

Budget and Policy Framework Procedure Rules

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Budget And Policy Framework Procedure Rules

Rule No. 1 – The Framework for Cabinet Decisions

- 1.1 The Council will be responsible for the adoption of its budget and policy framework as set out in Article 4. Once a budget or a policy framework is in place, it will be the responsibility of the Cabinet to implement it.

Rule No. 2 - Proposals Of Cabinet Referred To Council

- 2.1 After consulting stakeholders in a manner appropriate to the matter under consideration, the Cabinet will draw up initial proposals in relation to any plan, strategy or budget which forms part of the Council's budget and policy framework. Once drawn up the proper officer will serve copies of them on the Chairs of relevant Overview and Scrutiny Panels and Committees together with dates when the executive will consider them further, which shall be such period as in all the circumstances is reasonable for the Overview and Scrutiny Panel to consider the proposals.
- 2.2 The Overview and Scrutiny Panels and Committees will be convened to consider whether to respond to the Cabinet's initial proposals and whether any consultation by them is appropriate. If so the Overview and Scrutiny Panels will conduct a consultation exercise and will reflect any representations made to them in their response to the Cabinet within the timescale set for decision by the Cabinet.
- 2.3 The Cabinet will finalise its proposals for the Council to consider having taken into account the comments from the Overview and Scrutiny Panel. The report to Council will show the Cabinet's responses to those comments.

Policy or Strategy

- 2.4 The Council will consider the proposals of the Cabinet in respect of any draft plan or strategy and may approve and adopt them. Where the Council has any objections to the proposals it must take the actions set out in rule 2.4.1 below.
 - 2.4.1 Before amending, approving or adopting any draft plan or strategy the Council shall inform the Leader or in his/her absence the Deputy Leader of any objections to it and require the Cabinet to reconsider the proposals in the light of those objections within a period of not less than five working days from the date on which the Leader or Deputy Leader receives notification of the Council's objections.
- 2.5 The Leader or Deputy Leader may within the time specified in the notification:-
 - (a) Submit revised proposals to the Council giving reason for any amendments; or
 - (b) Inform the Council of any disagreement of the Cabinet to the Council's objections giving reasons for the disagreement.
- 2.6 The Council shall meet as soon as reasonably practicable following expiry of the period specified in Rule 2.4.1 above and must when amending, approving or adopting the draft plan or strategy take into account any responses to the Council made by the Leader or Deputy Leader in accordance with Rule 2.5 above.

The Budget

- 2.7 The Council will consider the estimates and amounts proposed by the Cabinet in respect of the Council's budget and setting the Council Tax level for the following financial year and may approve and adopt them. Where the Council has any objections to those estimates and amounts it shall take the actions set out in Rule 2.7.1 below:-
- 2.7.1 Before the Council adopts its budget and sets its Council Tax it shall inform the Leader or in his/her absence the Deputy Leader of any objections to the proposals and require the Cabinet to reconsider its proposals in the light of those objections within a period of not less than five working days from the date on which the Leader or Deputy Leader receives notification of the Council's objections.
- 2.8 The Leader or Deputy Leader may within the time specified in the notification:
- (a) Submit to the Council revised estimates or amounts as amended by the Cabinet giving reasons for them; or
 - (b) Inform the Council of any disagreement of the Cabinet to the Council's objections giving reasons for the disagreement.
- 2.9 The Council shall meet as soon as reasonably practicable following expiry of the period specified in Rule 2.7.1 above and must when agreeing a budget and setting the Council Tax take into account any responses to the Council made by the Leader or Deputy Leader in accordance with Rule 2.8 above.
- 2.10 Rules 2.7 – 2.9 do not apply to calculations or substitute calculations made in accordance with Sections 52 I, J, T or U of the Local Government Finance Act 1992.
- 2.11 In approving the budget and policy framework, the Council will also specify the extent of virement within the budget and degree of in-year changes to the policy framework which may be undertaken by the Cabinet in accordance with paragraphs 5 and 6 of these Rules (virement and in-year adjustments). Any other changes to the budget and policy framework are reserved to the Council.

Rule No. 3 - Decisions Outside The Budget Or Policy Framework

- 3.1 Subject to the provisions of paragraph 5 (virement) the Cabinet, Committees of the Cabinet, and any officers, or joint arrangements discharging Cabinet functions may only take decisions which are in line with the budget and policy framework. If any of these bodies or persons wishes to make a decision which is contrary to the policy framework, or contrary to or not wholly in accordance with the budget approved by full Council, then that decision may only be taken by the Council, subject to 4 below.
- 3.2 If the Cabinet, Committees of the Cabinet, and any officers, or joint arrangements discharging Cabinet functions want to make such a decision, they shall take advice from the Monitoring Officer and/or the Chief Finance Officer as to whether the decision they want to make would be contrary to the policy framework, or contrary to or not wholly in accordance with the budget. If the advice of either of those officers is that the decision would not be in line with the existing budget and/or framework, then the decision must be referred by that body or person to the Council for decision, unless the decision is a matter of urgency, in which case the provisions in paragraph 4 (urgent decisions outside the budget on policy framework) shall apply.

