

7. Fire and Rescue Authority Options for Appointment of a Treasurer and Clerk/Monitoring Officer

Purpose of report

1. To bring to the Authority's attention the options that are available for the provision of services of a permanent Treasurer and permanent Clerk/Monitoring Officer.
 2. To extend the interim appointments of the current temporary Treasurer and Clerk/Monitoring Officer until the end of May 2012 or until such time as permanent appointments are made.
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Recommendations

The CFO recommends that:

- (i) **The current interim arrangements for the Clerk/Monitoring Officer and Treasurer are extended until 31 May 2012 or until the Fire and Rescue Authority ratifies permanent appointments on the basis of options contained in this paper.**
- (ii) **The FRA advises the CFO which option(s) is preferred for securing the services of a Clerk/Monitoring Officer and Treasurer and instructs the CFO to complete detailed investigations for consideration by the Appointments Committee.**

Introduction and Background

3. In December 2010 the Fire and Rescue Authority appointed the current Treasurer and Clerk/Monitoring Officer on a temporary fixed term basis until 16 February 2011 and then reappointed both individuals until 30 September 2011. At the Fire Authority meeting on 28 September 2011, this decision was subsequently extended until the end of December 2011.
4. Both posts were appointed on a temporary and interim basis pending the receipt and acceptance of the Audit Commission's report into the retirement of the former Chief Fire Officer as it was anticipated that this report would make reference to these two statutory officers and their relationships with the Authority. The Audit Commission's report was received by the Audit Committee on 7 November 2011. The report contained the following recommendation in relation to the posts of Treasurer and Clerk/Monitoring Officer.

"The Authority should improve processes and arrangements in its governance arrangements (not operational) that could help safeguard the Authority against recurrence of a similar situation by:

- *having a Monitoring Officer (Clerk) and Treasurer who are not remote to the operations of the Authority.”*
5. In response to this part of Recommendation 1, the Chief Fire Officer and Chairman responded to the Audit Commission stating that:

“It is the intention of the Authority to review the arrangements for the roles of Clerk/Monitoring Officer and the Treasurer taking into account this report and the comments and opinions of the Auditor and make permanent appointments to the respective roles within the next six months.”
 6. Prior to the publication of the Audit Commission report the Authority had already made significant changes to improve existing arrangements. A new Treasurer and a new Clerk were appointed on an individual contract basis and are now involved in the Service’s Senior Management Board, which has incorporated both roles into the operations of the Authority. Both individuals have also built working relationships with officers of the Service and Authority Members.
 7. In addition, the review of the Committee structure carried out in 2010 gave the Appointments Committee responsibility for considering the appointment of the Monitoring Officer and Treasurer and for undertaking an annual performance appraisal of both individuals. This will help embed the Monitoring Officer and Treasurer roles within the organisation and provides a formal and transparent process to ensure the performance of both individuals is reviewed.
 8. The Combination Scheme (1997) that brought about the existence of the Hereford & Worcester Fire and Rescue Service included a requirement (amongst many others) to appoint a Treasurer. In addition under the Local Government and Housing Act 1989 the Fire and Rescue Authority was also required to make appointment to the statutory position of Monitoring Officer. This Act also required the appointment of a Chief Financial Officer as defined by Section 151 of the Local Government Act 1972. Neither the above Combination Order nor relevant Acts stipulate the basis upon which either statutory officer is employed, i.e. self-employed, directly employed, contractor, SLA with another Authority, etc. In addition, although neither the Combination Order nor relevant Acts mention a Clerk to administer meetings and deal with legal and procedural matters for the Authority, the Authority has always linked the role of Clerk with the statutory Monitoring Officer function since the creation of the Combined Fire Authority. In a similar manner the Treasurer has historically always acted as the Chief Financial Officer.

Options Available

9. When taking the above background into consideration it is now appropriate to seek the appointment of a permanent Treasurer and Clerk/Monitoring Officer. The options available to the Authority are similar for both posts, however a different option may apply to either post.

Option 1

SLA with another Fire and Rescue Authority or Council

10. This option would be similar to the historic arrangements that have been in place for both posts, i.e. Treasurer from Worcestershire County Council and Clerk/Monitoring Officer from Herefordshire Council.

Advantages

- Continual availability of advice/guidance as if specified individual is unavailable due to leave or sickness, another qualified individual from that Authority would likely be able to assist.
- Potentially good value in terms of financial outlay.
- Closer working relationship with one of our constituent authorities or a neighbouring Fire and Rescue Authority.
- Independent/autonomous advice.
- Existing knowledge and experience of working with Elected Members and local authority processes and regulations.
- Potential Fire Service organisational awareness if individual is from another FRA
- Could utilise HWFRS staff and resources to become more integrated in the organisation and build ongoing relationship with officers of the Service and Authority Members. Potential to reduce financial outlay.

