

## **Union calls for councils to keep chief financial officer and chief executive roles separate**

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The union that represents exclusively senior managers in local government has called for the roles of chief financial officer and chief executive to be kept separate.

The Association of Local Authority Chief Executives and Senior Managers (ALACE) has issued a policy position statement that identifies the issues created when councils try to merge the roles into one.

The Chair of ALACE, Tracey Lee, said “We are concerned about the impact on good governance and the reduction in senior leadership capacity that occurs when councils merge these roles. As a union, we are also worried about the ability of an individual effectively to do two jobs and the impact that this can have on them personally.

“The legislation is now thirty years old and it’s time to revisit whether the combination of the two roles should be prohibited as a matter of law. In 2000, Parliament legislated to prevent a council’s monitoring officer also being its head of paid service. The National Audit Office’s recent report about local authority governance identified the need for the Ministry of Housing, Communities and Local Government to know that the governance arrangements that support local decision-making function as intended.

“We hope that the Public Accounts Committee will consider the points ALACE is raising in its policy position statement, and examine whether a zero-cost recommendation could be to amend the legislation further to prevent councils from weakening their governance by having one person who is both head of paid service and chief financial officer.”

Simon Baker, ALACE’s vice chair, added “We will work with other partners including CIPFA, SOLACE and the Local Government Association to examine the issues we’ve raised and see whether we can agree a common position in calling on the sector and Government for a change of approach. The Committee on Standards in Public Life has recommended changes in the legislation and guidance relating to ethical standards in local government. The ability of senior officers to support high standards of ethical behaviour by councillors, and where necessary to challenge and take action about poor ethical behaviour, can be weakened where councils have merged governance roles held by officers. This is another reason why we are encouraging a debate on changing the approach.”

### Notes for editors

The roles of head of paid service and monitoring officer are designated in sections 4 and 5 of the Local Government and Housing Act 1989 for councils in Great Britain. The restriction to prevent the head of paid service being the monitoring officer as well was added by the Local Government Act 2000.

ALACE is a union whose only members are chief executives or other senior managers in councils and other local government bodies. More information is available at [www.alace.org.uk](http://www.alace.org.uk)

The National Audit Office's report on local authority governance was issued on 15 January 2019.

<https://www.nao.org.uk/report/local-authority-governance-2/>

The Twentieth Report of the Committee on Standards in Public Life, on local government ethical standards, was published on 30 January 2019.

<https://www.gov.uk/government/publications/local-government-ethical-standards-report>