

## BUDGET AND POLICY FRAMEWORK PROCEDURE RULES

### THE FRAMEWORK FOR EXECUTIVE DECISIONS

1. The Council will be responsible for the adoption of its Budget and Policy Framework as set out in **Section XX** of this Constitution. Once a budget or a policy referred to in the framework is in place, it will be the responsibility of the Cabinet to implement it.

### PROCESS FOR DEVELOPING THE FRAMEWORK

2. After appropriate consultation with stakeholders, the Cabinet will draw up initial proposals in relation to any plan, strategy or budget which forms part of the Council's Budget and Policy Framework. Once drawn up the Proper Officer will send copies of them to the Chairman of the Overview or relevant Select Committee (including, where appropriate, the Health Scrutiny Committee) together with dates when the Cabinet will consider them further which shall allow a reasonable period for the Overview or relevant Select Committee to consider the proposals.
3. The Overview or relevant Select Committee will consider whether to respond to the Cabinet's initial proposals and also whether any further consultation is appropriate. If further consultation is appropriate, the Committee will either conduct such consultation or require the Department to conduct it and will reflect any representations made to it in their report to the Cabinet prior to any decision being made by Cabinet.
4. Having considered the report of the Overview or Select Committee, the Cabinet will finalise its proposals in a report for Full Council to consider. The report will include how the Cabinet has taken into account any recommendations from the Overview or Select Committee.
5. The Council will consider the proposals of the Cabinet and if the Council has no objection to these proposals it may adopt them and the decision shall be effectively immediately (unless the Council otherwise provides).
6. If the Council has any objections to a draft plan or strategy proposed by the Cabinet then before the Council:
  - (a) amends the draft plan or strategy; or
  - (b) approves for the purpose of its submission to the Secretary of State or any Minister for the Crown for approval any plan or strategy (whether or not in the form of a draft) of which any part is required to be submitted; or
  - (c) adopts (with or without modification) the plan or strategy,it shall inform the Leader of those objections and must give to them instructions requiring Cabinet to reconsider, in the light of those objections, the draft submitted to it.

7. Where the Council gives instructions in accordance with paragraph 6 it shall specify a period of not less than five working days beginning on the day after the date on which the Leader receives that information. Within the specified time the Cabinet may:
  - (a) submit a revision of the draft plan or strategy as amended by the Cabinet with the Cabinet's reasons for any amendments, to Council for 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.
8. When the period specified by Council under paragraph 7 has expired, Council must when:
  - (a) amending the draft plan or strategy, including any revision by Cabinet; or
  - (b) approving, for the purpose of its submission to the Secretary of State or any Minister of the Crown for approval, any plan or strategy (whether or not in the form of a draft) of which any part is required to be 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, Cabinet's reasons for those amendments, any disagreement that Cabinet has with any of Council's objections and Cabinet's reasons for that disagreement, which in each case have been notified to Council within that period.
9. Where before 8 February in any financial year, 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 31A, 31B and 34 to 36A or 42A, 42B and 45 to 49 of the Local Government Finance Act 1992;
  - (b) estimates of other amounts to be used for the purposes of such calculation; or
  - (c) estimates of such a calculation; or
  - (d) amounts required to be stated in the County Council's precept under Chapter IV of Part 1 of the Local Government Finance Act 1992,  
  
and following consideration of those estimates or amounts the Council has any objections to them, it must take the action set out in paragraph 10 below.
10. Before Council makes a calculation (whether originally or by way of substitute) in accordance with any of the sections referred to in paragraph 9(a), or issues the

County Council's precept, it must inform the Leader of any objections which it has to the Cabinet's estimates or amounts and must give to the Leader instructions requiring Cabinet to reconsider, in the light of those objections, those estimates and amounts in accordance with Council's requirements.

