

Title/Subject: Chief Finance Officer - Recruitment
Meeting: Integration Joint Board
Date: 5 August 2016
Submitted By: Chief Officer
Action: For Decision

1. INTRODUCTION

- 1.1. The purpose of this report is to seek approval from the Integration Joint Board (IJB) to appoint a Chief Finance Officer for the Board.

2. BACKGROUND

- 2.1. At the meeting of the Transitional IJB Board on 6 March 2015 it was agreed that the Chief Finance Role be undertaken by a fixed term post for 12 months, ideally to cover both Integrated Joint Boards. This was to provide support to set up the IJB arrangements and the establishment of the strategic plan, and would enable an assessment of the ongoing requirements to take place before longer term arrangements are decided.
- 2.2. The current post holder was appointed for six months as a 0.5 wte from April 2016 and is also the 0.5 wte CFO for the Stirling and Clackmannanshire IJB.
- 2.3. It is now timely to review the requirements of role and to put a permanent arrangement in place. As reported elsewhere in this agenda, there are challenges within the IJB budget, notwithstanding the complexity of developing a joint reporting and monitoring process across two organisations.
- 2.4. The Chief Finance Officer of the IJB is responsible for the administration of the financial resources delegated to it and discharges this duty by being:
- Accountable to the Integration Joint Board for the planning , development and delivery of the IJB's three year financial strategy
 - Responsible for the provision of strategic financial advice and support to the IJB and Chief Officer
 - Responsible for financial administration and financial governance of the IJB
 - The Accountable officer for financial management of the IJB
- 2.5. The Strategic Risk Register approved at the recent meeting of the IJB in June includes Financial Stability and Commissioning as a 'high' risk. It is critical that the CFO role is filled on a permanent basis and is extended to meet the

requirements of the post, to provide stability and leadership in a complex and shifting financial climate.

- 2.6. The CFO role requires a professional accountability to the NHS Forth Valley Director of Finance and Falkirk Council CFO support by good working relationships.

3. RECOMMENDATION

The Integration Joint Board is asked to:

- 3.1. note the complexity of the CFO role in the current financial environment and the level of risk previously reported to the IJB as part of the Strategic Risk Register in June
- 3.2. approve the recruitment and appointment of a permanent Chief Finance Officer for the Integration Joint Board
- 3.3. remit the Chief Officer, in conjunction with the Chief Executives, to agree whether the post is full time or part time and proceed with the recruitment process.

4. BACKGROUND

- 4.1. The Public Bodies (Joint Working) (Scotland) Act 2014 includes an obligation on the IJB to appoint a proper officer under section 95 of the Act (Chief Finance Officer).
- 4.2. The Chief Finance Officer will be responsible for the administration of the financial resources delegated to the IJB and will discharge this duty by being:
 - accountable to the IJB for the planning, development and delivery of the IJB 3 year financial strategy
 - responsible for the provision of strategic financial advice and support to the IJB and Chief Officer
 - responsible for financial administration and financial governance of the IJB
 - the Accountable Officer for financial management of the IJB.
- 4.3. The Integrated Resources Advisory Group (IRAG) has provided recommendations regarding the appointment of the Chief Finance Officer:
 - each IJB will be responsible for the appointment of its own Chief Finance Officer
 - Chief Finance Officer should be professionally qualified
 - it would be inappropriate for the Chief Officer to fulfil this role
 - in most cases the role of the Chief Finance Officer should not be filled by either a Director of Finance of the Health Board or the Section 95 Officer of the local authority

- 4.4. The Transitional Board had previously agreed to appoint to the Chief Finance Officer role on a part-time, fixed term basis for 12 months. The IJB will be aware that temporary arrangements are in place for the Chief Finance Officer until October 2016.

5. RECRUITMENT OF THE CHIEF FINANCE OFFICER

- 5.1. In recognition of the recruitment process and timescales, and taking into account the current secondment arrangement for the Chief Finance Officer, it is proposed that a recruitment process commences for a permanent post. This recognises the scale of the work requirements in line with current strategic and operational planning arrangements, the financial recovery plan and the complexity of working across two different financial systems and reporting frameworks.
- 5.2. The current post is part time (0.5 wte.). The Chief Executives and Chief Officer are reviewing how this has functioned to determine if the post should be remain part time or given the complexity, risk and workload whether it should be full time. In these discussions, account will be taken of salary and associated recruitment funding arrangements.
- 5.3. It is proposed that the recruitment to the Chief Finance Officer commences at the earliest opportunity and the recruitment process will be led by the Chief Officer, in conjunction with the Chief Executives. This will include review of the job description and person specification; agreement on the lead partner for this joint appointment; the composition of the selection panel; initial short listing process and appropriate selection methods and tools.

6. CONCLUSIONS

- 6.1. The IJB members are aware of the statutory requirement to appoint a Chief Finance Officer.

Resource Implications

Funding for the post will be jointly provided by NHS Forth Valley and Falkirk Council.

Impact on IJB Outcomes and Priorities

The appointment of a Chief Finance Officer will support the Board to deliver on the Strategic Plan and Financial Recovery Plan.

Legal & Risk Implications

In addition to the statutory requirement for a Chief Finance Officer, the IJB have financial responsibility for the oversight of a budget of £200m. In the current climate this presents risk and reduces opportunities to realise efficiencies if there is insufficient capacity and oversight on this role to discharge the duties noted at 3.2.

Consultation

There has been consultation within the partner organisations.

Equalities Assessment

There are no equalities issues arising from this report.

Approved for submission by: Patricia Cassidy, Chief Officer

Author: Patricia Cassidy

Date: 22 July 2016

List of Background Papers:

Update of Appointment Process for the post of Chief Officer and Chief Finance Officer (Health and Social Care Integration) *IJB Transitional Board 7 August 2015*

Chief Finance Officer *IJB Transitional Board 6 March 2015*

Strategic Risk Register *IJB 3 June 2016*