Disadvantages

- Potential for appointed persons to be remote from organisation which does not address Audit Commission's recommendation.
- As the individuals have another main employer the Authority may not receive primacy for matters as they arise.
- Potential lack of Fire Service organisational awareness (if not sourcing service from another Fire Authority).
- Potential conflict of interest, e.g. advice on precept setting.

Option 2

High Street Solicitor/Accountant

11. This option would provide the statutory officers on a basis similar to how services are procured by members of the public or some other organisations. It could be via a fixed hours contract or a call off contract.

Advantages

- Individual available on an “as and when” basis which may provide value for money if limited use is made of the contract.
- Continual availability of advice/guidance as if specified individual is unavailable due to leave or sickness, another qualified individual would likely be able to assist.
- Independent/autonomous advice
- Could utilise HWFRS staff and resources to become more integrated in the organisation and build ongoing relationship with officers of the Service and Elected Members. This may also provide a saving in fees.

Disadvantages

- Potential lack of Fire Service organisational awareness.
- Potential lack of knowledge and experience of working with Elected Members and local authority processes and regulations.
- Potential lack of continuity with individual(s) provided.
- Potential for appointed persons to be remote from organisation which does not address Audit Commission’s recommendation.
- Could be less cost effective if on an hour-by-hour basis and potentially more time required with regard to background briefings.
- As the practice has other clients the Authority may not receive primacy for matters as they arise.

Option 3

Individual Contract(s)

12. This option is the current interim solution.

Advantages

- Potential for immediate availability.
- Individual service with primacy for the Service.
- Potential continuity – same individual may be involved.
- Could utilise HWFRS staff and resources, so would become more integrated in the organisation and build ongoing relationship with officers of the Service and Authority Members. Potential to reduce cost.
- Independent/autonomous advice.
- Potential to source an individual with existing knowledge and experience of working with Elected Members and local authority processes and regulations.
- Individual available on an “as and when” basis which may provide value for money if limited use is made of the contract.

Disadvantages

- Potential for appointed persons to be remote from organisation which does not address Audit Commission’s recommendation.
- Potentially expensive and therefore may not provide value for money.
- Lacks the back-up of a large Authority or High Street practice for resilience, therefore would still require some form of SLA with regards to legal and financial advice at an additional cost.

Option 4

Direct Employment

13. Using this option an individual(s) would be directly employed for each post. This may take the form of full-time, part-time or shared with another Fire Authority.

Advantages

- Permanent and ongoing relationship between officers of the Service and individuals appointed.
- Flexibility in role (as employee) to allow for different duties.
- Good understanding of organisation can be built up to assist in ensuring good governance.
- Fully addresses Audit Commission's recommendations.
- If a justifiable full-time role can be identified within the existing structure or finance identified from existing legal/financial budgets, the individual(s) could be very cost effective.

Disadvantages

- Lack the back-up of a large Authority or High Street practice for resilience, therefore would need appointed deputies within Service.
- Lack of independence/autonomy due to being an employee.

Financial Considerations

Consideration	Yes/No	Reference in Report i.e paragraph no.
These would be considered as part of detailed investigations and brought before the Appointments Committee	Y	

Legal Considerations

Consideration	Yes/No	Reference in Report i.e paragraph no.
These would be addressed during any subsequent appointment process.	Y	

Additional Considerations

14. The table below sets out any additional issues arising from the proposals contained in this report and identifies the relevant paragraphs in the report where such issues are addressed.

Consideration	Yes/No	Reference in Report i.e paragraph no.
Resources (e.g. Assets, ICT, Human Resources, Training & Development, Sustainability).	Y	Paragraphs 10 - 13
Strategic Policy Links (e.g. IRMP, Authority Plan, Equality & Diversity, Partnerships, Environmental Impact).		
Risk Management / Health & Safety (e.g. risk management and control measures, risk register score).		
Consultation with Representative Bodies		

Conclusion/Summary

15. The Fire and Rescue Authority has now had interim arrangements for two of its three statutory posts for a number of months which isn't a satisfactory long term position. With the acceptance of the Audit Commission's report into the former Chief Fire Officer the Fire and Rescue Authority now has the opportunity to not only make permanent appointments but also to ensure those appointments satisfy the current needs of the Authority.

Background papers

Audit Commission Report received by Audit Committee on the 7th November 2011.

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