

## **PART 4 – C**

### **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. Outline Budget Process - Discretion on Overview And Scrutiny Commission to Respond to Cabinet Proposals**

- (a) 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 Chair (s) of the Overview and Scrutiny Commission and Panels together with dates when the Cabinet will consider them further, which shall be at least 6 weeks after service of the notice on the Chair(s).
- (b) Meetings of the Overview and Scrutiny Panels and Commission will be convened to consider whether to respond to the Cabinet's initial proposals and whether any consultation by it is appropriate. In the event that the Overview and Scrutiny Panels resolve to make comments on the Cabinet's initial proposals, the Panels will forward these comments to the Overview and Scrutiny Commission, which will co-ordinate a joint Overview and Scrutiny response to Cabinet within the timescale set for decision by the Cabinet.
- (c) The Cabinet will finalise its proposals for the Council to consider, having taken into account the comments from the Overview and Scrutiny Commission. The report to Council will show the Cabinet's response to those comments.
- (d)
  - (i) Where the Cabinet has submitted a draft plan or strategy to the Council for its consideration and, following consideration of that draft plan or strategy, the Council has any objections to it, the Council must take the action set out in paragraph(ii)
  - (ii) Before the Council:
    - (a) amends the draft plan or strategy;
    - (b) approves, for the purpose if 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

- (c) adopts (with or without modification) the plan or strategy, it must inform the Leader of any objections which it has to the draft plan or strategy and must give to him instructions requiring the Cabinet to reconsider, in the light of those objections, the draft plan or strategy submitted to it.
- (iii) Where the Council gives instructions in accordance with paragraph (ii) it must specify a period of at least five working days beginning on the day after the date on which the Leader receives instructions on behalf of the Cabinet within which the Leader may-
- (a) submit a revision of the draft plan or strategy as amended by the Cabinet (the “revised draft plan or strategy”), with the Cabinet reasons for any amendments made to the draft plan or strategy, to the Council for the Council’s consideration; or
- (b) inform the Council of any disagreement that the Cabinet has with any of the Council’s objections and the Cabinet’s reasons for any such disagreement.
- (iv) When the period specified by the Council referred to in paragraph (iii) has expired, the Council must, when:
- (a) amending the draft plan or strategy, or, if there is one, the revised draft plan or strategy;
- (b) approving, for the purpose of submission to the Secretary of State of 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
- (c) 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 plan or strategy, the Cabinet’s reasons for those amendments, any disagreement that the Cabinet has with any of the Council’s objections and the Cabinet’s reasons for that disagreement, which the Leader submitted to the Council or informed the Council within the period specified.
- (v) Subject to paragraph (ix) where, before 8th February in any financial year, the Cabinet submits to the Council for its consideration in relation to the following financial year:
- (a) 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;

- (b) estimates or other amounts to be used for the purposes of such a calculation;
  - (c) estimates of such a calculation ; or
  - (d) amounts required to be stated in a precept under Chapter IV or Part 1 of the Local Government Finance Act 1992, and following consideration of those estimates or amounts the Council has any objections to them, it must take the action set in paragraph (vi).
- (vi) Before the Council makes a calculation (whether originally or by way of substitute) in accordance with any of the sections referred to in paragraph (v)(a), or issues a precept under Chapter IV or Part 1 of the Local Government Finance Act 1992, it must inform, the Leader of any objections which it has to the Cabinet's estimates or amounts and must give to him instructions requiring the Cabinet to reconsider, in the light of those objections, those estimates and amounts in accordance with the Council's requirements.
- (vii) Where the Council gives instructions in accordance with paragraph (vi), it must specify a period of at least five working days beginning on the day after the date on which the Leader received the instructions on behalf of the Cabinet within which the Leader may:
- (a) submit a revision of the estimates or amounts as amended by the Cabinet ("revised estimates or amounts"), which have been reconsidered in accordance with the Council's requirements with the Cabinet's reasons for any amendments made of the estimates or amounts, to the Council for the Council's consideration; or
  - (b) inform the Council of any disagreement that the Cabinet has with, any of the authority's objections and the Cabinet's reasons for any such disagreement.
- (viii) When the period specified by the Council referred to in paragraph (vii), has expired the Council must, when making calculations (whether originally or by way of substitute) in accordance with the sections referred to in paragraph (v)(a) or issuing a precept under Chapter IV of Part 1 of the Local Government Finance Act 1992, take into account:
- (a) any amendments to the estimates or amounts that are included in any revised estimates or amounts;
  - (b) the Cabinet's reasons for those amendments;

- (c) any disagreement that the Cabinet has with any of the Council's objections; and
  - (d) the Cabinet's reasons for that disagreement, which the Leader submitted to the Council or informed the Council of within the period specified.
- (ix) Paragraphs (v) to (vii) shall not apply in relation to:
- (a) calculations or substitute calculations which Council is required to make in accordance with section 52I, 52J 52T or 52U of the Local Government Finance Act 1992; and
  - (b) amounts stated in a precept issued to give effect to calculations or substitute calculations made in accordance with section 52J or 52U of that Act.
- (e) The Council's decision will be publicised in accordance with Part 4-B and a copy shall be given to the Leader. The notice of decision shall be dated and shall state either that the decision shall be effective immediately (if the Council accepts the Cabinet's proposal without amendment) or (if the Cabinet's proposal is not accepted without amendment), that the Council's decision will become effective on the expiry of at least 5 working days after the publication of the notice of decision, unless the Leader formally objects in that period.

### **3. DECISIONS OUTSIDE THE BUDGET OR POLICY FRAMEWORK**

- (a) The Cabinet, Cabinet Committees, Cabinet Members 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 4 below.
- (b) If the Cabinet, Cabinet Committees, Cabinet Members, any officers, or joint arrangements discharging executive 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 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 OR POLICY FRAMEWORK**

- (a) A decision will be urgent if any delay is likely to seriously prejudice the Council's or the public interests.
- (b) The decision can only be taken if the decision taker (if an individual) or the chair of the body making the decision, obtains the agreement of the Chair, or in their absence the Vice Chair, of the Overview and Scrutiny Commission that the taking of the decision cannot be reasonably deferred. If the Chair or Vice Chair of the Overview and Scrutiny Commission is unable to act, then the agreement of the Mayor, ~~or in his/her absence the Deputy Mayor,~~ will suffice.

**5. CALL-IN OF DECISIONS OUTSIDE THE BUDGET OR POLICY FRAMEWORK (OVERVIEW & SCRUTINY PROCEDURE RULES 16 & 17)**

- (a) Where the Overview and Scrutiny Commission 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 seek advice from the Monitoring Officer and/or Chief Finance Officer.
- (b) In respect of functions which are the responsibility of the Cabinet, 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 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 Commission if the Monitoring Officer or the Chief Finance Officer conclude that the decision was not a departure.
- (c) 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 Commission 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. 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:

- (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 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 the Chief Finance Officer.

## **6. THE POLICY FRAMEWORK**

- (a) Article 4.2 (in Part 2) sets out how policy documents, plans and strategies etc will be adopted.
- (b) Plans, polices and strategies etc that must be sent to a Minister for approval will be approved first by the Full Council. The Cabinet has responsibility for agreeing the amendments if any form the Minister etc, and for implementing the Plans and Policies.