



SHEFFIELD CITY COUNCIL Report to Council

Report of: General Counsel (and Monitoring Officer)

Date: 17th July 2024

Subject: Changes to the remit of Finance Committee

Author of Report: David Hollis - General Counsel (and Monitoring Officer)

Purpose of Report:

At its meeting on 11th July 2024 Governance Committee considered proposals for amendments to the remit of Finance Committee and agreed changes to the Constitution to be recommended to Full Council. This report seeks approval for those changes recommended by Governance Committee.

Recommendations:

That, as recommended by Governance Committee, Full Council:

(a) agrees that Finance Committee be re-established with the same membership as Finance and Performance Policy Committee; and

(b) approves the changes to Part 3.3.1 of the Constitution, as outlined in the report to Governance Committee appended to this report and as set out in the Appendix to that report.

Background Papers (Appendix to this report):

Report to Governance Committee 11th July 2024 Review of Finance Committee Remit

Category of Report: OPEN

Statutory and Council Policy Checklist

Financial & Commercial Implications
NO
Legal Implications
YES – Cleared by Andrea Simpson
Equality of Opportunity Implications
NO
Climate impact
NO
Tackling Health Inequalities implications
NO
Human Rights implications
NO
Economic impact
NO
Community Safety implications
NO
Human Resources implications
NO
Property implications
NO
Area(s) affected
NONE
Is the item a matter which is reserved for approval by the City Council?
YES
Press release
NO

1. INTRODUCTION & BACKGROUND

- 1.1 At its meeting on 11th July 2024 Governance Committee considered proposals for amendments to the remit of Finance Committee and agreed changes to the Constitution to be recommended to Full Council. This report seeks approval for those changes recommended by Governance Committee.
- 1.2 The Council has a legal duty to keep its constitution up to date. In accordance with Article 16 of the Constitution (Review and Revision of the Constitution), changes to the Constitution will only be made with the approval of the Full Council, after consideration of the proposal by a Committee of the Council, the Chief Executive or the Monitoring Officer.
- 1.3 In addition, however, the Monitoring Officer, in consultation with the Lord Mayor, has delegated authority to make any minor and consequential drafting changes to the Constitution.

2. PROPOSALS

- 2.1 Governance Committee has recommended that Finance Committee be converted to a policy committee, to be named Finance and Performance Policy Committee, and that there be changes to its remit and Terms of Reference, with corresponding changes to the Terms of Reference of Strategy and Resources Policy Committee.
- 2.2 The proposed changes include firstly that the committee should have oversight of Service, Financial and Corporate performance and review proposals for the Medium Term Financial Plan (MTFP) and the budget prior to their consideration by Strategy and Resources Policy Committee and secondly that it should become a policy committee for the service areas which enable the operation of the Council and whose functions are currently within the remit of Strategy and Resources.
- 2.3 The changes are set out more fully in the report to Governance Committee, which is appended to this report. The necessary amendments to Part 3.3.1 of the Constitution to implement the proposed changes are shown in the Appendix to that report. There may be minor consequential changes to other parts of the Constitution which can be agreed by the Monitoring Officer in consultation with the Lord Mayor under the delegated powers described above at paragraph 1.3.

3. RISK ANALYSIS & IMPLICATIONS

3.1 Legal Implications

- 3.1.1 Except where delegated by Council as indicated at paragraph 1.3, variations to the Constitution may only be made by Full Council.

3.1.2 Under Section 9P of the Local Government Act 2000, the Council must prepare a constitution and keep it up to date. It must be available to the public and, under the Local Government Transparency Code 2015, be published on the Council's website. The proposed changes in this report will bring parts of the Constitution up to date to comply with the legislation.

3.2 **Financial and Commercial Implications**

3.2.1 There are no financial or commercial implications.

3.3 **Equality of Opportunity Implications**

3.3.1 There are no equality of opportunity implications arising from this report.

3.4 **Climate Implications**

3.4.1 There are no climate implications arising from this report

4. **ALTERNATIVE OPTIONS CONSIDERED**

4.1 The Council could choose not to approve the changes being recommended, but this would conflict with the Council's aim to keep its constitution under review and its duty to keep it up to date.

5. **REASONS FOR RECOMMENDATIONS**

5.1 The operation of the Council's committee system form of governance is under continuous review. The changes identified in this report will enable Strategy & Resources and Finance & Performance Policy Committees to operate more efficiently. The approval of the changes to the Council's Constitution will enable the Council to meet its duty to keep its Constitution up to date.