

BUDGET AND POLICY FRAMEWORK PROCEDURE RULES

1.	The Framework for Executive Decisions
	The Council will be responsible for the adoption and amendment of its Budget and Policy framework as set out in Article 4. Once the Budget and Policy Framework is in place, it will be the responsibility of the Executive to implement it.
2.	The Process for Developing the Framework
	The process by which the Budget and Policy Framework shall be developed or amended is:
(a)	At least 2 months before a plan/strategy/budget needs to be adopted, the Executive will publish initial proposals for the Budget and Policy Framework (or its amendment), having first canvassed the views of local stakeholders as appropriate and in a manner suitable to the matter under consideration. Details of the Executive's consultation process shall be included in relation to each of the matters in the forward plan, together with any other publicity the Executive deems appropriate. Any representations made to the Executive 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 Overview and Scrutiny Committee has carried out a review of policy, then the outcome of that review will be reported to the executive and considered in the preparation of initial proposals.
(b)	<p>The Executive's initial proposals shall be referred to the Overview and Scrutiny Committee for further advice and consideration. The proposals will be referred by sending a copy to the Chief Executive who will forward them to the Chair (and to every Member) of the Overview and Scrutiny Committee.</p> <p>The Overview and Scrutiny Committee shall canvass the views of local stakeholders if it considers it appropriate in accordance with the matter under consideration, and having particular regard not to duplicate any consultation carried out by the Executive. The Overview and Scrutiny Committee shall report to the Executive on the outcome of its deliberations. The Overview and Scrutiny Committee shall have six weeks to respond to the initial proposals of the Executive unless the Executive considers that there are special factors that make this time scale inappropriate. If it does, it will inform the Overview and Scrutiny Committee of the time for response when the proposals are referred to it.</p>

(c)	Having considered the report of the Overview and Scrutiny Committee, the Executive, 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 Overview and Scrutiny Committee.
(d)	The Council will consider the proposals of the Executive and may adopt them, amend them, refer them back to the Executive for further consideration, or substitute its own proposals in their place. In considering the matter, the Council shall have before it the Executive's proposals and any report from the Overview and Scrutiny committee.
(e)	The Council's decision will be publicised in accordance with the Local Government Act 1972 and a copy shall be given to the Leader. The notice of decision shall be dated and shall state either that the decision shall be effective immediately (if the Council accepts the Executive's proposals without amendment) or (if the Executive's proposals are not accepted without amendment), that the Council's decision will become effective on the expiry of five working days after the publication of the notice of decision, unless the Leader objects to it in that period.
(f)	If the Leader objects to the decision of the Council, they shall give written notice to the Chief Executive to that effect prior to the date upon which the decision is to be effective. The written notification must state the reasons for the objection. Where such notification is received, the Chief Executive shall convene a further meeting of the Council to reconsider its decision and the decision shall not be effective pending that meeting.
(g)	The Council meeting must take place within 10 working days of the receipt of the Leader's written objection. At that Council meeting, the decision of the Council shall be reconsidered in the light of the objection, which shall be available in writing for the Council.
(h)	The Council shall at that meeting make its final decision on the matter on the basis of a simple majority. The decision shall be made public in accordance with the Local Government Act 1972, and shall be implemented immediately.
(i)	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 executive, in accordance with paragraphs 5 and 6 of these Rules (Virement and In-Year Adjustments). Any other changes to the Budget and Policy Framework are reserved to the Council.
The foregoing rules shall be subject to the rules set out in Annex 2, which have effect in accordance with the Local Authorities (Standing Orders) (England) Regulations 2001.	

3.	Decisions outside the Budget or Policy Framework	
(a)	Subject to the provisions of paragraph 5 (Virement) the Executive, and any officers discharging executive functions may only take decisions which are in line with the Budget and Policy Framework. If either the executive or any officers discharging executive functions wish 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 4 below.	
(b)	If the Executive or any officers discharging executive functions 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 paragraph 4 (urgent decisions outside the Budget and Policy Framework) shall apply.	
4.	Urgent Decisions outside the Budget or Policy Framework	
(a)	The Executive 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:	
	(i)	if it is not practical to convene a quorate meeting of the full Council; and
	(ii)	if the Chair of the Overview and Scrutiny Committee agrees that the decision is a matter of urgency.
	The reasons why it is not practical to convene a quorate meeting of full Council and the Chair of the Overview and Scrutiny Committee'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 Chair of the Overview and Scrutiny Committee the consent of the Mayor, and in the absence of both the Deputy Mayor, will be sufficient.	
(b)	Following the decision, the decision taker will provide a full report to the next appropriate Council meeting explaining the decision, the reasons for it and why the decision was treated as a matter of urgency.	

5.	Virement
Steps taken by the Executive or officers discharging executive functions to implement Council policy shall not exceed those budgets allocated to each budget head. However, virement across budget heads will be allowed in accordance with the Financial Procedure Rules in Part 4 of this Constitution. Beyond such limits, approval to any virement across budget heads shall require the approval of the Full Council.	
6.	In-year Changes to Policy Framework
The responsibility for agreeing the Budget and Policy Framework lies with the full Council and decisions by the Executive or officers discharging executive functions must be in line with it. No changes to any policy or strategy which make up the policy framework may be made by that body or those 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)	necessary to ensure compliance with the law, ministerial direction 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.
7.	Call-in of Decisions outside the Budget or Policy Framework
(a)	Where the Overview and Scrutiny Committee 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.
(b)	In respect of functions which are the responsibility of the executive, the Monitoring Officer's report and/or Chief Finance Officer's report shall be to the Executive with a copy to every member of the Council. Regardless of whether the decision is delegated or not, the Executive 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 Chief Finance Officer conclude that the decision was a departure, and to the Overview and Scrutiny Committee if the Monitoring Officer or the Chief Finance Officer conclude that the decision was not a departure.

(c)	<p>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 Overview 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 working days of the request by the Overview 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 Chief Finance Officer. The Council may either:</p> <table border="1" data-bbox="383 625 1351 1318"> <tr> <td data-bbox="383 625 459 835">(i)</td><td data-bbox="459 625 1351 835">endorse a decision or proposal of the executive 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</td></tr> <tr> <td data-bbox="383 835 459 1077">(ii)</td><td data-bbox="459 835 1351 1077">amend the Council's Financial Procedure Rules or policy concerned to encompass the decision or proposal of the body or individual responsible for that executive 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</td></tr> <tr> <td data-bbox="383 1077 459 1318">(iii)</td><td data-bbox="459 1077 1351 1318">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 executive to reconsider the matter in accordance with the advice of either the Monitoring Officer or Chief Finance Officer.</td></tr> </table>	(i)	endorse a decision or proposal of the executive 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	(ii)	amend the Council's Financial Procedure Rules or policy concerned to encompass the decision or proposal of the body or individual responsible for that executive 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	(iii)	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 executive to reconsider the matter in accordance with the advice of either the Monitoring Officer or Chief Finance Officer.
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8.	Alternative Procedure for Re-Adoption of Policy						
<p>Where a Chief Officer, after consultation with the Monitoring Officer, proposes to recommend to Council or to the Executive that an existing policy of the Council be re-adopted, with or without minor revisions, they may submit a report to the Overview and Scrutiny Committee containing their recommendations. The Overview and Scrutiny Committee shall consider the recommendations and shall report to the Executive on the outcome of its deliberations. Where this procedure is followed, rules 2(a) and (b) shall not apply.</p>							