Rule No. 4 - Urgent Decisions Outside The Budget Or Policy Framework

- 4.1 The Cabinet, a Committee of the Cabinet, or officers, or joint arrangements discharging Cabinet functions may take a decision which is contrary to the Council's policy framework or contrary to or not wholly in accordance with the budget approved by full Council if the decision is a matter of urgency. However, the decision may only be taken:
- (a) if it is not practical to convene a quorate meeting of the full Council; and
 - (b) if the Chair of a relevant Overview and Scrutiny Panel agrees that the decision is a matter of urgency.

The reasons why it is not practical to convene a quorate meeting of full Council and the Chair of the relevant Overview and Scrutiny Panel's consent to the decision being taken as a matter of urgency must be noted on the record of the decision. In the absence of the Chair of a relevant Overview and Scrutiny Panel the consent of the Chairman of the Council, and in the absence of both the Vice-Chairman, will be sufficient.

- 4.2 Following the decision, the decision taker will provide a full report to the next available Council meeting explaining the decision, the reasons for it and why the decision was treated as a matter of urgency.

Rule No. 5 - Virement

- 5.1 The Council shall have the budget heads as defined in Appendix 1.
- 5.2 Steps taken by the Cabinet, a Committee of the Cabinet, Officers, or joint arrangements discharging executive functions to implement Council policy shall not exceed those budgets allocated to each budget head in line with paragraph A2 of the Financial Procedure Rules (Scheme of Virement).

Rule No. 6 - In-Year Changes To Budget And Policy Framework

- 6.1 The responsibility for agreeing the budget and policy framework lies with the Council, and decision by the Cabinet, a Committee of the Cabinet, an individual member of the Cabinet or officers, or joint arrangements discharging executive functions must be in line with it. No changes to any policy and strategy which make up the policy framework may be made by those bodies or individuals except those changes:
- 6.1.1 Which result in the closure or discontinuance of a service or part of a service to meet a budgetary constraint;
 - 6.1.2 Which are necessary to ensure compliance with the law, ministerial direction or government guidance;
 - 6.1.3 In relation to the policy framework in respect of a policy which would normally be agreed annually by the Council following consultation, but where the existing policy document is silent on the matter under consideration;
 - 6.1.4 For which the budget or policy specifically provides for in-year change.

Rule No. 7 - Call-In Of Decisions Outside The Budget Or Policy Framework

- 7.1 Where a Overview and Scrutiny Panel is of the opinion that a Cabinet decision is, or if made would be, contrary to the policy framework, or contrary to or not wholly in accordance with the Council's budget, then it shall seek advice from the Monitoring Officer and/or Chief Finance Officer.
- 7.2 In respect of functions which are the responsibility of the Cabinet, the Monitoring Officer's report and/or Chief Finance Officer's report shall be to the Cabinet with a copy to every member of the Council. Regardless of whether the decision is delegated or not, the Cabinet must meet to decide what action to take in respect of the Monitoring Officer's report and to prepare a report to Council in the event that the Monitoring Officer or the Chief Finance Officer conclude that the decision was a departure, and to the Overview and Scrutiny Panel if the Monitoring Officer or the Chief Finance Officer conclude that the decision was not a departure.
- 7.3 If the decision has yet to be made, or has been made but not yet implemented, and the advice from the Monitoring Officer and/or the Chief Finance Officer is that the decision is or would be contrary to the policy framework or contrary to or not wholly in accordance with the budget, the Overview and Scrutiny Panel may refer the matter to Council. In such cases, no further action will be taken in respect of the decision or its implementation until the Council has met and considered the matter. The Council shall meet within 20 working days of the request by the Overview and Scrutiny Panel. At the meeting it will receive a report of the decision or proposals and the advice of the Monitoring Officer and/or the Chief Finance Officer. The Council may either:
- (a) endorse a decision or proposal of the Cabinet as falling within the existing budget and policy framework. In this case no further action is required, save that the decision of the Council be minuted and circulated to all Councillors in the normal way;
 - (b) amend the Council's Financial Procedure Rules or policy concerned to encompass the decision or proposal of the body or individual responsible for that executive function and agree to the decision with immediate effect. In this case, no further action is required save that the decision of the Council be minuted and circulated to all Councillors in the normal way;
 - (c) where the Council accepts that the decision or proposal is contrary to the policy framework or contrary to or not wholly in accordance with the budget, and does not amend the existing framework to accommodate it, require the Cabinet to reconsider the matter in accordance with the advice of either the Monitoring Officer/Chief Finance Officer.