

## **Budget and Policy Framework Procedure Rules**

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

The Council will be responsible for the adoption of its Budget and of its Policy Framework as set out in Article 4. The Budget and the Policy Framework adopted by the Council will be based on that proposed by the Cabinet. Once a Budget or a Policy Framework is in place, it will be the responsibility of the Cabinet to operate within it.

### **2. Process for obtaining Approval of the Budget**

The process by which the Budget shall be approved is as follows:

- (a) The Cabinet will publicise by including it in the forward work programme a timetable for making proposals to the Council for the approval of the Budget, and its arrangements for consultation upon its initial Budget proposals. The Chairpersons of Overview and Scrutiny Committees will also be notified of the initial Budget proposals. The consultation period shall be not less than 4 weeks. If an Overview and Scrutiny Committee wishes to respond to the Cabinet in that consultation process then it may do so.
- (b) At the end of the consultation period and in accordance with the published timetable, the Cabinet will draw up firm proposals having regard to the responses to that consultation. The Cabinet will take any response from an Overview and Scrutiny Committee and other consultees into account in drawing up firm Budget proposals for submission to the Council, and its report to the Council will reflect the comments made by consultees and the Cabinet's response;
- (c) Once the Cabinet has approved the firm Budget proposals, the proper officer will refer them at the earliest opportunity to the Council for decision;
- (d) In reaching a decision, the Council may adopt the Cabinet's proposals, amend them, refer them back to the Cabinet for further consideration, or in principle, substitute its own proposals in their place. Any alternative budget proposals must be submitted in sufficient time for officers to fully consider them and advise the Council on the implications thereof. Any proposed amendment must be submitted in the form of a written report to the Chief Executive and the Section 151 Officer at least three working days before the date on which the annual budget is to be adopted by the Council. Any amendment will only be acceptable if it proposes a budget which balances overall income with expenditure for the year. The source of funding any proposals must be robust and defined and accepted as such by the Section 151 officer.
- (e)
- (f) If Council accepts the Cabinet's proposals without amendment, the Council may make a decision which is final. 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;
- (g) The decision will be publicised and a copy shall be given to the Leader;
- (h) An in-principle decision will automatically become effective 5 working days from the date of the Council's decision, unless the Leader informs the proper officer

in writing before the end of that period that he/she objects to the decision becoming effective and provides reasons why;

- (i) In that case, the proper officer will call a Council meeting within a further 5 working days. The Council will be required to re-consider its decision and the Leader's written submission. The Council may:
  - i) approve the Cabinet's proposals by a simple majority of votes cast at the meeting;
  - or
  - (ii) approve a different decision which does not accord with the Cabinet's proposals by a simple majority;

The decision shall then be made public, and shall be final.

### **3. Process for Developing the Policy Framework**

The process by which the Policy Framework shall be developed is as follows:

- (a) The Cabinet will publicise by including it in the forward work programme a timetable in accordance with which it will make proposals to the Council for the adoption or modification of any plan, policy or strategy that forms part of the Policy Framework.
- (b) Overview and Scrutiny Committees will publicise by including it in the forward work programme a timetable in accordance with which it will make proposals to the Council for the adoption or modification of any plan, policy or strategy that forms part of the Policy Framework but prior to doing so will consult Cabinet.
- (c) Any Chief Officer may make proposals to the Council for the adoption or modification of any plan, policy or strategy that forms part of the Policy Framework, but prior to doing so will consult the relevant Overview and Scrutiny Committee and Cabinet;

The Council will consider the proposals of the Cabinet, Chief Officer and Overview and Scrutiny Committee and may adopt them, amend them, refer them back to the Cabinet, Chief Officer and Overview and Scrutiny Committee for further consideration, or substitute its own proposals in their place;

If the Council accepts the proposals of the Cabinet, Chief Officer and Overview and Scrutiny Committee without amendment their decision is effective immediately. The Council's decision will be publicised

