

BABERGH DISTRICT COUNCIL and MID SUFFOLK DISTRICT COUNCIL

TO: BDC COUNCIL MSDC COUNCIL	REPORT NUMBER: MC/23/48
FROM: Chief Executive	DATE OF MEETINGS: 19 March 2024 20 March 2024

DESIGNATION OF THE SECTION 151 OFFICER ROLE

1. Purpose of Report

Section 151 of the Local Government Act 1972 places a legal requirement on the Council to have a Section 151 Officer in place. The purpose of this report is to approve the designation of the Section 151 Officer for Babergh and Mid Suffolk District Councils.

2. Recommendation

- 2.1 That Karen Watling be appointed to the statutory role of 'Section 151 Officer' for Babergh and Mid Suffolk District Councils until the Director for Corporate Resources returns to their post in a full-time capacity.
- 2.2 That Melissa Evans, Director for Corporate Resources, be appointed to the statutory role of 'Section 151 Officer' for Babergh and Mid Suffolk District Councils immediately on her full-time return to work.

3. Financial Implications

- 3.1 There are no additional financial costs of appointing Karen Watling as Section 151 officer as there is no financial remuneration attached to the appointment.

4. Legal Implications

- 4.1 The rules governing the authority's financial administration are set out in the Council's Standing Orders, Contracts Procedure Rules and Financial Procedure Rules. These require, amongst other things, that the s.151 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 s.151 Officer.
- 4.2 There are also other statutory requirements for the s.151 Officer under section 113 of the Local Government Finance Act 1988 (the "1988 Act"), in that the s.151 officer must be a member of one of a number of specified accountancy bodies.

Karen Watling is a full member of one of these specified bodies, the Chartered Institute of Public Finance and Accountancy (CIPFA) and is appropriately qualified to discharge the functions of the s.151 Officer.

s.114 of the 1988 Act, in that the s.151 Officer must make a public report in specified cases of actual or anticipated financial misconduct.

s.2(1) of the Local Government and Housing Act 1989, the effect of which is to make the s.151 Officer a statutory chief officer and, therefore, a politically restricted post.

s.5 of the Local Government and Housing Act 1989 whereby the post of Monitoring Officer cannot also be held by the s.151 Officer.

5. Risk Management

5.1 Key risks are set out below:

Risk Description	Likelihood	Impact	Mitigation Measures
It is a statutory duty to appoint a Section 151 Officer to undertake the role as set out in Section 151 of the Local Government Act 1972 and subsequent legislation.	Low	High	In the absence of the Director for Corporate Resources an interim Section 151 Officer has been appointed to maintain the financial affairs of the council

6. Consultations

6.1 The Finance Portfolio Holders have been consulted.

7. Equality Analysis

7.1 N/A

8. Key Information

8.1 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 appoint one of their Officers to have responsibility for the administration of those affairs. It places a legal requirement on the Council to have a s.151 Officer in place.

8.2 The Director of Corporate Resources, the council's permanent s.151 Officer, is currently on a period of long-term absence. Ms Watling has been covering the post as the interim Corporate Manager: Finance, which is the designated Deputy s.151 Officer post. Due to importance of the s.151 role, and the uncertainty of when the Director of Corporate Resources will be able to fully resume their duties, it is recommended that Ms Watling be appointed as s.151 Officer rather than continuing as the Deputy s.151 Officer. This will provide better governance and better ensure proper administration of the Councils' finances pending the full-time return of the Director of Corporate Resources.

8.3 Ms Watling, as reported above, is a fully qualified member of CIPFA and has held the s.151 Officer role at Norwich City Council (May 2017 to November 2019), Harborough District Council (December 2019 to April 2020) and South Somerset District Council (March 2021 to March 2023).

She has also been the Deputy s.151 Officer at Islington Council, Southwark Council, East Herts District Council, and Pendle Borough Council.

8.4 The designation as Section 151 Officer requires the formal agreement of Council.

9. Appendices

None.

10. Background Documents

None.

Authorship: Jan Robinson Head of Governance and Civic Office. 29 February 2024