

BUDGET AND POLICY FRAMEWORK PROCEDURE RULES

1. The framework for cabinet decisions

The council will be responsible for the adoption of the budget and policy framework as set out in Part 3A of this constitution

Once the framework is in place, it will be the responsibility of the cabinet to implement it within the resources approved by council.

2. Process for developing the framework

The process by which the budget and policy framework shall be developed is as follows.

- a) The cabinet will publish, by including in the forward plan, a timetable for making proposals to the council for the adoption of any plan, strategy or budget that forms part of the budget and policy framework, and its arrangements for consultation after publication of those proposals. The consultation for the policy framework shall generally be around eight weeks. However, this timetable must take into account any statutory deadlines and allow sufficient time for those deadlines to be met (e.g. council tax setting). The chairs of overview and scrutiny committee and its commissions will also be notified.
- b) At the end of the consultation, the cabinet will then draw up firm proposals having regard to the responses to that consultation. If a relevant overview and scrutiny committee/commission wishes to respond to the cabinet in that consultation process then it may do so. As the overview and scrutiny committee and its commissions have responsibility for fixing their own work programmes, it is open to the scrutiny committee/commission to investigate, research or report in detail with policy recommendations before the end of the consultation period. The cabinet will take any response from an overview and scrutiny committee/commission into account in drawing up firm proposals for submission to the council assembly and its report to council assembly will reflect the comments made by consultees and the cabinet's response.
- c) Once the cabinet has approved the firm proposals, the proper officer will refer them at the earliest opportunity to the council assembly for decision.
- d) In reaching a decision council assembly may adopt the cabinet's proposals, amend them, refer them back to the cabinet for further consideration, or substitute its own proposals in their place.
- e) If it accepts the recommendation of the cabinet without amendment, council assembly 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.

- f) The decision will be publicised and a copy shall be given to the leader.
- g) An in-principle decision will automatically become effective seven days from the date of the council assembly's decision, unless the leader informs the proper officer in writing within five days of the date of the decision that he/she objects to the decision becoming effective. The written notification must state the reasons for the objection.
- h) Where such notification is received, the proper officer shall convene a further meeting of the council assembly to reconsider its decision and the decision shall not be effective pending that meeting. The council assembly meeting must take place within seven working days of the receipt of the leader's written objection.
- i) At that council assembly meeting, the decision of the council assembly shall be reconsidered in the light of the objection, which shall be available in writing for the council assembly.
- j) The council assembly shall at that meeting make its final decision on the matter on the basis of a simple majority. The decision shall be made public and shall be implemented immediately. The council assembly may:
 - i) confirm its original decision, or,
 - ii) reinstate the cabinet recommendation as a decision, or,
 - iii) substitute a different decision.
- k) The decision of the council assembly at that meeting is final and may be implemented immediately. The leader may not ask for this or any other decision to the same effect to be reconsidered for a further six months.
- l) In approving the budget and policy framework, the council assembly will decide whether any amendment to financial standing orders in respect of the extent of virement is necessary. Any other changes to the budget and policy framework are reserved to the council assembly.

3. Decisions outside the budget or policy framework

- a) Subject to the provisions on virements (as set out in the financial standing orders) the cabinet, committees of the cabinet, and any officers, or joint arrangements discharging executive functions may only take decisions which are within 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 assembly, then that decision may only be taken by the council assembly, subject to 4 below.
- b) If the cabinet, committees 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 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 assembly for decision, unless the decision is a matter of urgency, in which case the provisions in paragraph 4 shall apply.

- c) Council assembly may either:
 - i) endorse a decision or proposal of the cabinet as falling within the existing budget and policy framework. In this case no further action is required, save that the decision of the council assembly be minuted and circulated to all councillors in the normal way; or,
 - ii) amend the budget framework or policy concerned to encompass the decision or proposal of the cabinet and agree to the decision with immediate effect. In this case, no further action is required save that the decision of the council assembly be minuted and circulated to all councillors in the normal way; or,
 - iii) where council assembly 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, refer the decision back and require the decision taker to reconsider the matter in accordance with the advice of either the monitoring officer and/or the chief finance officer. The decision maker must reconsider within seven working days of the council assembly meeting. The decision taken by the decision maker is final.

4. Urgent decisions outside the budget or policy framework¹

- a) The cabinet, a committee of the cabinet or 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 council assembly 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 assembly; and,
 - ii) if the chair of the overview and scrutiny committee agrees that the decision is a matter of urgency.

¹ See also Access to Information Procedure Rule 20 where this procedure is listed as one of the urgent decisions. The clause includes a definition of this process.

The reasons why it is not practical to convene a quorate meeting of council assembly and the chair 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 chair of the overview and scrutiny committee 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 assembly meeting explaining the decision, the reasons for it and why the decision was treated as a matter of urgency.

5. Virements

The rules on virements are set out in full in financial standing orders.

6. In-year changes to policy framework

The responsibility for agreeing the budget and policy framework lies with the council assembly, 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 where council has agreed this at the time of agreeing the budget or relevant policy or strategy or those:

- a) which will result in the closure or discontinuance of a service to meet a budgetary constraint; or,
- b) which are necessary to ensure compliance with the law, ministerial direction or government guidance.

7. Call-in of decisions outside the budget and policy framework

The procedure for call-in of decisions which are not in accordance with the budget and policy procedure framework can be found in rules of the overview and scrutiny procedure rules.