- (d) If the proposals of the Cabinet, Chief Officer and Overview and Scrutiny Committee are not accepted without amendment, the decision will be provisional. The decision will become effective on the expiry of 10 working days after the publication of the decision, unless the Leader formally objects to it in that period.
- (e) If the Leader objects to the decision of the Council, then the Leader shall give written notice to the proper officer to that effect prior to the date upon which the decision is to become effective. The written notification must state the reasons for the objection. Where such notification is received, the proper officer shall convene a further meeting of the Council to re-consider its decision and the decision shall not be effective pending that meeting;

- (f) The Council must take place within 10 working days of the receipt of the Leader's written objection. At that Council meeting, the previous decision of the Council shall be re-considered in the light of the objection, which shall be available in writing for the Council;
- (g) The Council's decision, if not in accordance with the recommendation of the Cabinet, shall require a simple majority of those voting at the meeting;
- (h) The decision shall then be made public, and shall be implemented immediately;
- (i) In approving the Policy Framework the Council will also specify the degree of in-year changes to the Policy Framework which may be undertaken by the Cabinet in accordance with paragraph 6 of these Rules (In-year changes to the Policy Framework). Any other changes to the Policy Framework are reserved to the Council.

#### **4. Decisions outside the Budget and/or Policy Framework**

- (a) Subject to the provisions of the Financial Procedure Rules in Part 4 of this Constitution relating to virement and to the provisions of paragraph 5 of these Rules (Urgent decisions outside the Budget and/or Policy Framework) the Cabinet, a committee of the Cabinet, an individual member of the Cabinet and any officers, area committees or joint arrangements discharging executive functions may only take decisions in line with the Budget and the 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 full Council, then that decision may only be taken by the Council, subject to paragraph 5 of these Rules and the Schemes of Delegation of Functions.
- (b) If the Cabinet, a committee of the Cabinet, an individual member of the Cabinet and any officers, area committees or joint arrangements discharging executive functions want to make such a decision, they shall take advice from the Monitoring Officer and/or the Chief Financial 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 of paragraph 5 of these Rules shall apply.

#### **5. Urgent decisions outside the Budget and/or Policy Framework**

- (a) The Cabinet, a committee of the Cabinet, an individual member of the Cabinet and any officers, area committees or joint arrangements discharging executive functions may take a decision which is contrary to the Policy Framework or contrary to or not wholly in accordance with the Budget approved by the 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 Chairperson of a relevant Overview and Scrutiny Committee agrees that the decision is a matter of urgency;

- (b) The reasons why it is not practical to convene a quorate meeting of the full Council and the chairperson of the relevant 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 chairperson of a relevant Overview and Scrutiny Committee the consent of the Mayor, and in the absence of the Mayor the Deputy Mayor, will be sufficient;
- (c) 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.

## **6. In-year Changes to the Policy Framework**

The responsibility for agreeing the Policy Framework lies with the Council, and decisions by the Cabinet, a committee of the Cabinet, an individual member of the Cabinet and any officers, area committees or joint arrangements discharging executive functions must be in line with it. No changes to any plan, policy or strategy 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 a service to meet a budgetary constraint;
- (b) necessary to ensure compliance with the law, a direction issued by a government minister or by the National Assembly for Wales or government guidance;
- (c) in relation to the Policy Framework in respect of a plan, policy or strategy 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 and/ or the Policy Framework**

- (a) Where an Overview and Scrutiny Committee is of the opinion that a 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 may call in that decision and having determined to call in that decision shall seek advice from the Monitoring Officer and/or the Chief Finance Officer;
- (b) Having determined that a proposed or actual decision is outside the budget or policy framework the Overview and Scrutiny Committee may refer the matter to Cabinet or Council in accordance with the Overview and Scrutiny procedure rules;
- (c) Should the Monitoring Officer or the Chief Finance Officer be of the view that a proposed or actual decision is outside the budget or policy framework each may report to Council.
- (d) 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/or the Chief Finance Officer's report and prepare a report to the 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;

- (e) 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 the 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:
- i) endorse a decision or proposal as falling within the existing Budget and/or the 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 Budget or the plan, policy or strategy 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 Budget or the plan, policy or strategy concerned to accommodate it, require the Cabinet to re-consider the matter in accordance with the advice of the Monitoring Officer and/or the Chief Finance Officer.