4.4: BUDGET AND POLICY FRAMEWORK PROCEDURE RULES

Rule	Subject
1:	The Framework for Executive Decisions
2:	Process for Developing the Framework
3:	Decisions Outside the Budget or Policy Framework
4:	Urgent Decisions Outside the Budget or Policy Framework
5:	Virement
6:	In-Year Changes to Budget and Policy Framework
7:	Call-in of Decisions Outside the Budget or Policy Framework
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1. THE FRAMEWORK FOR EXECUTIVE DECISIONS

1.1 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 document has been agreed, it is the responsibility of the Cabinet and officers to implement it.

2. PROCESS FOR DEVELOPING THE FRAMEWORK

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

2.1.1 Two months before a plan/strategy/budget needs to be adopted, the Cabinet will publish initial proposals for inclusion in the budget and policy framework.

2.1.2 Details of the Cabinet's consultation process shall be included in the Executive Decision Notice, published at the Council's main offices and made available on the Council's web site.

2.1.3 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 the Policy Development Group 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.

2.1.4 The Cabinet's initial proposals shall be referred to the Policy Development Group for advice and consideration.

2.1.5 The proposals will be referred by sending a copy to the Head of Legal and Commercial Services who will forward them to the Chairman of the Policy Development Group. If there is no such Chairman, a copy must be sent to every member of that Committee.

2.1.6 The Policy Development Group shall canvass the views of local stakeholders if it considers it appropriate in accordance with the matter under consideration, having particular regard not to duplicate any consultation carried out by the Cabinet.

2.1.7 The Policy Development Group shall report to the Cabinet on the outcome of its deliberations. The Policy Development Group shall have four 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 Policy Development Group of the time for response when the proposals are referred to it.

2.1.8 Having considered the report of the Policy Development Group, 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 Policy Development Group.

2.1.9 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. However, if, having considered a draft plan or strategy, it has any objections to it, the Council must take the action set out in 2.1.10 below.

2.1.10 Before the Council:

(a) amends the draft plan or strategy;

(b) approves, for the purpose of 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/her instructions requiring the Cabinet to reconsider, in the light of those objections, the draft plan or strategy submitted to it.

2.1.11 Where the Council gives instructions in accordance with 2.1.10, it must specify a period of at least five working days beginning on the day after the date on which the Leader receives the 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's 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.

2.1.12 When the period specified by the Council, referred to in Rule 2.1.11, has expired the Council must, when:

(a) amending the draft plan or strategy or, if there is one, the revised plan or strategy;

(b) approving for the purpose of 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 or a 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 of, within the period specified.

2.1.13 Subject to rule 2.1.17, where, before 8 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 34 to 36A or 46 to 49B of the Local Government Finance Act 1992 (calculation of budget requirement, etc) and Part 5 of Chapter 1 of the Localism Act 2011; or

(b) estimates of other amounts to be used for the purposes of such a calculation; or

(c) estimates of such a calculation, or

(d) amounts required to be stated as a precept under Chapter IV of Part I of the Local Government Finance Act 1992 (precepts)

and following consideration of those estimates or amounts the Council has any objections to them, it must take the action set out in Rule 2.1.14.

2.1.14 Before the Council makes a calculation (whether originally or by way of a substitute) in accordance with any of the Sections referred to in Rule 2.1.13 above or issues a precept under Chapter IV of Part I 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 him instructions requiring the Cabinet to reconsider, in the light of those objections, those estimates and amounts in accordance with the Council's requirements.

2.1.15 Where the Council gives instructions in accordance with Rule 2.1.14 above, it must specify a period of at least five working days beginning

on the day after the date on which the Leader receives 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 to 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 Council's objections and the Cabinet's reasons for any such disagreement.

2.1.16 When the period specified by the Council referred to in paragraph 2.1.15 has expired, the Council must, when making calculations (whether originally or by way of a substitute) in accordance with any of the Sections referred to in Rule 2.1.14 above or issuing a precept under Chapter IV of Part I 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.

