

## **Budget and Policy Framework Rules**

This section sets out the Budget and Policy Framework Rules set by Council, which Cabinet then has the responsibility to implement.

### **1 The Framework for Cabinet Decisions**

1.1 Council is responsible for approving and adopting the Budget and Policy Framework. Once a Budget and Policy Framework is in place, it will be the responsibility of the Cabinet to implement it.

1.2 The following comprise the Policy framework:

- Community Safety Partnership Plan
- Council Plan
- Food Law Enforcement Plan
- Housing Revenue Account Business Plan
- Housing Strategy
- Licensing Policy Statements under the Licensing Act 2003 and the Gambling Act 2005
- Development Plans, documents and alterations that together comprise the Local Plan
- Medium Term Financial Plan
- Treasury Management Strategy

### **2 Process for Developing the Budget and Policy Framework**

The Committee identified in the second column below should be notified of plans to adopt any plan, strategy or budget that forms part of the Budget and Policy Framework.

The plan, strategy or budget, together with any recommendations from the Committee, will then be reported to Cabinet who will confirm the contents of the document before recommending it to Council for adoption.

## SECTION 13 – BUDGET & POLICY FRAMEWORK RULES

<b>Plan, strategy or budget</b>	<b>Relevant body</b>
Medium Term Financial Plan (MTFP) including Housing Revenue Account	Joint Scrutiny Committee and Cabinet.
Community Safety Partnership Plan	Communities Scrutiny Committee
Council Plan	Scrutiny Committees and Cabinet
Housing Business Plan and Housing Strategy	Communities Scrutiny Committee
Licensing Policy Statements under the Licensing Act 2003 and the Gambling Act 2005	General Licensing Committee and Licensing and Gambling Acts Committee
Development Plans, documents and alterations that together comprise the Local Plan	Planning Committee and Cabinet
Treasury Management Strategy	Audit Committee

### **3 Decisions Outside the Budget or Policy Framework**

- (a) Subject to these rules the Cabinet, the Chief Executive Officer, a Director, Assistant Director or Senior Manager or any body under joint arrangements discharging Executive 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 the Council, then that decision may only be taken by the Council, subject to 4 below.
- (b) If the Cabinet, the Chief Executive Officer, a Director, Assistant Director, a Senior Manager or anybody under joint arrangements discharging Executive Functions want to make such a decision, they shall take advice from the Monitoring Officer and the Section 151 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 (MTFP). 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 Cabinet, the Chief Executive Officer, a Director, Assistant Director or a Senior Manager or anybody under joint arrangements discharging Executive functions may take a decision which is contrary to the Policy Framework or

## SECTION 13 – BUDGET & POLICY FRAMEWORK RULES

contrary to or not wholly in accordance with the Budget 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 Council Meeting; and
- (ii) if the Chairman of a Scrutiny Committee agrees that the decision is a matter of urgency.

The reasons why it is not practical to convene a quorate meeting of the Council Meeting and the Chairman of a 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 Chairman of a Scrutiny Committee, the consent of the Chairman of the Council, and in the absence of both, the Vice-Chairman of Council will be sufficient.

- (b) Following the decision, the decision taker will provide a full report to the next available meeting of Council explaining the decision, the reasons for it and why the decision was treated as a matter of urgency.

### **5 Virement**

- (a) In order to comply with the CIPFA Code of Practice, the Council shall have budget heads based on its current organisational structure for both the General Fund and Housing Revenue Account.
- (b) The rules for when budgets can be vired are contained in the Finance Rules.

### **6 In-Year Changes to Policy Framework**

The responsibility for agreeing the Budget and Policy framework lies with the Council, and decisions by the Cabinet, a Senior Officer or joint arrangements (if any) discharging Executive 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:

- (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 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;
- (d) in response to recommendations made by the Council's External Auditors.

### **7 Call-In of Decisions Outside the Budget or Policy Framework**

- (a) Where a 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

## SECTION 13 – BUDGET & POLICY FRAMEWORK RULES

accordance with the Council's Budget (MTFP), then it shall seek advice from the Monitoring Officer and Section 151 Officer.

- (b) In respect of functions which are the responsibility of the Cabinet, the Monitoring Officer's report and Section 151 Officer'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 the Section 151 Officer's report and to prepare a report to Council in the event that the Monitoring Officer and the Section 151 Officer conclude that the decision was a departure, and to the relevant Scrutiny Committee if the Monitoring Officer and the Section 151 Officer conclude that the decision was not a departure.
- (c) If the decision has yet to be made, or has been made but not yet implemented, and the advice from the Monitoring Officer and the Section 151 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 (MTFP), the relevant 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. At the meeting it will receive a report of the decision or proposals and the advice of the Monitoring Officer and the Section 151 Officer. The Council may either:
  - (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 Finance 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 (MTFP) and does not amend the existing framework or accommodate it, require the Cabinet to reconsider the matter in accordance with the advice of the Monitoring Officer and Section 151 Officer.

### **8 Decisions within the Budget and Policy Framework**

Where a decision is that of Cabinet within the Budget and Policy Framework, the views of Council may be sought in advance of and to inform the decision of Cabinet. To this end, an agenda item (including a presentation if appropriate) will be placed on the Council agenda.