housing Act 1989 (confirming that the Monitoring Officer may not also be the chief finance officer) and is described as the "Chief Finance Officer" throughout the Council's Constitution and this report.
- 1.3 The functions of the Chief Finance Officer are more particularly described in Article 13.04 at Part 2 of the Council's Constitution. In addition to the administration of the Council's financial affairs the Chief Finance Officer has the specific duty to ensure lawfulness and financial prudence in the Council's decision making and to report on matters if they consider that any proposal, decision or course of action will involve incurring unlawful expenditure or is unlawful and is likely to cause a loss or deficiency or if the Council is about to enter an item of account unlawfully.

2. PROPOSALS

- 2.1 The Council's statutory officers are listed at paragraph 3, and its Proper Officers at paragraph 4, of Part 7A of the Constitution. The post of Director of Finance and Commercial Services is designated as holding the statutory responsibility of Chief Finance Officer. The Arrangements for the Delegation of Functions to Officers at Part 3.5 of the Constitution also identify the Director of Finance and Commercial Services as Chief Finance Officer.
- 2.2 The current Director of Finance and Commercial Services, Ryan Keyworth, has resigned his position and will leave the employment of Sheffield City Council with effect from 31st December 2022. An Interim Director of Finance and Commercial Services, Tony Kirkham, has been appointed to replace him and fulfil that role. He is already in post and the two have been working together to ensure continuity.
- 2.3 The Executive Director, Resources, has also recently resigned his position. Pending permanent recruitment to the Council's Leadership Team, Tony Kirkham will line manage the other Directors in the Resources portfolio and will be a member of the Strategic Leadership Team (reporting to the Chief Executive) as well as managing the

Finance and Commercial Services directorate.

- 2.4 Full Council is now asked to formally designate Tony Kirkham, in his capacity of Interim Director of Finance and Commercial Services, as the Statutory Officer and Proper Officer role of Chief Finance Officer with effect from 1st January 2023.
- 2.5 Council is also asked to note that any specific references to the “Director of Finance and Commercial Services” throughout the Constitution include an interim appointment to that role and to agree that the references to “Executive Director, Resources” as a Proper Officer at Part 7A and in the Management Structure at Part 7B of the Constitution be read as “Interim Director of Finance and Commercial Services” and that generic references to Executive Directors throughout the Constitution be deemed to include the Interim Director of Finance and Commercial Services.

3. RISK ANALYSIS & IMPLICATIONS

3.1 Legal Implications

- 3.1.1 Under section 151 of the Local Government Act 1972 it is the duty of every relevant authority to secure that one of their officers has responsibility for the administration of the authority’s financial affairs. In accordance with section 113 of the Local Government Finance Act 1988 that officer must be a qualified accountant, being a member of an appropriate professional body. Tony Kirkham meets that statutory requirement.

- 3.1.2 Designations of statutory officers may only be made by Full Council.

3.2 Financial and Commercial Implications

- 3.2.1 There are no financial implications.

3.3 Equality of Opportunity Implications

- 3.3.1 There are no equalities implications.

4. ALTERNATIVE OPTIONS CONSIDERED

- 4.1 Another officer could be designated as the Chief Finance Officer, but the proposal in this report ensures continuity.

5. REASONS FOR RECOMMENDATIONS

- 5.1 It is a legal requirement that the authority designate a statutory Chief Finance Officer and that designation may only be made by Full Council.

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