

BUDGET AND POLICY FRAMEWORK PROCEDURE RULES

1. The Framework for Decisions

In these Procedure Rules ‘**Budget**’ and ‘**Policy Framework**’ have the meanings given to them in Article 4 of the Constitution.

For the avoidance of doubt, any of the functions or responsibilities of the Chief Finance Officer in these Procedure Rules may be discharged by such officers who may be nominated by her/him from time to time to exercise those duties on her/his behalf.

The Council will be responsible for the adoption of its Budget and Policy Framework as set out in Article 4. Once a Budget or a Policy Framework (or any constituent part of this) is in place, it will be the responsibility of Committees of the Council to implement it to the extent that this involves the discharging of any functions delegated to a Committee in Part 3 of this Constitution.

The arrangements for the management of the Council's Budget are set out in the Financial Procedure Rules (The Financial Regulations) which appear later in this part of the Constitution.

In addition, the following provisions apply:-

2. Process for preparing the Budget

The process by which the Budget shall be developed is:-

- (a) The Strategy and Resources Committee will publish a timetable for making proposals to the Council for the adoption of the Revenue Budget and Capital Programme and its arrangements for any consultation after publication of those proposals. The consultation period will be not less than 6 weeks
- (b) At the end of the consultation period, the Committee will draw up firm proposals for submission to the Council, taking account of responses to the consultation.
- (c) The proposals drawn up by the Committee for the adoption of the Revenue Budget and Capital Programme must then be referred by the Proper Officer, at the earliest opportunity, to the Council for decision.
- (d) In reaching a decision on the Committee's proposals, the Council may approve them, amend them, or substitute and approve its own proposals in their place.

- (e) In approving the Revenue Budget and Capital Programme, the Council will also specify the degree of in-year changes which may be made by a Committee of the Council under the rules relating to virement within the Revenue Budget and Capital Programme, as set out in the Financial Regulations and associated Codes of Practice (see 5 below).

Any other changes to the Revenue Budget or Capital Programme are reserved to the Council.

3. Decisions contrary to the Policy Framework, or contrary to or not wholly in accordance with the approved Budget.

Subject to the rules relating to urgency (see 4 below) and virement (see 5 below), 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 may only be taken by the Full Council.

If any Committee or any officers, Area Committees or joint arrangements which discharge Council functions have any doubt whether a proposed decision is in accordance with the approved Budget, they shall take advice from the Monitoring Officer and the Chief Finance Officer.

If the advice of **either** of those officers is that a decision would be contrary to the Policy Framework, or contrary to or not wholly in accordance with the Budget, then, again subject to the rules on virement, the decision may only be taken by the Council, unless it is a matter of urgency (see 4 below).

4. Urgent decisions contrary to the Policy Framework, or contrary to or not wholly in accordance with the approved Budget

A decision which is contrary to the Policy Framework, or contrary to or not wholly in accordance with the approved Budget but which is a matter of urgency may be taken other than by the Council only if:

- (i) it is not practical to convene a quorate meeting of the Full Council; and
- (ii) if the Lord Mayor or the Deputy Lord Mayor agrees that the decision is a matter of urgency.

The reasons why it is not practical to convene a quorate meeting of the Council and the consent of the Lord Mayor or the Deputy Lord Mayor to the decision being taken as a matter of urgency must be noted on the record of the decision.

Following the decision, the Chair of the Committee which made the decision, or if an officer 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 a matter of urgency.

5. Virement

The rules relating to virement within the Revenue Budget and Capital Programme are set out in the Financial Regulations and associated Codes of Practice.

6. In-year Changes to the Budget and Policy Framework

The responsibility for agreeing the Budget and Policy Framework lies with the Council, and decisions by any Committee or any officer or joint arrangements discharging Council functions must be in line with it. No changes to any policy or 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) 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.

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