

## Part 4 - Procedure Rules

### Section C - Budget and Policy Framework Procedure Rules

#### Responsibility

- 1.1 [Full Council](#) is responsible for the adoption of:
- (a) Those plans and strategies which form part of the [Council's policy framework](#);
  - (b) The annual Council Tax requirements; and
  - (c) The Council's budget.
- 1.2 Following adoption, responsibility for implementation rests with the [Elected Mayor](#) and [Cabinet](#).

#### Process for developing the framework

- 2.1 The process by which the budget and plans/strategies within the policy framework are developed shall be as follows:
- (a) Before a plan/strategy or a budget needs to be adopted, Cabinet will publish initial proposals having first canvassed the views of local stakeholders as appropriate and in a manner suitable to the matter under consideration.
  - (b) Any representations made to 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 Commission 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.
  - (c) Cabinet may seek advice from a [Scrutiny Commission](#) on any proposals. The Scrutiny Commission may report to Cabinet on the outcome of its deliberations. Cabinet should allow the Scrutiny Commission four weeks, or any other reasonable time, to respond to the initial proposal unless Cabinet considers that there are special reasons that make this timetable inappropriate. If this is the case then it will inform the Scrutiny Commission of the time for response when the proposals are referred to it. The Commission may establish a [task and finish group](#) to carry out the review.
  - (d) Having considered the report of a Scrutiny Commission, Cabinet may amend its proposals before submitting them to the Full Council meeting for consideration. It will also report to Full Council on how it

has taken into account any recommendations from the Scrutiny Commission, or its reasons for not doing so.

- (e) Full Council will consider the proposals of the Cabinet and may adopt them, amend them, refer them back for further consideration, or substitute its own proposals in their place. The report to Full Council will include Cabinet's proposals and any report from any relevant Scrutiny Commission.
- (f) If Full Council accepts Cabinet's recommendation without amendment, then the decision will have immediate effect. If Full Council wishes to amend Cabinet's proposals, or substitute its own proposals in their place, 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.
- (g) If an 'in principle' decision is made, the decision will be published in accordance with the [Access to Information Rules](#) contained in Part 6, Section C of this [Constitution](#) and a copy will be given to the Elected Mayor.
- (h) If an 'in principle' decision is made Full Council must inform the Elected Mayor of their objections to the proposals and must give instructions requiring Cabinet to reconsider, in the light of those objections, the proposals.
- (i) The instruction must specify a period of at least 5 working days beginning with the day after the Elected Mayor receives notice of the decision within which Cabinet may:
  - (i) Submit revisions of the original Cabinet proposal with reasons for any amendments that have been made; or
  - (ii) Advise of any disagreement that Cabinet has with any of the 'in principle' decisions, and their reasons for that disagreement.
- (j) The [Monitoring Officer](#) will convene an [extraordinary meeting](#) of Full Council within 10 clear working days of the receipt of Cabinet's response and Full Council may either:
  - (i) Approve either the original Cabinet proposal or any revision to that proposal put forward by Cabinet by way of a simple majority of those present and voting; or

- (ii) Approve a different decision which does not accord with either the original Cabinet proposal or any revision to that proposal put forward by Cabinet by way of a two thirds majority of those present and voting.
- (k) The decision will be published in accordance with the Access to Information Rules set out in [Part 6, Section C](#) of this Constitution and will take immediate effect.
- (l) In approving the budget and/or document within the policy framework, Full Council will also specify the extent of virement within the budget and degree of in-year changes to the policy framework document which may be undertaken by the Cabinet. Any other changes to the budget and policy framework are reserved to Full Council.
- (m) The timescales referred to in paragraphs (i) and (j) above, may be varied if this is required to meet the statutory deadlines for fixing the Council's budget.

#### Opposition Budget Proposals

- (n) Any [Opposition Group](#) may submit an alternative budget proposal for consideration by Full Council. This should be provided in writing to the Governance Service by 5pm one working day before the meeting. Amendments may be considered after this deadline with the agreement of the [Chief Finance Officer](#) and Monitoring Officer.
- (o) In developing alternative proposals, an Opposition Group must seek advice from the Chief Finance Officer. This is so the Chief Finance Officer can fulfil their statutory duty to comment on the robustness of the estimates and the adequacy of reserves contained within the alternative proposal as required by section 25 of the LGA 2003.
- (p) When considering any alternative budgets the [Council](#) shall consider each individually in the order they were received by the Governance Service. If following debate an alternative budget proposal is carried by way of a simple majority of those present and voting, then this amounts to an amendment to Cabinet's proposals and the steps specified in paragraphs (g) to (j) will be followed.

