



## Report to Policy Committee

**Author/Lead Officer of Report:** *Liam Darling – Assistant Finance Manager*

**Tel:** 0114 474 1147

**Report of:** *Director of Finance & Commercial Services (CFO)*

**Report to:** *Finance Committee*

**Date of Decision:** *18<sup>th</sup> March 2024*

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

Type of Equality Impact Assessment (EIA) undertaken <b>N/A</b>	Initial <input type="checkbox"/>	Full <input type="checkbox"/>
Insert EIA reference number and attach EIA		
Has appropriate consultation/engagement taken place? <b>N/A</b>	Yes <input type="checkbox"/>	No <input type="checkbox"/> n/a
Has a Climate Impact Assessment (CIA) been undertaken?	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
Does the report contain confidential or exempt information?	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
If YES, give details as to whether the exemption applies to the full report / part of the report and/or appendices and complete below:-		
<p><i>“The (<b>report/appendix</b>) is not for publication because it contains exempt information under Paragraph (<b>insert relevant paragraph number</b>) of Schedule 12A of the Local Government Act 1972 (as amended).”</i></p>		

### Purpose of Report:

This report is to present the proposed changes to the Council’s Constitution: Part 4 – Financial Procedure Rules (Financial Regulations) arising from an annual refresh of the Regulations following consultation with Finance colleagues.

**Recommendations:**

That the Finance Committee:-

- (a) endorses the proposed changes to the Constitution: Part 4 – Financial Procedure Rules (Financial Regulations), as outlined in the report and Appendix 1 and shown in full at Appendix 2; and
- (b) notes that the revised Financial Procedure Rules (Financial Regulations), together with other proposed changes to the Constitution, will be presented to Full Council for approval at the Annual Meeting on 15<sup>th</sup> May 2024.

**Background Papers:**

Appendix 1: 2024 Financial Regulations – Summary of Changes from 2023

Appendix 2: 2024 Financial Regulations

<b>Lead Officer to complete:-</b>		
1	I have consulted the relevant departments in respect of any relevant implications indicated on the Statutory and Council Policy Checklist, and comments have been incorporated / additional forms completed / EIA completed.	Finance: <i>Liam Darling</i>
		Legal: <i>Andrea Simpson</i>
		Equalities & Consultation: <i>N/A</i>
		Climate: <i>N/A</i>
	<i>Legal, financial/commercial and equalities implications must be included within the report and the name of the officer consulted must be included above.</i>	
2	<b>SLB member who approved submission:</b>	<i>Philip Gregory - Director of Finance &amp; Commercial Services (CFO)</i>
3	<b>Committee Chair consulted:</b>	<i>Councillor Zahira Naz</i>
4	I confirm that all necessary approval has been obtained in respect of the implications indicated on the Statutory and Council Policy Checklist and that the report has been approved for submission to the Committee by the SLB member indicated at 2. In addition, any additional forms have been completed and signed off as required at 1.	
	<b>Lead Officer Name:</b> <i>Liam Darling</i>	<b>Job Title:</b> <i>Assistant Finance Manager</i>
	<b>Date:</b> <i>7<sup>th</sup> March 2024</i>	

## **1. PROPOSAL**

- 1.1 This report provides details of proposed changes to Part 4 - Financial Procedure Rules (Financial Regulations) of the Council's Constitution.
- 1.2 Details of the proposed changes are set out in the Summary of Changes attached to this report as Appendix 1. The draft revised version of the Financial Procedure Rules (Financial Regulations) is attached as Appendix 2.
- 1.3 The revised Financial Procedure Rules (Financial Regulations), together with other proposed changes to the Constitution, will be presented to Full Council for approval at the Annual Meeting in May.

## **2. HOW DOES THIS DECISION CONTRIBUTE?**

- 2.1 The Financial Procedure Rules (Financial Regulations) are an important part of the Council's financial governance arrangements and are part of the Council's Constitution. They provide the rules for the Council to follow to protect public money and give clarity for both Members and Officers regarding responsibilities for financial management. The Council's financial governance arrangements support the delivery of the ambitions within the Council Plan.

## **3. HAS THERE BEEN ANY CONSULTATION?**

- 3.1 There is no requirement to consult the public on the Financial Procedure Rules (Financial Regulations).

## **4. RISK ANALYSIS AND IMPLICATIONS OF THE DECISION**

### **4.1 Equality Implications**

- 4.1.1 There are no equality implications.

### **4.2 Financial and Commercial Implications**

- 4.2.1 There are no financial or commercial implications.

### **4.3 Legal Implications**

- 4.3.1 Under Section 9P of the Local Government Act 2000, the Council must prepare a constitution and keep it up to date. The proposed changes in this report, when formally approved, will bring a part of the Constitution up to date to comply with the legislation.

4.3.2 Except where delegated by Council, variations to the Constitution may only be made by Full Council. The General Counsel, in consultation with the Lord Mayor, has delegated authority to make any minor and consequential drafting changes to the Constitution. The changes proposed in this report are more than minor or consequential and thus require Full Council approval.

#### 4.4 Climate Implications

4.4.1 There are no climate implications.

### **5. ALTERNATIVE OPTIONS CONSIDERED**

5.1 Do nothing – this option was rejected because it would result in the Financial Procedure Rules (Financial Regulations), and therefore the Constitution being out of date with respect to current practices, policies and procedures.

### **6. REASONS FOR RECOMMENDATIONS**

6.1 The reasons for the recommended changes are set out in the Summary of Changes document at Appendix 1.