

Budget and Policy Framework Procedure Rules



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Budget and Policy Framework Procedure Rules

1. The Framework for Cabinet Decisions

The Council will be responsible for the adoption of its budget and policy framework as set out in Chapter Two. 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 Framework

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

- (a) Before a plan/budget needs to be adopted, the Cabinet will publish initial proposals for the budget and policy framework, having first canvassed the views of local stakeholders as appropriate, and in a manner suitable to the matter under consideration. Details of the Cabinet's consultation process will be included in relation to each of those matters in the forward plan and published at the Council's main offices and through the Council's web page. 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 a Scrutiny Committee has carried out a review of policy, then the outcome of that review will be reported to the Cabinet and considered in the preparation of initial proposals.
- (b) The Cabinet's initial proposals will be referred to the Budget and Resources Scrutiny Committee for further advice and consideration. The proposals will be referred by sending a copy to the Director (Law and Governance) who will forward them to the Budget and Resources Scrutiny Committee. The Budget and Resources Scrutiny Committee will 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 Budget and Resources Scrutiny Committee will report to the Cabinet on the outcome of its deliberations. The Budget and Resources Scrutiny Committee will have six weeks to respond to the initial proposals of the Cabinet unless the Cabinet considers that there are special factors that make this timescale inappropriate. If it does, it will inform the Budget and Resources Scrutiny Committee of the time for response when the proposals are referred to it.
- (c) Having considered the report of the Budget and Resources Scrutiny Committee, the Cabinet, if it considers it appropriate, may amend its proposals before submitting them to the Council meeting for consideration. It will also report to Council on how it has taken into account any recommendations from the Budget and Resources Scrutiny Committee.

- (d) The 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 Council will have before it the Cabinet's proposals and any report from the Budget and Resources Scrutiny Committee.
- (e) The Council's decision will be publicised in accordance with Chapter Two and a copy will be given to the Leader. The notice of decision will be dated and will state either that the decision will be effective immediately (if the Council accepts the Cabinet's proposals without amendment) or (if the Cabinet's proposals are not accepted without modification), that the Council's decision will become effective on the expiry of five working days after the publication of the notice of decision, unless the Leader objects to it in that period.
- (f) If the Leader objects to the decision of the Council, he/she will give written notice to the Director (Law and Governance) to that effect prior to the date upon which the decision is to be effective. The written notification must state the reasons for the objection. Where such notification is received, the Director (Law and Governance) will take steps to convene a further meeting of the Council to reconsider its decision and the decision will not be effective pending that meeting.
- (g) The Council meeting must take place within ten working days of the receipt of the Leader's written objection. At that Council meeting, the decision of the Council will be reconsidered in the light of the objection, which will be available in writing for the Council.
- (h) The Council will, at that meeting, make its final decision on the matter on the basis of a simple majority, and the decision will be implemented immediately.
- (i) 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.

3. Decisions Outside the Budget or Policy Framework

- (a) Subject to the provisions of paragraph 5 (Virement) the Cabinet, committees of the Cabinet, individual members of the Cabinet and any Officers 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 4 below.

- (b) If the Cabinet, committees of the Cabinet, individual members of the Cabinet and any Officers or joint arrangements discharging executive functions want to make such a decision, they will take advice from the Director (Law and Governance), 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 any of those Officers is that the decision would not be in line with the existing budget and/or policy 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 and Policy Framework) shall apply.

4. Urgent Decisions Outside the Budget and Policy Framework

- (a) The Cabinet, a committee of the Cabinet, an individual member of the Cabinet or Officers 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 chair of the Scrutiny Management Committee 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 Scrutiny Management Committee'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 the Scrutiny Management Committee, the consent of the vice-chair(s) 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.

5. Virement

Steps taken by the Cabinet, a Committee of the Cabinet, an individual member of the Cabinet or Officers or joint arrangements discharging executive functions to implement Council policy shall not exceed those budgets allocated to each budget head. In the event that virement across budget heads or budgets becomes necessary or desirable, it shall be carried out in accordance with the Financial Procedure Rules.

6. In-Year Changes to 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 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:

- (a) which will result in the closure of or discontinuance of a service or part of service to meet a budgetary constraint;
- (b) necessary to ensure compliance with the law, ministerial direction or Government guidance;
- (c) 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;
- (d) which relate to policy in relation to schools, where the majority of school governing bodies agree with the proposed change; and
- (e) where the chair of the Scrutiny Management Committee agrees that the proposed change is sufficiently minor in the context of the policy concerned and is an appropriate change in the circumstances.