

# North Tyneside Council

## Report to Council

### Date: 21 July 2022

#### Title: Appointment of Officer under Section 151 of the Local Government Act 1972

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**Portfolio(s):** Finance and Resources

**Cabinet Member(s):**  
Councillor Martin Rankin

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#### Report from Chief Executive:

**Responsible Officer:** Jacqueline Laughton, Assistant Chief Executive and Monitoring Officer  
Tel: (0191) 643 5724

**Wards affected:** All

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### PART 1

#### 1.1 Executive Summary:

The Authority has a duty under section 151 of the Local Government Act 1972 to make arrangements for the proper administration of its financial affairs and to ensure that one of its Officers has responsibility for the administration of those affairs.

The Authority's current Director of Resources, Janice Gillespie, who is also the Authority's Chief Finance Officer duly appointed under section 151 of the Local Government Act 1972 is to change job role on 7 August 2022. Jon Ritchie has been appointed by the Authority to be the Director of Resources and he is to take up that role on 8 August 2022. Mr Ritchie will also, subject to Council's approval, become the Authority's Chief Finance Officer for the purposes of section 151 of the Local Government Act 1972 on that date.

#### 1.2 Recommendation(s):

It is recommended that Council:

(1) appoint Jon Ritchie to be the Authority's Chief Finance Officer/Section 151 Officer with effect from 8 August 2022.

#### 1.3 Forward Plan:

It has not been practicable to give twenty eight days notice of this report. However, it is required to be considered without the twenty eight days notice being given because of the need to ensure continuity of the appointment to the role of Chief Finance officer for the purposes of section 151 of the Local Government Act 1972.

## 1.4 Council Plan and Policy Framework

This report relates to the following priority(ies) in the 2020/24 Our North Tyneside Plan:

This report does not directly align to the priorities in the Council Plan. The Authority has a statutory duty to appoint an officer to be responsible for the administration of the Authority's financial affairs.

## 1.5 Information:

### 1.5.1 Background

1.5.2 As stated, the Authority has a duty to appoint a statutory chief officer having responsibility, for the purposes of section 151 of the Local Government Act 1972, for the administration of the Authority's financial affairs.

1.5.3 Article 12 of the Authority's Constitution sets out the responsibilities of the three key statutory officers including the Chief Finance Officer/Section 151 Officer. The responsibilities of the Chief Finance Officer are: -

- Ensuring lawfulness and financial prudence of decision making
- Administration of financial affairs.
- Contributing to corporate management
- Providing advice
- Giving financial information.

1.5.4 On and after their appointment as the Chief Finance Officer/Section 151 Officer that officer must, in accordance with section 113 of the Local Government Finance Act 1988 be a member of one or more prescribed accountancy bodies. Jon Ritchie is suitably qualified to be appointed Chief Finance Officer/Section 151 Officer.

1.5.5 Following a recruitment process, the Appointments and Disciplinary Committee appointed Mr Ritchie as Director of Resources in May 2022. This role includes the responsibilities of the Chief Finance Officer/Section 151 Officer. Subject to his appointment, he will be expected to appoint at least one suitably qualified Deputy Section 151 Officer to act in his absence.

## 1.6 Decision options:

The following decision options are available for consideration by Council:

### Option 1

To adopt the recommendation in section 1.2 of the report and to make the appointment.

### Option 2

Not to adopt the recommendation in section 1.2 of the report and not to make the appointment

Option 1 is the recommended option.

## **1.7 Reasons for recommended option:**

Option 1 is recommended for the following reasons:

Jon Ritchie possesses the necessary experience, expertise and professional qualifications to undertake the statutory role of Chief Finance Officer/Section 151 Officer and it is recommended that Council appoints him to that role.

## **1.8 Appendices:**

None.

## **1.9 Contact officers:**

Jacqueline Laughton, Assistant Chief Executive and Monitoring Officer (0191) 643 5724  
John Barton, Principal Lawyer (0191 6435354)  
Claire Emmerson, Senior Manager Financial Strategy and Planning (0191) 643 8109

## **1.10 Background information:**

The following background papers/information have been used in the compilation of this report and are available at the office of the author:

- (1) Local Government Act 1972
- (2) Local Government Finance Act 1988
- (3) The Local Authorities (Functions and Responsibilities) (England) Regulations 2000

## **PART 2 – COMPLIANCE WITH PRINCIPLES OF DECISION MAKING**

### **2.1 Finance and other resources**

There are financial implications arising from this report. Budget provision is in place for this role.

### **2.2 Legal**

The Legal implications flowing from this report are dealt with in the body of the report.

The appointment of the Chief Finance Officer/Section 151 Officer is a matter for full Council in accordance with The Local Authorities (Functions and Responsibilities) (England) Regulations 2000.

### **2.3 Consultation/community engagement**

#### **2.3.1 Internal Consultation**

The Cabinet and the Senior Management Team have been made aware of the appointment of Jon Ritchie and subject to Council' approval to him being appointed the Authority's Chief Finance Officer/Section 151 Officer.

#### **2.3.2 External Consultation/Engagement**

None.

## 2.4 Human rights

There are no equality and diversity implications from this report.

## 2.5 Equalities and diversity

There are no equality and diversity implications from this report.

## 2.6 Risk management

The Authority has a statutory obligation to appoint a Chief Finance Officer/Section 151 Officer under section 151 of the Local Government Act 1972. A failure to make such an appointment will mean that the Authority is not complying with that requirement.

## 2.7 Crime and disorder

There are no crime or disorder implication flowing from this report.

## 2.8 Environment and sustainability

There are no environment and sustainability implications from this report.

## PART 3 - SIGN OFF

- Chief Executive  X
- Director(s) of Service  X
- Mayor/Cabinet Member(s)  X
- Chief Finance Officer  X
- Monitoring Officer  X
- Assistant Chief Executive  X