

Budget and Policy Framework Procedure Rules

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1. Introduction

- 1.1 In these Rules “the Cabinet” means the Cabinet or Cabinet Panels as appropriate.
- 1.2 The Council will be responsible for the adoption of the budget and policy framework as defined in Article 4 of the Constitution.
- 1.3 The budget, plans and strategies defined in Article 4 will be developed and adopted by the Council at various times during each year. The Cabinet will determine the detailed timetable for the preparation of the budget to ensure compliance with statutory requirements. The role of the Cabinet in the preparation of the budget is set out in the Financial Procedure Rules contained in this Constitution.
- 1.4 The Cabinet will determine the detailed timetable for the preparation of the plans and strategies for which they are responsible.
- 1.5 Timetables will comply with the Access to Information Procedure Rules and notice of key decisions and consultation arrangements must be included in the Forward Plan.

2. Process for developing the budget and policy framework

The process by which the budget and policy framework shall be developed is:

- 2.1 The Cabinet will publish its initial proposals, having first canvassed the views of local stakeholders in an appropriate manner. Any representations made to the Cabinet shall be taken into account in formulating the initial proposals, and shall be reflected in any report dealing with them. If the matter is one where the Scrutiny Board or a Scrutiny Panel has carried out a review of policy, then the outcome of that review shall be reported to the Cabinet and considered in the preparation of initial proposals.
- 2.2 The Cabinet’s initial proposals will then be referred to the relevant Scrutiny Panel for further advice and consideration. The Panel shall canvass the views of local stakeholders if it considers it appropriate in accordance with the matter under consideration and having particular regard not to duplicate any consultation carried out by the Cabinet. The Cabinet will inform the Panel of the time for response when the proposals are referred to it.
- 2.3 Having considered the report of the Panel, the Cabinet, if it considers it appropriate, may amend its initial proposals before submitting them to the Full Council meeting for consideration. It will also report to Full Council on how it has taken into account any recommendations from the Panel.
- 2.4 The Full Council will consider the proposals of the Cabinet and may adopt them; amend them; refer them back to the Cabinet for further consideration; or substitute its own proposals in their place. In considering the matter, the Full Council shall have before it the Cabinet’s proposals and any report from any relevant Panel.

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- 2.5 If the Full Council accepts the proposals of the Cabinet without amendment the Council will approve the budget or plan with immediate effect. If the Council does not accept the proposals of the Cabinet it may only make an in-principle decision.
- 2.6 The decision of the Full Council will be published and a copy of the decision notice shall be given to the Leader. An in-principle decision will automatically become effective five working days from the date of the Council's decision unless the Leader informs the Head of Paid Service in writing prior to the date on which the decision is to be effective that he objects to the decision becoming effective. The notification must state the reasons for the objection.
- 2.7 Where such notification is received, the Head of Paid Service shall convene a further meeting of the Full Council to reconsider its decision and the decision shall not be effective pending that meeting. The Full Council meeting must take place within 5 working days of the receipt of the Leader's written objection.
- 2.8 At that meeting the in-principle decision of the Full Council shall be reconsidered in the light of the Leader's written objection which shall be available to Councillors. The Full Council may:
- a. approve the proposals of the Cabinet or
 - b. approve a different decision which does not accord with the proposals of the Cabinet.
- 2.9 The decision of the Full Council shall be published and shall become effective immediately.
- 2.10 Once the budget and policy framework is approved by the Full Council it will be the responsibility of the Cabinet to implement it.
- 2.11 In approving the budget and policy framework, the Full 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 3 and 4 of these Rules (virement and in-year adjustments). Any other changes to the budget and policy framework are reserved to the Full Council.

3. Virement

The rules relating to virement are set out in the Financial Procedure Rules set out in Part 3.

4. In-year changes to policy framework

- 4.1 The responsibility for approving the budget and policy framework lies with the Full Council and decisions by the Cabinet, employees, or joint arrangements must be in line with it. No changes to any plan which is part of the policy framework may be made by those bodies or individuals except those changes:
- a. which are necessary to meet a budgetary constraint;

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- b. which are necessary to ensure compliance with the law, ministerial direction or government guidance;
- c. which are necessary to repair any omission in the plan;

5. Decisions outside the budget or policy framework

- 5.1 Subject to the provisions of paragraph 3 (virement) and paragraph 4 (in year changes) the Cabinet, employees or joint arrangements may only make decisions which are in line with the budget and policy framework.
- 5.2 If a decision maker 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 Full Council, subject to paragraph 6 (urgent decisions).
- 5.3 If the decision maker wishes to make such a decision, he/she shall first take advice from the Monitoring Officer and/or the Section 151 Officer as to whether the decision he/she wishes to make would be contrary to the policy framework, or contrary to or not wholly in accordance with the budget.
- 5.4 If the advice of either of those employees is that the decision would not be in line with the budget and/or policy framework, then the decision must be referred by the decision maker to the Full Council for decision unless the decision is urgent and the procedure set out in paragraph 6 is applied.

6. Urgent decisions outside the budget or policy framework

- 6.1 A decision maker may make a decision which is contrary to the Council's policy framework or contrary to or not wholly in accordance with the budget approved by the Full Council if the decision is a matter of urgency. However, the decision may only be made:
 - a. if it is not practical to convene a quorate meeting of the Full Council within the necessary timescale and
 - b. if the Chair of a relevant Scrutiny Panel agrees that the decision is a matter of urgency.
- 6.2 The reasons why it is not practical to convene a quorate meeting of the Full Council and the Chair's consent to the decision being made as a matter of urgency must be noted on the record of the decision. In the absence of the Chair of a relevant Scrutiny Panel the consent of the Mayor and in the absence of both, the Deputy Mayor will be sufficient.
- 6.3 Following the decision, the decision maker will provide a full report to the next available Full Council meeting explaining the decision, the reasons for it and why the decision was treated as a matter of urgency.

7. Call-in of decisions outside the budget or policy framework

- 7.1 Where a 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 budget, then the Panel shall seek advice from the Monitoring Officer and/or Section 151 Officer.

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- 7.2 The Monitoring Officer's and/or Section 151 Officer's advice shall be sent to the Cabinet with a copy to every Councillor. The Cabinet must meet to decide what action to take in respect of the advice. The Cabinet must report to Full Council in the event that the Monitoring Officer and/or the Section 151 Officer advises that the decision is or would be a departure from the budget or policy framework.

The Cabinet must report to the Scrutiny Panel in the event that the Monitoring Officer and/or Section 151 Officer advises that the decision is not or would not be 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 Section 151 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 Scrutiny Panel may refer the matter to Full 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 Full Council shall meet within 10 days of the request by the Scrutiny Panel. At the meeting it will receive a report of the decision or proposals and the advice of the Monitoring Officer and/or Section 151 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 Full Council will be published in the normal way;
Or
- b. amend the Council's budget or policy framework to encompass the decision or proposal and agree to the decision with immediate effect. In this case, no further action is required save that the decision of the Full Council will be published in the normal way;
Or
- c. where the Full 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 budget policy framework to accommodate it, the Council will require the Cabinet to reconsider the matter in accordance with the advice of either the Monitoring Officer/ and/or Section 151 Officer.