### **Decisions outside the budget or policy framework**

- 3.1 Subject to the provisions of Rule 9 (virement), the Elected Mayor and Cabinet (which includes a [committee of the Cabinet, Officers](#) to whom powers have been delegated as well as those acting under any joint arrangements that may be in place) may only make 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:

- (a) Contrary to any policy framework document, or
- (b) Contrary to, or not wholly in accordance, with the budget

approved by Full Council then that decision may only be made by Full Council, subject to rule 3.2 below.

- 3.2 If any body or person wants to make a decision to which Rule 4 applies, they must take advice from the Monitoring Officer and/or the Chief Financial Officer prior to making the decision. 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 discussion must be referred by the body or person to Full Council for decision, unless the decision is urgent in which case Rule 4 shall apply.

#### **Urgent decisions outside the budget or policy framework**

- 4.1. The Elected Mayor and Cabinet (which includes a committee of the Cabinet, Officers to whom powers have been delegated as well as those acting under any joint arrangements that may be in place), may make 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 made:
- (a) If it is not practical to convene a quorate meeting of Full Council; and
  - (b) If the [Chair](#) of the relevant Scrutiny Commission agrees that the decision is a matter of urgency. If the Chair of the relevant Scrutiny Commission is absent, then the consent of the [Speaker](#) must be sought. If both are absent, then the consent of the [Deputy Speaker](#) must be sought.
- 4.2 The reasons why 4.1(a) and (b) apply must be noted on the record of the decision.
- 4.3 Following the decision, the decision-maker will provide a full report to the next available Full Council meeting explaining the decision, the reasons for it, and why the decision was treated as a matter of urgency.

## Virement

5.1 [Virements](#) are restricted in the following ways:

- (a) [Chief Officers](#) may vire budget provision between budget heads within their areas of responsibility subject to the Financial Procedure Rules; and
- (b) The Elected Mayor and Cabinet may only vary directorate cash limits in the circumstances set out in the [Financial Procedure Rules](#).

## In-year changes to budget and policy framework

6.1 No changes to the budget or any plans or strategies which make up the policy framework may be made by Elected Mayor and Cabinet (which includes a committee of the Cabinet, Officers to whom powers have been [delegated](#) as well as those acting under any joint arrangements that may be in place) other than:

- (a) Changes necessary to ensure compliance with the law, ministerial direction or government guidance; or
- (b) Where Full Council has agreed in advance the circumstances in which changes may be made.

## Call-in of decisions outside the budget or policy framework

- 7.1 Where a Scrutiny Commission 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 the Chief Finance Officer.
- 7.2 The Monitoring Officer and/or Chief Finance Officer will prepare a report for Cabinet with a copy being sent to every member of the Council. If the Monitoring Officer and/or Chief Finance Officer concludes that the decision was a departure, then regardless of whether the decision was delegated or not, Cabinet must meet to decide what action to take in respect of the report and then prepare a report to Full Council. If the Monitoring Officer and/or the Chief Finance Officer concludes that the decision was not a departure, then a report must be prepared for the relevant Scrutiny Commission.
- 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 relevant Scrutiny Commission may refer the matter to Full Council.

- 7.4 In such cases, no further action will be taken in respect of the decision or its implementation until Full Council has met and considered the matter at its next normal meeting. At the meeting, Full Council will receive a report of the decision or proposals and the advice of the Monitoring Officer and/or the Chief Finance Officer. Full Council may either:
- (a) Endorse a decision or proposal as falling within the existing budget and policy framework. In this case no further action is required, except that the decision of Full Council will be minuted and circulated to all Councillors in the normal way; or
  - (b) Amend the Council's Financial Procedure Rules or the policy concerned to encompass the decision or proposal of the body or individual responsible for that [executive function](#) and agree the decision with immediate effect. In this case, no further action is required except that the decision of Full Council will be minuted and circulated to all Councillors in the normal way; or
  - (c) Accept that the decision or proposal is contrary to the policy framework, or contrary to or not wholly in accordance with the budget but not amend the existing framework to accommodate it. In this case, it may require the Cabinet to reconsider the matter in accordance with the advice of either the Monitoring Officer and/or Chief Financial Officer.