

## REGULATION 2: RESPONSIBILITIES OF STATUTORY OFFICERS

### [Quick Link](#)

- 2.1 The Head of Paid Service
- 2.2 The Monitoring Officer
- 2.3 The Statutory Chief Finance Officer

The Local Government Act 2000 and subsequent amendments stipulate that all local authorities must appoint the following 3 statutory officers, who are granted a high degree of statutory protection from dismissal and discipline due to the significance of their roles:

- The Head of Paid Service (from s4 of the Local Government and Housing Act 1989)
- The Monitoring Officer (from s5 of the Local Government and Housing Act 1989)
- The Chief Finance Officer (from s114 of the Local Government Finance Act 1988)

This regulation outlines the key responsibilities of these officers in relation to financial management, other than those established in the Schedule of Officer Delegations.

The latter post is referred to as the Statutory Chief Finance Officer (SCFO) throughout these regulations to distinguish it from other financial responsibilities of senior finance officers, irrespective of whether they are fulfilled by the same post holder.

### 2.1 THE HEAD OF PAID SERVICE (HPS)

This post is responsible for the corporate and strategic management of the authority as a whole.

This role is assigned to the Chief Executive Officer.

The Head of Paid Service must therefore ensure the following:

- 2.1.1 **Records of Decisions:** A system for recording all Council's decisions is maintained, including those made by or on behalf of the Executive.  
*[N.B. This responsibility is shared with the Monitoring Officer].*
- 2.1.2 **Employee Costs:** An annual report is provided to the Council on the number of people employed for the discharge of functions provided by or on behalf of the Council, and the total cost of this employment.

### 2.2 THE MONITORING OFFICER (MO)

This post is responsible for overseeing that no action of the Council contravenes any legislation or code of practice or may lead to a charge of maladministration.

This role is assigned to the Solicitor to the Council.

---

**The Monitoring Officer must therefore ensure the following:**

- 2.2.1 **Records of Decisions:** A system for recording all Council's decisions is maintained, including those made by or on behalf of the Executive.  
*[N.B. This responsibility is shared with the Head of Paid Service].*
- 2.2.2 **Validity of Decisions:** The Executive are advised if their decisions are not within the budget and policy framework.  
*[N.B. This responsibility is shared with the Statutory Chief Finance Officer].*
- 2.2.3 **Section 5 Reports:** A report is made to the Council or the Executive, as appropriate, after consultation with the Head of Paid Service and Statutory Chief Finance Officer, if any proposal, decision or omission will give rise to unlawfulness or maladministration.  
*[Responsibility under section 5 of the Local Government and Housing Act 1989.]*
- 2.2.4 **Member Allowances:** The approved scheme of Member Allowances is published in accordance with the statutory regulations.

**2.3 THE STATUTORY CHIEF FINANCE OFFICER (SCFO)**

**This post is responsible for ensuring the proper financial administration of the Council's services and affairs, and ensuring that all expenditure is lawful.  
This role is assigned to the Director of Finance and Resources.**

**The Statutory Chief Finance Officer must therefore ensure the following:**

- 2.3.1 **Section 151 Responsibility:** A framework for the proper administration of the Council's financial affairs is established, as set out in these Financial Regulations.  
*[Responsibility under section 151 of the Local Government Act 1972.]*
- 2.3.2 **Accuracy of Advice:** Accurate, impartial advice and information on financial issues and options is given to the Chief Executive's Management Team, the Council and all its committees and members.
- 2.3.3 **Validity of Decisions:** The Executive are advised if their decisions are not within the budget and policy framework.  
*[N.B. This responsibility is shared with the Monitoring Officer].*
- 2.3.4 **Notification if Resources Exceeded:** A report is issued to the Executive, and subsequently the Council, if it appears that expenditure in the year is likely to exceed the resources available.

**2.3.5 Section 114 and 114A Reports:** A report is issued to the Executive, all members and the Council's external auditor (after consultation with the Head of Paid Service and Monitoring Officer) if the SCFO considers that any proposal, decision or course of action by the Council, a committee, a member of the Executive or an officer:

- will involve incurring unlawful expenditure, or
- is unlawful and likely to cause a loss or deficiency, or
- is about to enter an item of account unlawfully.

*[Responsibility under section 114 of the Local Government Act 1988. Where the unlawful action is to be carried out by a Member of the Executive these are termed s114A reports.]*

The "Finance Strategy and Development Manager" and "Management and Financial Accounting Manager" are deputised to act in this matter if the SCFO is unable to perform these duties.

**2.3.6 Adequate Reserves:** A report is made to the Council each year, when the Council is calculating its annual budget and Council Tax precept, on:

- the robustness of the estimates made for the purposes of the calculations,
- the adequacy of the proposed financial reserves.

**2.3.7 Section 27 Reports** Where, during this process, it appears to the Statutory Chief Financial Officer that a controlled reserve is likely to be inadequate during the year, a report is made to the Executive or the Council on:

- the reasons for that situation,
- the appropriate action, if any, required to be taken to prevent such a situation arising.

*[Responsibility under section 27 of the Local Government Act 2003 Part II)*

Where reports are made under these duties, Members must have regard to them when making decisions regarding the budget and Council Tax.

**2.3.8 Other Duties:** Detailed responsibilities of the Statutory Chief Financial Officer as part of the 'financial administration framework' are also included in the relevant sections of the other Financial Regulations.

**2.3.9 Delegation of Powers:** The Statutory Chief Finance Officer may authorise an officer to exercise a power or duty conferred in Sections B, C, D or E of these regulations on their behalf.

**Other Points of Reference** (underline denotes a hyperlink is available)

Constitution Part 1 – The Constitution (chapter 10 The Councils Officers)

Constitution Part 4.5: Scheme of Delegation to Officers

[Financial Regulation 4: Authorisation Limits](#)

[Financial Regulation Support Document 3: Expenditure Authorisation Limits](#)

[Regulation 6: Financial Strategies](#)

[Regulation 7: Financial Reporting](#)