

BUDGET AND POLICY FRAMEWORK PROCEDURE RULES

1. THE FRAMEWORK FOR EXECUTIVE DECISIONS

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.

2. PROCESS FOR DEVELOPING THE POLICY FRAMEWORK

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

- (a) The Cabinet will publicise by including in the Public Notice of Key Decisions a timetable for making proposals to the Council for the adoption of any plan or strategy that forms part of the policy framework and its arrangements for consultation after publication of such initial proposals.
- (b) The Chair of Overview and Scrutiny Commission/Committee will be notified of such proposals.
- (c) The consultation period shall, in each instance, be not less than 4 weeks and the appropriate Overview and Scrutiny Commission/Committee must be consulted.
- (d) At the end of the consultation period, the Cabinet will draw up firm proposals having regard to the responses to that consultation.
- (e) If the Overview and Scrutiny Commission or a relevant Committee wishes to respond to the Cabinet in that consultation period, then it may do so.
- (f) As the Overview and Scrutiny Commission/Committees have responsibility for fixing their own work programme, it is open to the Overview and Scrutiny Commission/Committee to investigate,

research or report in detail with policy recommendations before the end of the consultation period.

- (g) The Cabinet will take any response from an Overview and Scrutiny Commission/Committee into account in drawing up firm proposals for submission to the Council and its report to Council will reflect the comments made by consultees and the Cabinet's response.
- (h) Once the Cabinet has approved the firm proposals, the Chief Executive will refer them at the earliest opportunity to the Council for decision.
- (i) Where the Authority, following consideration of the Cabinet's proposals, has any objections to them, the Authority must take the action set out in paragraph (j) below.
- (j) Before the Authority
 - (i) amends any draft plan or strategy;
 - (ii) approves for the purpose of its submission to the Secretary of State or any Minister of the Crown for his approval, any plan or strategy (whether or not in the form of a draft) of which any part is required to be so submitted; or
 - (iii) adopts (with or without modification) the plan or strategy, it must inform the Cabinet Leader of any objections which it has to the draft plan or strategy and must give to him/her instructions requiring the Cabinet to reconsider, in the light of those objections, the draft plan or strategy submitted to it.
- (k) When the Authority gives instructions in accordance with (j), it must specify a period of at least five working days beginning after the day on which the Cabinet Leader receives the instructions on behalf of the Cabinet, within which the Cabinet Leader may

- (i) submit a revision of the draft plan or strategy, as amended, by the Cabinet (the “revised draft plan or strategy”), with the Cabinet’s reasons for any amendments made to the draft plan or strategy to the Authority, for the Authority’s consideration; or
 - (ii) inform the Authority of any disagreement that the Cabinet has with any of the Authority’s objections and the Cabinet’s reasons for any such disagreement.
- (l) When the period specified by the Authority, referred to in paragraph (k), has expired, the Chief Executive will call an Authority meeting within a further five days when the Authority will make its decision.
- The Authority must, when
- (i) amending the draft plan or strategy or, if there is one, the revised draft or strategy;
 - (ii) approving for the purpose of its submission to the Secretary of State or any Minister of the Crown for his approval, any plan or strategy (whether or not in the form of a draft or revised draft) of which any part is required to be so submitted; or
 - (iii) adopting (with or without modification) the plan or strategy, take into account any amendments made to the draft plan or strategy that are included in any revised draft or strategy, the Cabinet’s reasons for those amendments, any disagreement that the Cabinet has with any of the Authority’s objections and the Cabinet’s reasons for that disagreement, which the Cabinet Leader submitted to the Authority or informed the Authority of within the period specified.
- (m) The decision of the Authority will then be effective immediately.

3. **PROCESS FOR DEVELOPING THE BUDGET**

The process by which the budget shall be developed is:-

- (a) The Cabinet will publicise by including in the Public Notice of Key Decisions a timetable for making proposals to the Council for the adoption of any plan or strategy that forms part of the budget and its arrangements for consultation after publication of such initial proposals.
- (b) The Chair of Overview and Scrutiny Commission/Committee will be notified of such proposals.
- (c) The consultation period shall, in each instance, be not less than 4 weeks and the appropriate Overview and Scrutiny Commission/Committee must be consulted.
- (d) At the end of the consultation period, the Cabinet will draw up firm proposals having regard to the responses to that consultation.
- (e) If the Overview and Scrutiny Commission or a relevant Committee wishes to respond to the Cabinet in that consultation period, then it may do so.
- (f) As the Overview and Scrutiny Commission/Committees have responsibility for fixing their own work programme, it is open to the Overview and Scrutiny Commission/Committee to investigate, research or report in detail with policy recommendations before the end of the consultation period.
- (g) The Cabinet will take any response from an Overview and Scrutiny Commission/Committee into account in drawing up firm proposals for submission to the Council and its report to Council will reflect the comments made by consultees and the Cabinet's response.
- (h) Once the Cabinet has approved the firm proposals, the Chief Executive will refer them at the earliest opportunity to the Council for decision.

