

<b>REPORT REFERENCE NO.</b>	<b>DSFRA/18/19</b>
<b>MEETING</b>	<b>DEVON &amp; SOMERSET FIRE &amp; RESCUE AUTHORITY</b>
<b>DATE OF MEETING</b>	<b>30 JULY 2018</b>
<b>SUBJECT OF REPORT</b>	<b>ARRANGEMENTS FOR AUTHORITY PROPER FINANCIAL OFFICER/TREASURER</b>
<b>LEAD OFFICER</b>	<b>Director of Corporate Services</b>
<b>RECOMMENDATIONS</b>	<p><i>(a). That Option 3, an external competitive recruitment process for either a full-time or part-time position, be approved;</i></p> <p><i>(b). That an Appointments Panel be appointed with delegated authority to interview candidates and determine the appointment; and</i></p> <p><i>(c). That the existing temporary appointment be extended for a further two month period (to the end of December 2018) to allow sufficient time for the recruitment process and also for a hand-over period, if required.</i></p>
<b>EXECUTIVE SUMMARY</b>	<p>In June 2017 the Authority approved the temporary appointment of the [then] Service Head of Finance to serve as the Authority's statutory "proper officer" for the administration of its financial affairs. This temporary appointment commenced on 1 November 2017.</p> <p>The period of the temporary appointment is due to cease on 31 October 2018. This paper outlines options, with indicative advantages and disadvantages, for appointments to this position at the end of the current temporary promotion.</p>
<b>RESOURCE IMPLICATIONS</b>	Funding for the current 0.9FTE post is contained within the existing revenue budget. Funding for any increase in time commitment (i.e. full-time) and any associated external recruitment process will be contained from within existing budget.
<b>EQUALITY RISKS AND BENEFITS ANALYSIS (ERBA)</b>	The contents of this report are considered compatible with existing equalities and human rights legislation.
<b>APPENDICES</b>	Nil.
<b>LIST OF BACKGROUND PAPERS</b>	<p>A. Report DSFRA/17/17 (Appointment of Authority Treasurer) to the Authority meeting on 12 June 2017 (and the Minutes of that meeting).</p> <p>B. Fire and Rescue National Framework for England</p>

## **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.

1.2. Historically, this role was discharged by the [then] Director of Finance. This post was, however, deleted in 2013 following a review of the Service’s Senior Management Structure. At that time, the Authority resolved that a procurement exercise be undertaken to identify an appropriate replacement, on a contractual basis, following which a contract was awarded for an initial two-year period (to November 2015) with an option to extend by a further two years (to November 2017), which was exercised.

1.3. At its meeting on 12 June 2017, the Authority considered report DSFRA/17/17 advising that:

- the Treasurer at that time had indicated that he did not wish to continue in the role on expiry of the current contract (November 2017); and
- that changes in taxation legislation (specifically, IR35 – “the intermediaries legislation”) meant that the “contracting” model was no longer an option.

The report outlined three possible alternative options. Following consideration of these, the Authority resolved (Minute DSFRA/12 refers):

- (a) that, upon retirement of the current Treasurer, the post of Treasurer be filled by temporary promotion of the current Service Head of Finance, for a period of twelve months and on a 0.8 full-time equivalent basis (i.e. four days a week); and
- (b) that this post be designated the proper financial officer for the Authority in accordance with the requirements of Section 112 of the Local Government Finance Act 1988;
- (c) that the Chief Fire Officer be delegated authority to effect this appointment at the relevant time.

1.4. Subsequent to this decision and given Service requirements, the Chief Fire Officer agreed to increase the hours of the temporary appointment to 0.9FTE in accordance with authority delegated by virtue of paragraph 4.17 of the Authority’s Approved Scheme of Delegations. It should be noted that the current post-holder is also on the Service Executive Board as Director of Finance.

1.5. The current post-holder took up the post on the retirement of the previous Treasurer effective from 1 November 2017. On the basis of the Authority decision as set out above, the twelve-month temporary appointment period runs until 31 October 2018.

## 2. OPTIONS

2.1. 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, the Chief Fire Officer has considered a number of options, which are set out below.

### ***Option 1 – make the existing appointment permanent, following a suitability interview***

#### *Advantages*

1. The current post-holder has performed well in role and previously worked closely with the former 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 Fellow Member of the Association of Certified Chartered Accountants).
2. The current post-holder, as a member of the Service Executive Board, is well-sighted on and has been instrumental to considerations on the Change and Improvement programme to be undertaken over the next four years. This option would provide continuity in service provided.
3. This would be the least costly option as it would not require expenditure on an external recruitment process.
4. This option would be one of the quickest to implement.

#### *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. This would not be consistent with the new Fire and Rescue National Framework for England, which sets out that “all principal fire officer posts must be open to competition nationally”. The position of Treasurer is regarded as a non-uniformed principal fire officer and, as such, the requirement in the National Framework for the post to be open to competition nationally would apply.

### ***Option 2 – Extend the existing temporary appointment for a further 12 month period.***

#### *Advantages*

1. As per (1), (3) and (4) of Option 1 above.

#### *Disadvantages*

1. As per (1) of Option 1 above plus
2. A lack of certainty both for the Service and the current post-holder at a significant time when embarking on an ambitious change and improvement programme.
3. The existing post-holder has indicated that they would be seeking to achieve a substantive senior position and, as such, a further twelve month period of temporary promotion would not be a preferred option.

4. Associated with (2) and (3), there is less certainty that this Option will deliver a satisfactory solution for the duration of the period of extended temporary promotion and may result in either Options 1 or 3 having to be revisited in the event that the post-holder obtains a substantive senior position in another organisation.

***Option 3 –An external competitive recruitment process to be undertaken (for either a full-time or part-time position), with an extension of the existing temporary appointment for a further two month period (to the end of December 2018) to allow sufficient time for the recruitment process and also for a hand-over period if required.***

*Advantages*

1. Fully compliant with the requirements as set out in the new Fire and Rescue National Framework for England.
2. Affords the opportunity for the Authority to select the best candidate from a competitive process.
3. Greater certainty for the Service at a significant time when embarking on an ambitious change and improvement programme.

*Disadvantages*

1. Cost associated with external recruitment process.
2. Any new appointment would require a period of time to become familiar with the Service and the Authority at a time of significant change.

**3. CONCLUSION**

- 3.1. There is a statutory requirement for the Authority to have a “proper officer” responsible for the administration of its financial affairs. The temporary promotion of the current post-holder, approved by the Authority in June 2017, ends on 31 October 2018.
- 3.2. Given the requirements as set out in the new Fire and Rescue National Framework for England, Option 1 is not recommended and should be discounted.
- 3.3. Option 2, given that it is a temporary promotion, would not be inconsistent with the new Fire and Rescue National Framework for England and it would be quick to implement. However, it does not provide for longer term stability at a time when the Service is embarking on an ambitious and significant change and improvement programme. Given the importance of very strong professional leadership to support delivery of the Authority’s Medium Term Financial Plan, Option 2 is not recommended.
- 3.4. Option 3 is fully compliant with the requirements set out in the new Fire and Rescue National Framework for England, it affords the opportunity for the Authority to assess a number of candidates as part of a competitive process and provides longer term certainty and stability at a time when the Service is embarking on an ambitious and significant change and improvement programme. If Option 3 were to be approved, the Authority would need to establish and appoint to an Appointments Panel with delegated authority to interview candidates and determine the appointment.

**MIKE PEARSON**  
**Director of Corporate Services**