

BUDGET AND POLICY FRAMEWORK PROCEDURE RULES

1.0 THE FRAMEWORK FOR EXECUTIVE DECISIONS

- 1.1 The Full Council will be responsible for the adoption of the Budget and Policy Framework as set out in Article 4. Once the framework is in place, it will be the responsibility of the Executive to act in conformity with it.

2.0 PROCESS FOR DEVELOPING THE FRAMEWORK

- 2.1 At least two months before a plan/strategy/budget needs to be adopted, the Executive¹ will publish its initial proposals, for the plan, strategy or budget within the Budget and Policy Framework, 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 publicised in an appropriate manner. 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 a Scrutiny Board 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.
- 2.2 The Executive's initial proposals shall be referred to the appropriate Scrutiny Board for further advice and consideration. The proposals will be referred by sending a copy to the Head of Governance and Scrutiny Support who will forward them to the Chair(s) of the Scrutiny Board(s). If there is/are no such chair(s), a copy must be sent to every Member of the appropriate Scrutiny Board. The Scrutiny Board shall further 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 Scrutiny Board shall report to the Executive on the outcome of its deliberations. The Scrutiny Board 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 timescale inappropriate. If it does, it will inform the Scrutiny Board of the time for response when the proposals are referred to it.
- 2.3 Having considered the report of the Scrutiny Board, 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 Scrutiny Board.
- 2.4 The Council will consider the proposals of the Executive and subject to Rule 3 below 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 Scrutiny Board.

¹ Directors have delegated authority to canvas the views of local stakeholders, formulate and publish initial proposals within the budget and policy framework on behalf of the executive.

3.0 CONFLICT RESOLUTION MECHANISM

- 3.1 Where (before 8th February in relation to the budget only) the Executive has submitted estimates of amounts within the budget or precept or a draft plan/strategy for consideration by the Council, and the Council has any objections to the amounts, estimates or draft, then before amending, approving or adopting it, the Council must inform the Leader of its objections and give him instructions requiring the Executive to reconsider the estimates or draft plan/strategy in the light of those objections within a specified period.
- 3.2 Within the period specified by the Council (which must be at least 5 working days), the Leader may:
- (a) submit to the Council for consideration a revised draft, estimates, amounts with the Executive's reasons for any amendments or;
 - (b) inform the Council of any disagreement the Executive has with any of the Council's objections and the Executive's reasons for such disagreement.
- 3.3 After the expiry of the period specified by the Council, when amending, adopting or approving the draft or revised estimates, the Council must take into account.
- (a) any amendments included in the draft plan/strategy/estimates;
 - (b) the Executive's reasons for those amendments;
 - (c) any disagreement the Executive had with any of the authority's objections; and
 - (d) the Executive's reasons for that disagreement submitted to the Council within the period it specified.
- 3.4 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 and shall be implemented immediately.
- 3.5 In approving the Budget and Policy Framework, the Council shall 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 Rules 4 and 5 of these Rules (virement and in-year adjustments). Any other changes to the Budget and Policy Framework shall be reserved to the Council.

4.0 VIREMENT

- 4.1 The Council shall have budget heads as specified from year to year in the Annual Budget Plan and Management Control Document as approved by the Council and other budget headings which may from time to time be appropriate.
- 4.2 Steps taken by the Executive, a committee of the Executive, an officer, Community Committees, the Health and Wellbeing Board or joint arrangements

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discharging executive functions to implement Council policy shall not result in those budgets allocated to each budget head being exceeded. However, such bodies or individuals shall be entitled to vire across budget headings subject to value limits set out in the Financial Procedure Rules. Different delegated value limits apply to different budget headings. The types of virement allowed and the maximum delegated limits are set out in detail within the Financial Procedure Rules. Beyond those limits, approval to any virement across budget heads shall require the approval of the full Council.

5.0 IN-YEAR CHANGES TO POLICY FRAMEWORK

- 5.1 The responsibility for agreeing the Budget and Policy Framework lies with the Council, and decisions by the Executive, a committee of the Executive, officer, Community Committees, the Health and Wellbeing Board or joint arrangements 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) which relate to policy in relation to schools, where the majority of school governing bodies agree with the proposed change; or
 - (d) where, when approving the framework, the Council gave specific authority to the Executive to make in-year changes.