- (i) Subject to paragraph (m) below, where before the 8th February in any financial year the Authority's Cabinet submits to the Authority for its consideration in relation to the following financial year
 - (i) estimates of the amounts to be aggregated in making a calculation (whether originally or by way of substitute) in accordance with any of Sections 32 to 37 or 43 to 49 of the Local Government Finance Act 1992;
 - (ii) estimates of other amounts to be used for the purposes of such a calculation; or
 - (iii) estimates of such a calculation,and following consideration of those estimates or amounts the Authority has any objections to them, it must take the action set out in paragraph (j).
- (j) Before the Authority makes a calculation (whether originally or by way of substitute) in accordance with any of the Sections referred to in paragraph (i) above, it must inform the Cabinet Leader of any objections which it has to the estimates or amounts and must give to him/her instructions requiring the Cabinet to reconsider in the light of those objections, those estimates and amounts in accordance with the Authority's requirements.
- (k) Where the Authority gives instructions in accordance with paragraph (j), it must specify a period of at least five working days beginning with the date on which the Cabinet Leader receives the instructions on behalf of the Cabinet, within which the Cabinet Leader may
 - (i) submit a revision of the estimates or amounts, as amended, by the Cabinet (revised estimates or amounts) which has been reconsidered in accordance with the Authority's requirements, with the Cabinet's reasons for any amendments made to the

estimates or amounts, to the Authority for the Authority's consideration; or

- (ii) inform the Authority of any disagreement that the Cabinet has with any of the Authority's objections and the Cabinet's reasons for any such disagreement.
- (l) When the period specified by the Authority, referred to in paragraph (k), has expired the Authority must, when making calculations (whether originally or by way of substitute) in accordance with the Sections referred to in paragraph (l)(i), take into account
- (i) any amendments to the estimates or amounts that are included in any revised estimates or amounts;
 - (ii) the Cabinet's reasons for those amendments;
 - (iii) any disagreement that the Cabinet has with the Authority's objections; and
 - (iv) the Cabinet's reasons for that disagreement,

which the Cabinet Leader submitted to the Authority, or informed the Authority of within the period specified.

- (m) Paragraphs (i) to (l) shall not apply in relation to calculations or substitute calculations which an Authority is required to make in accordance with Sections 52I, 52J, 52T or 52U of the Local Government Finance Act 1992.
- (n) Where the Cabinet submits the estimates referred to in paragraph (i) above to the Authority for its consideration after the 8th February, then the Authority may either approve or amend the Cabinet's proposals without referring the matter back to the Cabinet.

4. **DECISIONS OUTSIDE THE BUDGET OR POLICY FRAMEWORK**

Subject to the provisions of the Financial Procedural Rules on virement, the Cabinet, Committees of the Cabinet, individual Members of the Cabinet and any Officers, Area Committees or joint arrangements discharging executive 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 Paragraph 5 below.

5. **URGENT DECISIONS OUTSIDE THE BUDGET OR POLICY FRAMEWORK**

- (a) The Cabinet, a Committee of the Cabinet, an individual Member of the Cabinet or Officers, Area Committees or joint arrangements discharging executive 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:-
- (i) if it is not practical to convene a quorate meeting of the full Council; and
 - (ii) if the Chairman of the Overview and Scrutiny Commission 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 Chairman of the Overview and Scrutiny Commission'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 Chairman of the Overview and Scrutiny Commission the consent of the Mayor, and in the absence of both the Deputy Mayor will be sufficient.

- (b) 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.

6. IN-YEAR CHANGES TO THE BUDGET AND THE POLICY FRAMEWORK

The responsibility for agreeing the budget and policy framework lies with the Council, and decisions by the Cabinet, a Committee of the Cabinet, an individual Member of the Cabinet or Officers, Area Committees or joint arrangements discharging executive functions must be in line with it. No changes may be made to the budget by those bodies or individuals, except changes in accordance with the rules relating to virement contained within the Council's Financial Procedure Rules. No changes to any policy and strategy which make up the policy framework may be made by those bodies or individuals except those changes:-

- (a) which will result in the closure or discontinuance of a service or part of service to meet a budgetary constraint;
- (b) which are necessary to ensure compliance with the law, ministerial direction or Government guidance;
- (c) which are in respect of a policy which would normally be agreed by the Council following consultation, but where the existing policy document is silent on the matter under consideration;
- (d) which relate to policy in relation to Schools, where the majority of School Governing Bodies agree with the proposed change;
- (e) specified by Council in approving the policy framework.

7. CALL-IN OF DECISIONS OUTSIDE THE BUDGET OR POLICY FRAMEWORK

- (a) Where an Overview and Scrutiny Commission/Committee is of the opinion that an executive 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 advise the Chief Executive of their concerns and seek advice from the Monitoring Officer and/or Chief Financial Officer.

- (b) In respect of functions which are the responsibility of the Cabinet, and where the decision has not yet been made, the Monitoring Officer's report and/or Chief Financial 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/Chief Financial Officer's report.
- (c) In the event that the Monitoring Officer or the Chief Financial Officer conclude that the decision was a departure, they shall prepare a report to Council.
- (d) In the event that the Monitoring Officer and/or the Chief Financial Officer conclude that the decision was not a departure, they shall prepare a report to the Overview and Scrutiny Commission/Committee.
- (e) 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 Financial 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 Commission/Committee 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 15 days of the request by the Overview and Scrutiny Commission/Committee.

(f) At the meeting it will receive a report of the decision or proposals and the advice of the Monitoring Officer and/or the Chief Financial Officer.

The Council may either:-

(i) endorse a decision or proposal of the executive decision taker 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;

or

(ii) amend the Council's Financial Regulations 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;

or

(iii) 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 and/or Chief Financial Officer.