

<b>REPORT REFERENCE NO.</b>	DSFRA/24/11
<b>MEETING</b>	DEVON & SOMERSET FIRE & RESCUE AUTHORITY
<b>DATE OF MEETING</b>	25 MARCH 2024
<b>SUBJECT OF REPORT</b>	ARRANGEMENTS FOR AUTHORITY PROPER FINANCIAL OFFICER (TREASURER)
<b>LEAD OFFICER</b>	Clerk to the Authority & Monitoring Officer
<b>RECOMMENDATIONS</b>	<p><i>That the Authority considers this report with a view to:</i></p> <p><i>(a). appointment of the existing Head of Finance as the Authority's proper officer by virtue of section 112 of the Local Government and Finance Act 1988 (Treasurer) for a 12 month period to allow sufficient time for the appointment of a new Chief Fire Officer and review of the Executive Board structure thereafter; and</i></p> <p><i>(b). delegating to the Chief Fire Officer authority to effect the appointment as outlined above</i></p>
<b>EXECUTIVE SUMMARY</b>	<p>On 24 March 2021, the Authority's Appraisals &amp; Disciplinary Committee appointed Shayne Scott to serve as the Authority's Director of Finance &amp; Resources and also as the statutory "proper officer" for the administration of its financial affairs (Minute ADC/15 refers). Shayne took up this appointment on 19 July 2021.</p> <p>The Treasurer has given notice of his resignation which takes effect from 5 April 2024 (last working day is 29 March 2024). This report sets out proposals to fill the vacancy of Treasurer, which is a statutory requirement, pending the outcome of the process for appointment of a new Chief Fire Officer which may subsequently result in further changes at Executive Board level.</p>
<b>RESOURCE IMPLICATIONS</b>	<p>Funding for the current post is contained within the existing revenue budget. Given that it is recommended the post of Director of Finance &amp; Corporate Services not immediately be replaced on a like for like basis, there will be savings of c£58.5k generated in 2024-25 if the arrangement is maintained for the entire financial year.</p>
<b>EQUALITY RISKS AND BENEFITS ANALYSIS</b>	<p>The contents of this report are considered compatible with existing equalities and human rights legislation.</p>
<b>APPENDICES</b>	Nil.
<b>BACKGROUND PAPERS</b>	A. Fire and Rescue National Framework for England

## 1. INTRODUCTION AND BACKGROUND

- 1.1. The Authority is required (by virtue of Section 112 of the Local Government Finance Act 1988) to have a “proper officer” responsible for administration of the Authority’s financial affairs (including submission of reports to the Authority on the discharge of that responsibility). This post is commonly referred to as the Treasurer and has responsibilities equivalent to the “proper officer” as defined by Section 151 of the Local Government Act 1972. This section requires every local authority (including a fire & rescue authority) to “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”.
- 1.2. While it remains possible for this role to be held by any suitably qualified officer, it has traditionally been the Service’s Director of Finance who has been appointed as Treasurer, apart from a short spell when this role was filled on an external, contractual basis by the former Director of Finance in 2017. Similarly, during the intervening period comprising of several months, following the departure of the previous Director of Finance and arrival of the present incumbent, the Deputy Treasurer (i.e. current Head of Finance) held this office.
- 1.3. The current Director of Finance & Corporate Services and Treasurer, Shayne Scott, who was appointed in March 2021 (Minute ADC/15 refers), has tendered his resignation with his last day in post being 5 April 2024 (last working day 29 March 2024). This report sets out potential options to fill this vacancy.

## 2. CONSIDERATIONS

- 2.1. One of the considerations in filling this vacancy is that the person appointed must hold a Consultancy Committee of Accountancy Bodies (CCAB) qualification as set out in section 113 of the Local Government Finance Act 1988. The Chartered institute of Public Finance & Accountancy (CIPFA)’s Statement on the role of the Chief Financial Officer as set out within section 151 of the Local Government Act 1972, which the Authority is obliged to give regard to, further outlines that this appointment must be:
  - (a) a key member of the leadership team.
  - (b) must be actively involved in, and able to bring influence to bear on all material business decisions.
  - (c) must lead the promotion and delivery...of good financial management.
  - (d) and must lead and direct a finance function that is resourced to be fit for purpose.
- 2.2. A further consideration is that the Authority is in the process of recruiting a new, substantive Chief Fire Officer to take up post with effect from 14 September 2024 on the retirement of the current postholder. The new Chief Fire Officer may, on appointment, wish to request that the Authority review the structure of the Executive Board and appointments thereto. The roles of Assistant Director, Corporate Services and Assistant Chief Fire Officer (Service Delivery Support) are both filled on a temporary basis currently pending this appointment.

