

# APPENDIX B: Budget and Policy Framework Procedure Rules

## 1. The Framework for Cabinet Decisions

- 1.1 The Council will be responsible for the adoption of its budget and policy framework as set out in Part 1, paragraph 5 of the Constitution. 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

### Outline of Process

- 2.1 The process by which the budget and policy framework shall normally be developed is:
- (a) Before a budget needs to be adopted, the Cabinet will publish initial proposals for the budget and policy framework, having first appropriately canvassed the views of local stakeholders. Details of the Cabinet's consultation process shall be included in relation to each of these matters in the Notice of Key Decisions and made available on the Council's web site.
  - (b) The Cabinet shall take account of all representations made when formulating the initial proposals, including the findings of the Advisory Committees and the Scrutiny Committee.
  - (c) Either the Cabinet, the Advisory Committees or the Scrutiny Committee may conduct part of the consultation and investigations using Working Groups. Advisory Committee Working Groups may work jointly.
  - (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.
  - (e) The Council's decision will be publicised in accordance with Part 1, paragraph 5 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 proposals without amendment) or (if the Cabinet's proposals are accepted but with amendments), that the Council's decision will become effective on the expiry of five clear 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 shall give written notice to the Chief Executive 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 Chief Executive shall convene a further meeting of the Council to reconsider its decision and the decision shall not be effective pending that meeting.
  - (g) The Council meeting must take place within 15 clear days of the receipt of the Leader's written objection. At that Council meeting, the decision of the Council

shall be reconsidered in the light of the objection, which shall be available in writing for the Council.

- (h) The Council shall at that meeting make its final decision on the matter on the basis of a simple majority. The decision shall be made public in accordance with Part 1, paragraph 5, and shall be implemented immediately.
- (i) In approving the Budget Framework, the Council is:
  - (i) approving the Net Service Cost for individual services; and
  - (ii) consenting to in-year changes to this, subject to the virement procedures in the Financial Procedure Rules (Appendix D - Financial Procedure Rules.doc). Any other changes to the Budget Framework are reserved to full Council.

### **3. Decisions Outside the Budget or Policy Framework**

- 3.1 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.
- 3.2 It shall be the responsibility of the Cabinet, Committees of the Cabinet, individual members of the Cabinet and any Officers or joint arrangements discharging Executive Functions to take advice from the Head of Paid Service and Section 151 Officer and the Monitoring Officer as to whether any decision they want to make might be contrary to the policy framework, or contrary to, or not wholly in accordance with, the budget. If the advice 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**

- 4.1 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, such a decision may only be taken:
  - (a) if it is not practical to convene a quorate meeting of the full Council; and
  - (b) if the Chairman of the Council agrees that the decision is a matter of urgency.
- 4.2 The reasons why it is not practical to convene a quorate meeting of full Council and the Chairman of the Council'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

Council, and in the absence of both the Vice-Chairman will be sufficient.

- 4.3 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**

- 5.1 Any virements across budgets shall only be carried out in accordance with the requirements of the Council's Financial Procedure Rules and, where appropriate, Contracts Procedure Rules.

## **6. In-Year Changes to Policy Framework**

- 6.1 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 are necessary to ensure compliance with the law, ministerial direction or government guidance;
- (b) which would result in the suspension of a service or part of service to meet a budgetary constraint; or
- (c) which, in the opinion of the Chief Executive are only of a minor nature.

## **8. Policies, Plans and Strategies Outside the Budget and Policy Framework**

- 8.1 In addition to the policies, plans and strategies listed in Appendix F (Appendix F - The Council's Policy Framework.doc refers) of the Constitution, the District Council will from time to time approve other documents which will guide its deliberations.
- 8.2 The Cabinet will be responsible for approving these documents or of changes to them, although, at the Cabinet's discretion, they may be submitted to the full Council for consideration.
- 8.3 Before approving any of these documents, or of any changes to them, the Cabinet shall first consult the Scrutiny Committee as appropriate. If the Committee raises an objection to the Cabinet's proposals, the Cabinet shall reconsider its proposals in the light of the views expressed by the Committee.
- 8.4 A decision to make or change such a document, after taking account of the views of the Scrutiny Committee shall not be subject to the call-in procedure (Appendix C - Protocol for Call In of Key Decisions.doc), but the Committee shall have the right to advise the Council of its disagreement with the Cabinet's decision.