

4 - Part 4.3 — Budget and Policy Framework Procedure Rules

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4.3 – 1 The Framework for Cabinet Decisions

The Council will be responsible for the adoption of its budget and policy framework as set out in Article 4. Once such budget and policy framework is in place, it will be the responsibility of the Cabinet to keep within that framework (except where consent is duly obtained under the urgency procedure – see 4.3 – 4 below).

4.3 – 2 Process for Developing the Framework

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

- The Cabinet will publicise 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 initial proposals. When consultation takes place the consultation period shall normally be not less than six weeks and shall be through the Council's Consultation Panel or Online Consultation Panel.
- At the end of that period, the Cabinet will then draw up firm proposals having regard to the responses to that consultation. If the Improvement and Scrutiny Committee wishes to respond to the Cabinet in that consultation process then it may do so. As the Improvement and Scrutiny Committee has responsibility for fixing their own work programme, it is open to the Improvement 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 Improvement and Scrutiny Committee into account in drawing up firm proposals for submission to the

Council, and its report to Council will reflect the comments made by consultees and the Improvement and Scrutiny Committee's response.

- Once the Cabinet has approved the firm proposals, the Executive Director (Resources) will refer them at the earliest opportunity to the Council for decision.
- In reaching a decision, the Council may adopt the Cabinet's proposals, amend them, refer them back to the Cabinet for further consideration, or in principle, 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 publicised and a copy shall be given to the Leader of the Cabinet.
- An in-principle decision will automatically become effective upon expiry of 5 working days after the date the Council's decision was communicated to the Leader of the Cabinet (i.e. day 7), unless before such expiry the Leader of the Cabinet:
 - submits a revised draft plan or strategy with the Cabinet's reasons for such revision to the Council for consideration or
 - informs the Executive Director (Resources) in writing that he/she objects to the decision becoming effective and provides reasons why.
- In that case, the Executive Director (Resources) will call a Council meeting within a further 10 days. The Council will be required to re-consider its decision and the written submission and any revised proposals submitted by the Cabinet. The Council may:
 - Approve the Cabinet's recommendation by a simple majority of votes cast at the meeting
 - Approve a different decision which does not accord with the recommendation of the Cabinet by a simple majority

- The decision shall then be made public, and shall be implemented immediately.
- In the case of budget proposals this procedure shall apply provided the proposals have been submitted for approval before the 8th February in any financial year.
- In approving the budget and policy framework, the Council will also specify the extent of virement within the budget and degree of in-year changes to the policy framework which may be undertaken by the Cabinet, in accordance with Rules 4.3 – 5 and 4.3 – 6 (virement and in-year adjustments). Any other changes to the policy and budgetary framework are reserved to the Council.

4.3 – 3 Decisions Outside the Budget or Policy Framework

- Subject to the Council's Financial Regulations, the Cabinet and any Officers discharging Cabinet 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 Rule 4.3 – 4 below.
- If the Cabinet and any Officers discharging Cabinet functions want to make such a decision, they shall take advice from the Monitoring Officer and/or the Executive Director (Resources) 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 4.3 – 4 (urgent decisions outside the budget and policy framework) shall apply.

4.3 – 4 Urgent Decisions Outside the Budget or Policy Framework

- The Cabinet or Officers discharging Cabinet 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, the decision may only be taken:

- If it is not practical to convene a quorate meeting of the Full Council
- If the Chairman of the Improvement and Scrutiny Committee agrees that the decision is a matter of urgency and the decision cannot reasonably be deferred

The reasons why

- it is not practical to convene a quorate meeting of Full Council
- the decision should be taken as a matter of urgency and
- the decision cannot reasonably be deferred

must be noted on the record of the decision of the Chairman of the Improvement and Scrutiny Committee.

Where there is no Chairman of the Improvement and Scrutiny Committee, or the Chairman of that Committee is unable to act, the Mayor may give consent, and where there is no Chairman of that Committee and no Mayor, the Deputy Mayor may consent.

- 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 and could not reasonably be deferred.

4.3 – 5 In-Year Changes to Policy Framework

The responsibility for agreeing the budget and policy framework lies with the Council, and decisions by the Cabinet or Officers discharging Cabinet 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:

- Which will result in the closures or discontinuance of a service or part of a service to meet a budgetary constraint.
- Necessary to ensure compliance with the law, ministerial direction or government guidance.
- 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.

4.3 – 6 Call-In of Decisions outside the Budget or Policy Framework

- Where the Improvement 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 Executive Director (Resources).
- In respect of functions which are the responsibility of the Cabinet, the Monitoring Officer’s report and/or Executive Director (Resources)’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 report and to prepare a report to Council in the event that the Monitoring Officer or the Executive Director (Resources) conclude that the decision was a departure, and to the Improvement and Scrutiny Committee if the Monitoring Officer or the Executive Director (Resources) conclude that the decision was not a departure.

- If the decision has yet to be made and it is a key decision, or has been made and it is a key decision but not yet implemented, and the advice from the Monitoring Officer and/or the Executive Director (Resources) 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 Improvement 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 days of the request by the Improvement 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 Executive Director (Resources).

The Council may either:

- 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

- Amend the Council's Financial Regulations or policy concerned to encompass the decision or proposal of the body or individual responsible for the Cabinet 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

- 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/ Executive Director (Resources)