

CHAPTER 3 – 4 - BUDGET AND POLICY FRAMEWORK RULES

The Council will be responsible for the adoption of the Budget and Policy Framework as set out below.

The Budget and Policy Framework is the Framework within which Cabinet must make decisions. Except where there are Urgent Decisions, they must only make decisions which conform to the approved Framework.

1.0 What is the Budget and Policy Framework

1.1 The following is a list of the plans and strategies, which make up the Budget and Policy Framework

- Plan, Strategy or Budget
- Corporate Delivery Plan
- the Development Plan
- Licensing Policy
- Single Equality Scheme
- Commercial Strategy
- Plans and Strategies which together form the budget
- Melton Community Strategy Plan
- Pay Policy
- Sustainable procurement strategy

2.0 How the Framework is developed

2.1 If appropriate, relevant decision making bodies shall be notified of plans to adopt any plan, strategy or budget that forms part of the Budget and Policy Framework and offered the opportunity to consider them.

2.2 The plan, strategy or budget together with any recommendations from the relevant decision making body will then be reported to Cabinet who is responsible for making a proposal to Council to inform the Budget and Policy Framework.

2.3 Council is responsible for the adoption of the Budget and Policy Framework.

2.4 Once the Budget and Policy Framework is in place, it will be the responsibility of the Cabinet to implement it. Except where there is an Urgent Decision, the Cabinet must make decisions within the approved Budget and Policy Framework. The Monitoring Officer and/or Chief Finance Officer shall determine whether a decision is within the Budget and Policy Framework.

3.0 Process for obtaining approval of the Budget

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

- 3.2 The Cabinet will publicise by including it in the [Forward Plan](#) a timetable for making proposals to the Council for the approval of the Budget, and its arrangements for consultation upon its initial Budget proposals.
- 3.3 The Chair of the Scrutiny Committee will also be notified of the initial Budget proposals.
- 3.4 If the Scrutiny Committee wishes to respond to the Cabinet in that consultation process then it may do so.
- 3.5 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 the 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.
- 3.6 Once the Cabinet has approved the firm Budget proposals, the Proper Officer will refer them at the earliest opportunity to the Council for decision.
- 3.7 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.
- 3.8 Submission of Budget Amendments

Following publication of budget recommendations there will be a period of five clear working days during which amendments or alternatives (referred to here collectively as "amendments") to the budget recommendations may be proposed. Amendments shall be in writing and must be delivered to the Chief Executive within the period mentioned above. Amendments need not be seconded. Subject to the rules relating to Budget Council contained within the Council Functions and Procedure Rules amendments received outside this period will be invalid.

Any amendments will only be acceptable if it proposes a budget which balances overall income with expenditure for the year taking into account any use of reserves. The source of funding any proposals must be robust and defined and accepted as such by the Chief Finance Officer.

An alternative budget is one which provides an alternative to each recommendation proposed by the Cabinet.

4.0 **Process for Developing the Policy Framework**

- 4.1 The process by which the Policy Framework shall be developed is as follows:
 - The Council's Forward Plan shall detail when proposals will be made by Cabinet to the Council for the adoption or modification of any plan, policy or strategy that forms part of the Policy Framework. Scrutiny Committee shall be consulted if relevant.

4.2 The Council will consider the proposals of the Cabinet and may;

- adopt them
- amend them
- refer them back to the Cabinet for further consideration
- substitute its own proposals in their place

4.3 If the Council accepts the proposals of the Cabinet without amendment their decision is effective immediately. If the proposals of the Cabinet 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.

4.4 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.

4.5 The Council meeting 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;

4.6 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;

4.7 The decision shall then be made public, and shall be implemented immediately;

5.0 Decisions Outside the Budget or Policy Framework

5.1 Subject to the Financial Procedure Rules, the Cabinet and any Officers may only take decisions which are in line with the Budget and Policy Framework.

5.2 If the Cabinet and any Officers discharging Cabinet functions want to make such a decision, they shall take advice from the Monitoring Officer, the Chief Finance Officer and the Chief Executive as to whether the decision they want to make would be contrary with the Budget and Policy Framework or would not be wholly in accordance with the Budget approved by Council.

5.3 If the advice of the three Officers is that the decision would not be in line with the existing Budget and 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 for Urgent Decisions Outside the Budget and Policy Framework shall apply.

6.0 Urgent Decisions Outside the Budget and Policy Framework

6.1 The Cabinet or Officers discharging Cabinet functions may take a decision which is contrary to the Council's Budget and Policy Framework or not wholly in accordance with the Budget approved by Council if the decision is a matter of urgency.

6.2 However, the decision may only be taken:-

- if it is not practical to convene a quorate meeting of the Council; and
- if the Chair of the Scrutiny Committee agrees that the decision is a matter of urgency.

6.3 In the absence of the Chair of the Scrutiny Committee the consent of the Mayor of the Council, and in the absence of both, the consent of the Deputy Mayor will be sufficient.

6.4 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.

7.0 Virement Provisions

7.1 This is determined in the Financial Procedure Rules.

8.0 In Year Changes to Policy Framework

8.1 No changes to any policy and strategy which make up the Budget and Policy Framework may be made except those changes:-

- which are necessary to ensure compliance with the law, ministerial direction or government guidance;
- Where the Council gave specific authority to make in-year changes

9.0 Call In of Decisions Outside the Budget and Policy Framework

9.1 The Call In Procedure shall apply.