

Appendix C

SECTION E – BUDGET AND POLICY FRAMEWORK PROCEDURE RULES

2. Budget Process Constitution Wording

Suggested Revised Wording

2. Process for Developing the Framework

2.1 The process by which the Budget and Policy Framework shall be developed is:

2.1.1 The Council's Section 151 Officer will be responsible for preparing draft budget proposals, following consultation with relevant Officers and Cabinet Members.

2.1.2 Draft budget proposals will be presented to the Cabinet for its consideration prior to the draft proposals being published for consultation.

2.1.3 Consultation with the general public, business ratepayers and trade unions will be carried out in accordance with the process approved by Cabinet under paragraph 2.1.2 above.

2.1.4 The draft budget proposals will be presented to the relevant Scrutiny Committee prior to Cabinet agreeing final budget proposals for approval by Council.

2.1.5 In agreeing final budget proposals for approval by Council, Cabinet will take account of any consultation responses received, any recommendations from the relevant Scrutiny Committee and any other information that has materialised since the preparation of the initial draft budget proposals, including but not limited to, information provided by the Government in relation to the Local Government Finance Settlement.

[The wording will then follow as per the current Rules, save that consequential numbering changes will be required. Current paragraph 2.1.9 will become 2.1.6, and follow on from there.]

Current Wording

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 a Scrutiny Committee 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 relevant Scrutiny Committee for advice and consideration.

2.1.5 The proposals will be referred by sending a copy to the Monitoring Officer who will forward them to the Chair of the relevant Scrutiny Committee. If there is no such Chair, a copy must be sent to every member of that Committee.

2.1.6 The relevant Scrutiny Committee 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 relevant Scrutiny Committee shall report to the Cabinet on the outcome of its deliberations. The relevant Scrutiny Committee 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 relevant Scrutiny Committee of the time for response when the proposals are referred to it.

2.1.8 Having considered the report of the relevant Scrutiny Committee, 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 relevant Scrutiny Committee.

2.1.9 [proposed to become 2.1.6, subsequent numbering to be updated accordingly] 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, Council must take the action set out in 2.1.10 below.

2.1.10 Before 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 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 Council for Council's consideration; or

(b) inform Council of any disagreement that the Cabinet has with any of Council's objections and the Cabinet's reasons for any such disagreement.

2.1.12 When the period specified by Council, referred to in Rule 2.1.11, has expired 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 Council's objections and the Cabinet's reasons for that disagreement, which the Leader submitted to Council, or informed 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 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;
- (b) estimates of 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 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 Council has any objections to them, it must take the action set out in Rule 2.1.14.

2.1.14 Before 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/her instructions requiring the Cabinet to reconsider, in the light of those objections, those estimates and amounts in accordance with Council's requirements.

2.1.15 Where 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 Council for its consideration; or
- (b) inform the Council of any disagreement that the Cabinet has with any of Council's objections and the Cabinet's reasons for any such disagreement.

2.1.16 When the period specified by Council referred to in paragraph 2.1.15 has expired, 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.