



SHEFFIELD CITY COUNCIL Report to Council

Report of: Director of Legal and Governance (Monitoring Officer)

Date: 3rd February 2021

Subject: Changes to the Constitution: Part 4 – Financial Procedure Rules (Financial Regulations)

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Summary:

This report provides details of several minor/consequential changes made in December 2020 to the Financial Procedure Rules in the Council's Constitution. It also sets out proposals for further changes to be made to those Rules following the annual review of the Rules carried out by Finance officers.

Recommendations:

That the Council:-

(a) notes the minor/consequential changes to the Constitution made by the Director of Legal and Governance, in consultation with the Lord Mayor, under delegated authority, as outlined in the report and Appendix A; and

(b) adopts the changes to the Financial Procedure Rules (Financial Regulations) in Part 4 of the Constitution, as set out in the report and Appendices B and C.

Background Papers: Constitution of Sheffield City Council

Category of Report: OPEN

Statutory and Council Policy Checklist

Financial & Commercial implications
NO – Cleared by Peter Carr
Legal implications
YES – Cleared by Nadine Wynter/David Cutting
Equality of Opportunity implications
NO
Tackling Health Inequalities implications
NO
Human Rights implications
NO
Environmental and Sustainability implications
NO
Economic impact
NO
Community Safety implications
NO
Human Resources implications
NO
Property implications
NO
Area(s) affected
None
Relevant Scrutiny Committee if decision called in
N/A
Is the item a matter which is reserved for approval by the City Council?
Yes
Press release
NO

1. Introduction

- 1.1 This report provides details of several minor/consequential changes made in December 2020 to the Financial Procedure Rules in the Council's Constitution. It also sets out proposals for further changes to be made to those Rules following the annual review of the Rules carried out by Finance officers.

2. Background

- 2.1 To ensure that the Constitution is kept up to date, where changes are required these are submitted to Full Council for approval.
- 2.2 In addition, the Director of Legal and Governance, in consultation with the Lord Mayor, has delegated authority to make any minor and consequential drafting changes to the Constitution.

3. Minor/Consequential Changes Made To The Constitution In December 2020

- 3.1 On 16th December 2020, the Director of Legal and Governance, in consultation with the Lord Mayor, approved minor/consequential changes to the Financial Procedure Rules (Financial Regulations) within Part 4 of the Constitution, in order that the Director of Finance & Commercial Services (in addition to the Head of Strategic Finance) may carry out Section 151 (*of the Local Government Act 1972*) functions on behalf of the Executive Director, Resources.
- 3.2 Details of the changes made to the Financial Procedure Rules (to the table of contents and at paragraphs 2.2.7 and 2.2.8 of the Rules) are set out at Appendix A to this report. The changes have been incorporated into the annual review of the Financial Regulations referred to at section 4 of this report.

4. Further Proposed Changes and Reasons

- 4.1 The Financial Procedure Rules were last updated (full review) in December 2019 and are an important part of the Council's financial governance arrangements. They provide the rules for the Council to follow, so as to protect public money and give clarity for both Members and Officers regarding responsibilities for financial management.
- 4.2 Following an annual review by Finance Officers, in consultation with the Cabinet Member for Finance, Resources and Governance, a number of changes are proposed to the Financial Regulations. These include a review to ensure compliance with the Openness and Transparency Project; embedded links are working; current working practices/minor changes to the Council's processes or systems have been incorporated; the restructure within Finance and Commercial Services is reflected; and job titles/roles have been updated and amended.

4.3 A summary of the proposed changes and a revised version of the Financial Regulations are attached at Appendices B and C to this report, respectively.

5. **Legal Implications**

5.1 Except where delegated by Council as indicated at paragraph 2.2, variations to the Constitution may only be made by Full Council.

5.2 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.

6. **Financial and Commercial Implications**

6.1 There are no financial implications.

7. **Equality of Opportunity Implications**

7.1 There are no equalities implications.

8. **Recommendations**

8.1 That the Council:-

(a) notes the minor/consequential changes to the Constitution made by the Director of Legal and Governance, in consultation with the Lord Mayor, under delegated authority, as outlined in the report and Appendix A; and

(b) adopts the changes to the Financial Procedure Rules (Financial Regulations) in Part 4 of the Constitution, as set out in the report and Appendices B and C.

Gillian Duckworth
Director of Legal & Governance (and Monitoring Officer)