### 3. **OPTIONS**

3.1 The potential options that have been considered for this important appointment which gives regard to the above considerations are as follows:

- (a). The Service's Head of Finance, Andrew Furbear, be designated the Proper Officer (Treasurer) for a period of twelve months and be afforded an appropriate allowance to recognise this additional responsibility. On appointment, Andrew would attend and participate in meetings of the Executive Board, report directly to the Chief Fire Officer and hold monthly meetings with the Chair of Authority.
- (b). The Service's Head of Finance, Andrew Furbear, be designated the Proper Officer (Treasurer) and be afforded an appropriate allowance to recognise this additional responsibility whilst external recruitment takes place to fill the role of Director of Finance & Corporate Services which would then be designated as Treasurer.

3.2 This report has considered the advantages and disadvantages of each of these options before a recommendation is put forward for consideration.

### 4. **OPTIONS APPRAISAL**

4.1 As indicated above, it is a statutory requirement for this Authority to have a "proper officer" responsible for the administration of its financial affairs. Given this, two options have been considered which are set out below:

***Option (a) – appoint the Service's existing Head of Finance as the Proper Officer (Treasurer) for a period of 12 months pending review of the Executive Board structure following the permanent appointment of the CFO:***

*Advantages:*

1. The current Head of Finance has performed well in role and has worked closely with the existing Treasurer over a number of years and is experienced in Authority budget setting, budget monitoring and production of the Annual Statement of Accounts. As such, the current post-holder has a full knowledge of Service and Authority financial issues and is appropriately qualified (being a Member of the Chartered Institute of Management Accountants). The Service Head of Finance also possesses considerable sector-specific experience and is respected by colleagues on the Service Leadership Team and Executive Board levels.
2. This option fully recognises and meets the considerations noted earlier within this report whilst also giving stability and certainty during a period of time in which the Authority is implementing measures to secure its long-term financial stability.
3. Provides flexibility to the Chief Fire Officer, once a permanent appointment has been made, to influence the composition of the Executive Board.

4. Delivers savings of circa £58.5k over the period, whilst allowing for the recruitment of an additional accountant within the finance department to provide additional capacity.

*Disadvantages:*

1. There would be no opportunity for the Authority to assess other candidates who may be equally or potentially more suitable for discharging the role effectively and efficiently.
2. There is a risk that the influence of the Treasurer is diminished by this appointment not being held by an Executive Board member. It is considered that this will be sufficiently mitigated through their attendance and involvement at Executive Board and direct reporting to the Chief Fire Officer. This arrangement is currently in place with the Monitoring Officer who is also the Service's Democratic Services Manager and this has proven to be successful.

***Option (b) – appoint the Service's existing Head of Finance as the Proper Officer (Treasurer) and commence external recruitment to the post of Director of Finance & Corporate Services/Treasurer:***

Advantages

1. Ability to test the market with external candidates.
2. Maintains the status quo of having the role of Treasurer held by a Service Director who is a voting member of the Executive Board.
3. Accords with the requirements of the Fire and Rescue Service National Framework for England.

Disadvantages

1. A lack of continuity and certainty at a time of significant financial challenges and forthcoming change.
2. This would see the recruitment to this post running concurrently with that of the recruitment to the Chief Fire Officer vacancy meaning that should an external candidate be appointed to this role, they would have had no input into the appointment of this key leadership role.

**5. CONCLUSION**

- 5.1. There is a statutory requirement for the Authority to have a "proper officer" responsible for the administration of its financial affairs.
- 5.2. Option (a) has been assessed as the most appropriate way forward as it ensures the Authority remains compliant with its obligations under the Local Government Act 1972 and with CIPFA's Statement on the role of the Chief Financial Officer. It also gives regard to the broader considerations unique to the Authority at this time.

- 5.3. Option (b) similarly ensures compliance with these obligations but would mean that the permanent CFO, if different to that of the interim incumbent, would have no involvement in the appointment of this director level appointment. That said, it comes with the benefit of maintaining the status quo of a Service director jointly holding the role of Treasurer.

**SAMANTHA SHARMAN**  
**Clerk to the Authority & Monitoring Officer**