

1. SECTION 6 – BUDGET AND POLICY FRAMEWORK PROCEDURE RULES

1.1 Programme Set by Council

- 1.1.1 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 is in place, it will be the responsibility of the Policy Finance and Development Committee and Officers to implement it.

1.2 Process for Developing the Framework

- 1.2.1 The process by which the budget and policy framework shall be developed is:
- 1.2.2 Each year the Council will agree a process for the development of the annual budget and policy framework. The programme will be widely published.
- 1.2.3 The Policy, Finance and Development Committee will prepare the Council's budget, after full consideration of financial and policy matters arising from 1.2.2, and will make recommendations to the Council regarding development.

1.3 Decisions Outside the Budget or Policy Framework

- 1.3.1 Subject to the provisions of paragraph 1.5 (virement) if any Committee or person 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 Full Council, then that decision may only be taken by the Council, subject to 1.4 below.
- 1.3.2 If Committees and any Officers 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 in paragraph 1.4 (urgent decisions outside the budget and policy framework) shall apply.

1.4 Urgent Decisions Outside the Budget or Policy Framework

- 1.4.1 A Committee or Senior Officers may take a decision which is contrary to the Council's policy framework or contrary to or not wholly in accordance with the

budget approved by Full Council if the decision is a matter of urgency where:

- (a) It is not practical to convene a quorate meeting of the Full Council; and
- (b) If the Chair of the Policy, Finance and Development Committee agrees that the decision is a matter of urgency.

- 1.4.2 The reasons why it is not practical to convene a quorate meeting of Full Council must be noted on the record of the decision. In the absence of the Chair of the Policy Finance and Development Committee, the consent of the Leader and in the absence of both, the Deputy Leader of the Council will be sufficient.
- 1.4.3 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.

1.5 Virement

- 1.5.1 Steps taken by a Committee or Officers, shall not exceed those budgets allocated to each budget head. However, such bodies or individuals shall be entitled to vire across budget heads subject to the following constraints:
- 1.5.2 Virement is permitted between budgets for revenue and capital expenditure in accordance with the Virement Authorisation Limits as set out at para. 6.3. of the Financial Procedure Rules. The transfer of revenue budgets will exclude those relating to employees, recharges, capital charges and income.

1.6 In-Year Changes to Policy Framework

- 1.6.1 The responsibility for agreeing the Budget and Policy Framework lies with the Council and decisions taken by the Policy Finance and Development Committee and Officers 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;

- (d) Which will result in the settlement of costs awarded against the Council or tribunal or court action or threat of action in any matter which, if not settled, would put the Council at real risk of greater prejudice;
- (e) For which provision is made within the relevant budget or policy.