

Budget and Policy Framework Procedure Rules

References:

Chapter 2, *DETR Guidance*

The Local Authorities (Functions and Responsibilities) (England) Regulations 2000

1. The framework for decisions

References in these rules to the statutory policy framework are to the plans and strategies required by law to be adopted by the Council as set out in Article 4.

The Council will be responsible for the adoption of its statutory policy framework.

The Council will be responsible for adopting its budget prepared in accordance with the Financial Planning Rules in the Constitution.

The Council will also be responsible for the adoption of all other policies including those listed in the Constitution (Responsibility for Functions).

Once a budget or a policy within the statutory policy framework is in place, it will be the responsibility of the Council to implement it.

2. Procedure for policy development

The procedure for developing policies before they are submitted to Full Council, and policies that are not submitted to Full Council, shall be at the discretion of Policy and Resources Committee but the following procedure will usually be followed:

- (a) Policy and Resources Committee may initiate a new policy proposal, or a review of an existing policy, by undertaking consultation with the public and/or persons affected by it before referring it to Council or developing it in detail.
- (b) With or without such consultation, Policy and Resources Committee may refer the proposal or review to Council for discussion. Opposition Groups may also refer policy proposals to Council.

3. Procedure for budget preparation

The Council will follow the process set out in the Financial Regulations in the Constitution, or a similar process determined by it. This will include the following elements.

- (a) The Council will publish draft budget headlines for discussion at Policy and Resources;

- (b) Policy and Resources Committee will arrange detailed consultation with the public and others where necessary;
- (c) Policy and Resources will take into account any comments made during consultation, before deciding to refer the final budget proposals to full Council for adoption.

4. **Adoption of budget and policies within the statutory framework**

- (a) In the case of a policy that is within the statutory policy framework, and the final budget proposals (both of which are referred to full Council for adoption) the Council may:
 - adopt the proposals;
 - amend the proposals; or
 - refer the proposals back to Policy and Resources
- (b) If it accepts the recommendation of Policy and Resources Committee 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.
- (c) The decision will be published and notified to the Leader.
- (d) An in-principle decision will automatically become effective 7 days from the Council's decision, unless the Leader informs the Head of Governance in writing within 5 days that he/she objects and gives reasons why.
- (e) In that case the Head of Governance will place the matter on the agenda for the next Council meeting (and request the Mayor to summon an extraordinary Council meeting if necessary to meet a statutory deadline). The Council will be required to reconsider its decision and the Leader's written submission. The Council may:
 - approve Policy and Resources Committee's recommendation by a simple majority of votes cast at the meeting; or
 - approve a different decision, which does not accord with the recommendation of Policy and Resources Committee, by a simple majority.
- (f) The decision shall then be made public and implemented immediately.

5. **Decisions outside the budget or statutory policy framework**

- (a) Subject to relevant provisions in the Financial Regulations and Responsibility for Functions) Committees may only take decisions which are not contrary to the budget and statutory policy framework. If any of these bodies or persons wishes to make a decision which is contrary to the statutory 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 8 below.

- (b) If any Committee and any officers, area committees or joint arrangements 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 statutory 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 statutory 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 7 (urgent decisions outside the budget and statutory policy framework) shall apply.

6. Urgent decisions outside the budget or statutory policy framework

- (a) A Committee or officers, area committees or joint arrangements may take a decision which is contrary to the Council's statutory 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 Chairman of Policy and Resources Committee is of the opinion that the need for a decision is a matter of urgency.

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The reasons why it is not practical to convene a quorate meeting of full Council and the Chairman of Policy and Resources 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 Chairman of Policy and Resources Committee, the consent of the Mayor will be sufficient, and in the absence of both, the consent of the Deputy Mayor will be sufficient.

- (b) 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.

7. In-year changes to the policy framework

The responsibility for agreeing the budget and statutory policy framework lies with the Council, and decisions by Committees or officers, Area Sub-Committees or joint arrangements must not conflict with it. No changes to any policy and strategy which make up the statutory 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) necessary to ensure compliance with the law, ministerial direction or government guidance;

- (c) 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.