

[Appendix 1\(e\)](#)

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. The Cabinet has overall responsibility for preparing draft Budgets and Policy frameworks for submission to the Council. Once a budget or a policy framework is in place, it will be the responsibility of the Cabinet to implement it.

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

Any member of the Council may at any time put forward proposals to the Cabinet with regard to existing or future Budgets or Policy Frameworks or the development of policy for inclusion in a Policy Framework.

The Cabinet will draw up initial proposals in relation to any plans, strategy or budget that is intended to form part of the Council's Budget or Policy Framework, taking into account any relevant proposals put forward by members of the Council.

When initial proposals have been drawn up by the Cabinet the Overview and Scrutiny Committee may wish to respond to Cabinet as part of the consultation process. As the Overview and Scrutiny Committee has responsibility for agreeing its own work programme, it is open to the Overview and Scrutiny Committee to investigate, research or report in detail with policy recommendations before the end of the consultation period.

The Cabinet will take any response from the Overview and Scrutiny Committee into account in drawing up firm proposals for submission to Council and its report to Council will reflect the comments made by Overview and Scrutiny and the Cabinet's response.

The Council will consider the proposals of the Cabinet and may approve or adopt them, amend them, refer them back to the Cabinet for further consideration, or substitute its own proposals in their place.

If it accepts the recommendation of the Cabinet without amendment, the Council may make a decision which has immediate effect. Otherwise, it may only make an in-principle decision. In either case, the decision will be made on the basis of a simple majority of votes cast at the meeting.

The decision will be published and a copy shall be given to the Leader.

An in-principle decision will automatically become effective 5 -working7 days from the date of the Council's decision, unless the Leader informs the Chief Executive in writing within 5 working 7-days that he/she objects to the decision becoming effective and provides reasons.

In that case, the Chief Executive will call a Council meeting within a further 10 working days. The Council will be required to re-consider its decision and the Leader's written submission within 10 working days. The Council may:

- (i) approve the Cabinet's recommendation by a simple majority of votes cast at the meeting; or
 - (ii) approve a different decision which does not accord with the recommendation of the Cabinet by a simple majority.
- (i) The decision shall then be made public in accordance with Article 4, and shall be implemented immediately;
- (j) The Mayor will mediate any differences of view between the Council and the Cabinet on setting the budget or adopting a strategy or plan.

3. Decisions Outside the Budget and 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 the Council, then that decision may only be taken by the Council, subject to 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 shall take advice from the Monitoring Officer and/or the Chief Financial 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) 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 the 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 Council; and
 - (ii) if the Chairman of a relevant Overview and Scrutiny Committee agrees that the decision is a matter of urgency.

The reasons why it is not practical to convene a quorate meeting of the Council and the Chairman, or in his/her absence the Vice-Chairman, of the Overview and Scrutiny 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 Chairman and Vice-Chairman of the Overview and Scrutiny Committee the consent of the Mayor and, in their absence, 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.

5. Virement

- (a) The Council shall have budget heads in a form to be approved from time to time, being in accordance with the relevant CIPFA Code of Practice.
- (b) 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. However, such bodies or individuals shall be entitled to vire across budget heads in accordance with the Council's Financial Regulations and Financial Procedure Rules. The Audit Committee is responsible for maintaining and making changes to the Financial Regulations and Financial Procedure Rules (without reference to the full Council).

6. In-Year Change 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 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.

7. Call-in Decisions Outside the Budget or Policy Framework

- (a) Where the Overview and Scrutiny Committee 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.

- (b) 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 and/or Chief Finance 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 Committee 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 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 10 calendar days of the request by the Overview and Scrutiny Committee. 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 Cabinet 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 Budget or Policy framework so as 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 Finance Officer.