

# Budget and Policy Framework Procedure Rules

## THE FRAMEWORK FOR EXECUTIVE DECISIONS

1. The Council will be responsible for the adoption of its budget and policy framework. Once a budget or a policy framework is in place, it will be the responsibility of Cabinet to implement it.

## PROCESS FOR DEVELOPING POLICY FRAMEWORK

2. The process by which the budget and policy framework shall be developed is :-
  - (a) before a plan/strategy/budget needs to be adopted, Cabinet will publish initial proposals for 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 Cabinet's consultation process shall be included in relation to each of these matters in the Forward Plan and published at the Town Hall, Darlington. Any representations made to Cabinet 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 Committee has carried out a review of policy, then the outcome of that review will be reported to Cabinet and considered in the preparation of initial proposals.
  - (b) Cabinet's initial proposals shall be referred to the relevant Scrutiny Committee for further advice and consideration. The proposals will be referred by sending a copy to the Proper Officer (the Borough Solicitor) who will forward them to the Chair of the relevant Scrutiny Committee. If there is no such Chair, a copy must be sent to every Member of that Committee. The Scrutiny Committee shall 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 Cabinet. The Scrutiny Committee shall report to Cabinet on the outcome of its deliberations. The Scrutiny Committee shall have four weeks to respond to the initial proposals of Cabinet unless Cabinet considers that there are special factors that make this timescale inappropriate. If it does, it will inform the Scrutiny Committee of the time for response when the proposals are referred to it.
  - (c) having considered the report of the Scrutiny Committee, Cabinet, 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 Committee.
  - (d) before the Council :-
    - (i) amends a draft plan or strategy;
    - (ii) approves for the purpose of its submission to the Secretary of State or any Minister of the Crown for his/her approval, any plan or strategy (whether or not in the form of a draft) of which any part is required to be so submitted; or

- (iii) adopts (with or without modification) the plan or strategy,

it must inform the Leader of the Council of any objections which it has to the draft plan or strategy and must give to him/her instructions requiring the Cabinet to reconsider, in the light of those objections, the draft plan or strategy submitted to it.

- (e) where the Council gives instructions in accordance with paragraph (d) above, it must specify a period of at least five working days beginning on the day after the date on which the Leader receives the instructions on behalf of the Cabinet within which the Leader may -
  - (i) submit a revision of the draft plan or strategy as amended by the Cabinet (the 'revised draft plan or strategy'), with the Cabinet's reasons for any amendments made to the draft plan or strategy, to the Council for the Council's consideration; or
  - (ii) inform the Council of any disagreement that the Cabinet has with any of the Council's objections and the Cabinet's reasons for any such disagreement.
- (f) when the period specified by the Council, referred to in paragraph (e) above, has expired, the Council must, when -
  - (i) amending the draft plan or strategy or, if there is one, the revised draft plan or strategy;
  - (ii) approving for the purpose of its submission to the Secretary of State or any Minister of the Crown for his approval, any plan or strategy (whether or not in the form of a draft or revised draft) of which any part is required to be submitted; or
  - (iii) adopting (with or without modification) the plan or strategy,

take into account any amendments made to the draft plan or strategy that are included in any revised draft plan or strategy, the Cabinet's reasons for those amendments, any disagreement that the Cabinet has with any of the Council's objections and the Cabinet's reasons for that disagreement, which the Leader submitted to the Council, or informed the Council of, within the period specified.
- (g) subject to paragraph (k) below, where, before 8th February in any financial year, the Cabinet submits to the Council for its consideration in relation to the following financial year -
  - (i) estimates of the amounts to be aggregated in making a calculation (whether originally or by way of substitute) in accordance with any sections 32 to 37 or 43 to 49, of the Local Government Finance Act 1992;
  - (ii) estimates of other amounts to be used for the purpose of such a calculation;
  - (iii) estimates of such a calculation; or

- (iv) amounts required to be stated in a precept under Chapter IV of Part I of the Local Government Finance Act 1992,

and following consideration of those estimates or amounts the authority has any objections to them, it must take the action set out in paragraph (h) below.

- (h) before the Council makes a calculation (whether originally or by way of substitute) in accordance with any of the sections referred to in paragraph (g(i)) above, or issues a precept under Chapter IV of Part I of the Local Government Finance Act 1992, it must inform the Leader of any objections which it has to the Cabinet's estimates or amounts and must give him/her instructions requiring the Cabinet to reconsider, in the light of those objections, those estimates and amounts in accordance with the Council's requirements.
- (i) where the Council gives instructions in accordance with paragraph (h) above, it must specify a period of at least five working days beginning on the day after the date on which the Leader receives the instructions on behalf of the Cabinet within which the Leader may -
  - (i) submit a revision of the estimates or amounts as amended by the Cabinet ('revised estimates or amount'), which have been reconsidered in accordance with the Council's requirements, with the Cabinet's reasons for any amendments made to the estimates or amounts, to the Council for the Council's consideration; or
  - (ii) inform the Council of any disagreement that the Cabinet has with any of the Council's objections and the Cabinet's reasons for any such disagreement.
- (j) when the period specified by the Council, referred to in paragraph (i) above, has expired, the Council must, when making calculations (whether originally or by way of substitute) in accordance with the sections referred to in paragraph (g(i)) above, or issuing a precept under Chapter IV of Part I of the Local Government Finance Act 1992, take into account -
  - (i) any amendments to the estimates or amounts that are included in any revised estimates or amounts;
  - (ii) the Cabinet's reasons for those amendments;
  - (iii) any disagreement that the Cabinet has with any of the Council's objections; and
  - (iv) the Cabinet's reasons for that disagreement,

which the Leader submitted to the Council, or informed the Council of, within the period specified.

- (k) paragraphs (g) to (j) shall not apply in relation to -
- (i) calculations or substitute calculations which an authority is required to make in accordance with section 52I, 52J, 52T or 52U of the Local Government Finance Act 1992; and
  - (ii) amounts stated in a precept issued to give effect to calculations or substitute calculations made in accordance with section 52J or 52U of that Act.
- (l) the Council meeting must take place within seven working days of the receipt of the Leader's written objection (unless the objection relates to an urgent matter when a Special urgent meeting of Council will be called to enable this Council to meet urgent timescale). At that Council meeting, the decision of the Council shall be reconsidered in the light of the objection, which shall be available in writing for the Council.
- (m) 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.
- (n) in approving the budget and policy framework, the Council will also specify the extent of virement within the budget and degree of in-year changes to the policy framework which may be undertaken by Cabinet, in accordance with these Rules (virement and in-year adjustments). Any other changes to the Budget and Policy Framework are reserved to the Council.
- (o) if it is impracticable to convene a quorate meeting of the Full Council, before a decision which is contrary to the Budget and Policy Framework must be taken, such a decision may be taken by Cabinet, if the Chair or Vice-Chair of the relevant Scrutiny Committee agrees that the decision may reasonably be regarded as urgent in the circumstances.
- (p) if the Chair or Vice-Chair of the relevant Scrutiny Committee is not available, then the Leader (or in his/her absence), the Deputy Leader, must decide if the decision may reasonably be regarded as urgent. If the relevant person does not agree that the decision may reasonably be regarded as urgent in the circumstances then the matter must be referred to Full Council for a decision.
- (q) after making such an urgent decision, the person responsible for it must, as soon as reasonably practicable, provide to the Full Council, a report explaining the decision, the reasons for it and the reasons why the decision was urgent.