2.1.17 Rules to 2.1.13 to 2.1.16 shall not apply in relation to:

(a) calculations or substitute calculations which the Council is required to make in accordance with Sections 52I, 52J, 52T or 52U of the Local Government Finance Act 1992 (limitation of council tax and precept); and

(b) amounts stated in the precept issued to give effect to calculations or substitute calculations made in accordance with Section 52J or 52U of that Act.

3. DECISIONS OUTSIDE THE BUDGET OR POLICY FRAMEWORK

3.1 Subject to the provisions of Rule 5 (virement) the Cabinet, Cabinet members, groups of the Cabinet and any officers or joint arrangements 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 Rule 4 below.

3.2 If the Cabinet, a Cabinet member, groups of the Cabinet, any officers, or joint arrangements 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 Rule 4 (urgent decisions outside the budget or policy framework) shall apply.

4. URGENT DECISIONS OUTSIDE THE BUDGET OR POLICY FRAMEWORK

4.1 The Cabinet, a Cabinet member, a group of the Cabinet, or officers (in particular the Chief Executive and/or the Strategic Director of Place and /or the Strategic Director of Housing and Customer Services, or joint arrangements 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:

4.1.1 If it is not practicable to convene a quorate meeting of the full Council; and

4.1.2 If the Chairman of the Policy Development Group agrees in writing that the decision is a matter of urgency.

4.2 The reasons why it is not practicable to convene a quorate meeting of full Council and the Chairman of the Policy Development Group'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 Policy Development Group, the consent of the Chairman of the Council, and in the absence of both, the Deputy Chairman of the Council, 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 Steps taken by the Cabinet, a Cabinet member, a group of the Cabinet, or officers, or joint arrangements to implement Council policy shall not exceed

the budgets allocated to each relevant budget head. However, such bodies or individuals shall be entitled to vire across budget heads within such limits as shall be laid down in the Financial Procedure Rules. Beyond those limits, approval to any virement across budget heads shall require the approval of the full Council.

6. IN-YEAR CHANGES TO BUDGET AND POLICY FRAMEWORK

6.1 The responsibility for agreeing the budget and policy framework lies with the Council, and decisions by the Cabinet, a Cabinet member, a group of the Cabinet, officers, or joint arrangements must be in line with it. No changes to any budget, policy and/or strategy which make up the budget and policy framework may be made by those bodies or individuals except those changes:

6.1.1 Which will result in the closure or discontinuance of a service or part of service to meet a budgetary constraint;

6.1.2 Necessary to ensure compliance with the law, ministerial direction or government guidance;

6.1.3 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 OF DECISIONS OUTSIDE THE BUDGET OR POLICY FRAMEWORK

7.1 Where the Policy Development Group 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.

7.2 In respect of functions which are the responsibility of the Cabinet, the report of the Monitoring Officer and/or Chief Finance Officer 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 within 21 days of receiving the report to decide what action to take in respect of the Monitoring Officer's 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 Policy Development Group if the Monitoring Officer or the Chief Finance Officer conclude that the decision was not a departure.

7.3 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 Policy Development Group 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 as soon as practicable on the request from the Policy Development Group (or within 28 days if a meeting of the Council is scheduled within that period). At the meeting the Council will receive a report of the decision or proposals and the advice of the Monitoring Officer and/or the Chief Finance Officer.

7.4 The Council may either:

7.4.1 Endorse a decision or proposal of the 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

7.4.2 Amend the budget, financial rule or policy concerned to encompass the decision or proposal of the body or individual responsible for that 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

7.4.3 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 the Monitoring Officer and/or the Chief Finance Officer.

7.5 If the Council does not meet, the decision will become effective on the date of the Council meeting or expiry of the period in which the Council meeting should have been held, whichever is the earlier providing that the Monitoring Officer and/or the Chief Finance Officer is/are satisfied that the decision is within the budget and policy framework or falls within Rules 6.1.1-6.1.3.

8. SUSPENSION

Any part of these rules may be suspended provided such suspension is not contrary to law.