



NORWICH
City Council

SUPPLEMENTARY AGENDA

Council

Members of the council are hereby summoned to attend the meeting of the council to be held in the council chamber, City Hall, Norwich, on

Tuesday, 31 January 2023

19:30

Agenda

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6 Appointment of S151 Officer

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Purpose - To inform Council of the urgent decision taken to appoint Neville Murton as the s. 151 officer.

Leah Mickleborough

Head of Legal and Procurement (Monitoring Officer)

For further information please contact:

Lucy Palmer, democratic team leader
t: (01603) 989515
e: lucypalmer@norwich.gov.uk

Democratic services
City Hall, Norwich, NR2 1NH
www.norwich.gov.uk

Date of publication: **Wednesday, 25 January 2023**

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Committee name: Council

Committee date: 31/01/2023

Report title: Appointment of S151 officer

Portfolio: Councillor Kendrick, cabinet member for resources

Report from: Chief Executive

Wards: All wards

OPEN PUBLIC ITEM

Purpose

The purpose of this report is to inform Council of the urgent decision taken to appoint Neville Murton as s.151 Officer.

Recommendation:

It is recommended that Council notes the Chief Executive's decision to appoint Neville Murton as s.151 officer.

Policy framework

The council has five corporate priorities, which are:

- People live independently and well in a diverse and safe city.
- Norwich is a sustainable and healthy city.
- Norwich has the infrastructure and housing it needs to be a successful city.
- The city has an inclusive economy in which residents have equal opportunity to flourish.
- Norwich City Council is in good shape to serve the city.

This report meets the Norwich City Council is in good shape to serve the city corporate priority

This report addresses: Put the council on a sustainable financial footing and deliver services effectively and efficiently priority or action in the Corporate Plan

Report details

1. Section 151 of the Local Government Act 1972 requires that 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.
2. Section 113 of the Local Government Finance Act 1988 requires that the officer appointed as Section 151 officer must be a member of one of the following bodies to qualify as a responsible officer:
 - (a) the Institute of Chartered Accountants in England and Wales;
 - (b) the Institute of Chartered Accountants of Scotland;
 - (c) the Chartered Association of Certified Accountants;
 - (d) the Chartered Institute of Public Finance and Accountancy;
 - (e) the Institute of Chartered Accountants in Ireland;
 - (f) the Chartered Institute of Management Accountants; and
 - (g) any other body of accountants established in the United Kingdom and for the time being approved by the Secretary of State for the purposes of this section.
3. Prior to Christmas, it was confirmed that the Council's s.151 Officer was leaving the Council. To ensure that the Council had continuity for this statutory, important post during the period of preparing the budget, the Chief Executive undertook an urgent decision to appoint Neville Murton as s.151 Officer.
4. Neville Murton is a qualified member of the Chartered Institute of Public Finance and Accountancy (CIPFA). He has substantial experience in director level finance roles in local government; including with city and county councils, the City of London and London boroughs, and has previously held S151 and deputy S151 positions.
5. He has held the position of interim head of finance, risk and audit and has carried out the deputy S151 function for Norwich City Council since 22 March 2022.
6. The constitution reserves the appointment of the s.151 Officer to full Council. However, the constitution also provides that where an urgent decision needs to be made that would otherwise be made by Council, this can be undertaken by the Chief Executive and then reported to the next meeting of Council.

Consultation

7. The Leader and Portfolio Holder were consulted on the appointment.
8. No objections to the appointment have been raised.

Implications

Financial and resources

9. Any decision to reduce or increase resources or alternatively increase income must be made within the context of the council's stated priorities, as set out in its Corporate Plan 2022-26 and budget.
10. For the period between January 2023 and the end of July 2023 the gross estimated additional cost for the S151 appointment is £93k. Additional resources will also be required to provide backfill for the head of finance, audit and risk at an anticipated additional cost of £64k.
11. These additional costs can be funded from the general fund contingency allocation. However, as with all corporate services, a proportion of the costs will be recharged to the housing revenue account and for 2022/23 an element of the costs for Neville Murton will be capitalised against the implementation of the new ERP system project reflecting his role as SRO on that project.

Legal

12. Section 151 of the Local Government Act 1972 requires local authorities to make arrangements for the proper administration of their financial affairs and appoint a Chief Finance Officer, known as the S151 officer, to have responsibility for those arrangements.
13. Section 113 of the Local Government Finance Act 1988 requires that the officer appointed as the Chief Finance Officer (CFO) must be a member of a specified accountancy body.
14. As stated above, the constitution usually requires that this post is made by Council (albeit it can be delegated in law). This appointment has been made on an urgent basis to ensure that the Council has its statutory postholders in place.

Consideration	Details of any implications and proposed measures to address:
Equality and diversity	n/a
Health, social and economic impact	n/a
Crime and disorder	n/a
Children and adults safeguarding	n/a
Environmental impact	n/a

Risk management

Risk	Consequence	Controls required
Appointment of CFO/S151 is not agreed	Norwich City Council will not be compliant with the statutory requirement to have a suitably qualified S151 officer.	Appoint a suitably qualified CFO/S151 officer

Other options considered

15. No other options have been considered with regards to this appointment. An alternative option would be to go out to the market to seek a suitably qualified interim appointment. This would result in delays in an appointment being made at a critical time for the budget setting process and is not recommended.

Reasons for the decision/recommendation


16. Statutory requirement to have a chief finance officer and s.151 officer.

Appendices: None

Contact officer: Chief executive

Name: Stephen Evans

Email address: stephenevans@norwich.gov.uk

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