11. Where Council gives instructions in accordance with paragraph 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 Cabinet within which the Leader may:
  - (a) submit a revision of the estimates or amounts as amended by Cabinet which have been re-considered in accordance with Council's requirements, with Cabinet's reasons for any amendments made to the estimates or amounts, to Council for Council's consideration; and/or
  - (b) inform Council of any disagreement that Cabinet has with any of Council's objections and Cabinet's reasons for any such disagreement.
12. When the period specified by Council in paragraph 11 has expired, Council must, when making calculations (whether originally or by way of substitute) in accordance with the sections referred to in paragraph 9(a), or issuing the County Council precept, take into account:
  - (a) any amendments to the estimates or amounts which are included in any revised estimates or amounts;
  - (b) Cabinet's reasons for those amendments;
  - (c) any disagreement that Cabinet has with any of Council's objections; and
  - (c) Cabinet's reasons for that disagreement,which in each case have been notified to Council within that period.
13. The Leader shall be deemed to have submitted any document or revised document to Council, as required by these rules, if they have been submitted in writing to the Proper Officer.
14. Council shall make its final decision on the matter on the basis of a simple majority. The decision should be made public in accordance with [Section xx **Full Council ToR**] and shall be implemented immediately.
15. 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 **paragraphs 5 and 6** [below to change, virement and in year changes] of these Rules (virement and in-year changes). Any other changes to the Budget and Policy Framework are reserved to the Council.

**DECISIONS OUTSIDE THE BUDGET OR POLICY FRAMEWORK**

16. Subject to the provisions of paragraphs 22 - 24 (virement) the Cabinet, Cabinet Committees, individual Cabinet Members and any officers discharging executive functions may only take decisions which are in accordance 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 Council, then that decision may only be taken by the Council, subject to paragraphs 18 -21 below (urgent decisions outside the Budget and Policy Framework).
17. If the Cabinet, Cabinet Committees, individual Cabinet Members and any officers, discharging Cabinet functions want to make such a decision, they shall take advice from the Monitoring Officer and Chief Finance Officer as appropriate, on 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 accordance 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 paragraphs 18 - 21 (urgent decisions outside the Budget and Policy Framework) shall apply.

**URGENT DECISIONS OUTSIDE THE BUDGET OR POLICY FRAMEWORK**

18. The Cabinet, a Cabinet Committee, an individual Cabinet Member or Officers 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, the decision may only be taken:
  - (a) If it is not practical to convene a quorate meeting of Full Council; and
  - (b) if the Chairman of Overview Committee agrees that the decision is a matter of urgency.
19. The reasons why it is not practical to convene a quorate meeting of Full Council and the consent of the Chairman of Overview Committee to the decision being taken as a matter of urgency must be noted on the decision record.
20. In the absence of the Chairman of Overview Committee the consent of the Chairman of the relevant Select Committee, or in their absence the Chairman of the County Council will be sufficient.
21. Following the decision, the decision maker 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.

## VIREMENT

22. The limits for the transfer of budget provision from one budget head to another are set out in the **FINANCIAL REGULATIONS** in [Section x] of this Constitution.
23. Separate limits apply to virements by Cabinet, Cabinet Members and the Chief Finance Officer that are cross Portfolio.
24. Any decision contrary to or not wholly in accordance with the budget framework or the virement provisions must be taken by Council.

## IN-YEAR CHANGES TO THE BUDGET AND POLICY FRAMEWORK

25. The responsibility for agreeing the Budget and Policy Framework lies with the Council and decisions by the Cabinet, a Cabinet Committee, an individual Cabinet Member or officers discharging executive functions must be in line with it.
26. No changes to any policy and/or strategy which make up the policy framework may be made by those bodies or individuals except those changes:
  - (a) which will result in the closure or discontinuance of a service or part of service to meet a budgetary constraint;
  - (b) which are necessary to ensure compliance with the law, ministerial discretion or government guidance;
  - (c) 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;
  - (d) which relate to policy in relation to schools, where the majority of school governing bodies agree with the proposed change;
  - (e) for which the budget or policy specifically provides for in-year change.

## CALL-IN OF DECISIONS OUTSIDE THE BUDGET OR POLICY FRAMEWORK

27. Where the Overview Committee, in considering a Call-in request in accordance with [Section O&S Procedure Rules] contained in [Section x] of this Constitution, 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 Chief Finance Officer who may require a report is submitted to Full Council.