



COUNCILLOR PHIL DAVIES

CABINET

18 DECEMBER 2017

**BUDGET DECISION COUNCIL
5TH MARCH PROCEDURE AND
RULES**

Councillor Phil Davies, Leader of the Council, said:

“The Agenda and Procedure proposed in this report sets out and enables the requisite arrangements to be put in place for Council to effectively debate and agree its Budget for 2018/19 financial year and thereafter.”

REPORT SUMMARY

This report proposes that Cabinet recommends to Council the Agenda and Procedure for Budget Council (5 March 2018) set out at Appendix 1 and consequential changes to the Budget and Policy Framework Procedure Rules be approved.

RECOMMENDATION/S

That Cabinet agrees that it recommends:

- a) the Agenda and Procedure for Budget Council to be held on 6 March 2017 set out at Appendix 1 to this report for approval;
- b) that the Assistant Director: Law and Governance be authorised to make changes to the Agenda and/or Procedure for Budget Council set out at Appendix 1 in consultation with the three Political Group Leaders and the Mayor; and
- c) that Council adopt the changes to the Budget and Policy Framework Procedure Rules (standing orders), Part 4(c) of the Council’s Constitution, as set out at Appendix 2.

SUPPORTING INFORMATION

1.0 REASONS FOR RECOMMENDATIONS

- 1.1 The proposed agenda and process allows for the Council meeting of 5th March 2018 to fully and properly consider the budget decision to be made for the forthcoming year.
- 1.2 The changes recommended to the Council in respect of the Budget and Policy Framework Procedure Rules (standing orders) regularise the process of the Council meeting and fully accord with the Local Authorities (Standing Orders) (England) Regulations 2001(as amended).

2.0 OTHER OPTIONS CONSIDERED

- 2.1 No other options were considered given that all three Political Group Leaders were consulted in relation to the proposed Council Budget Procedure.

3.0 BACKGROUND AND KEY ISSUES

- 3.1 Council meets each year to consider the budget proposals recommended by this Cabinet and thereby set the Council's Budget and the council tax for the forthcoming year.
- 3.2 Whereas ordinary meetings of the Council cover several decisions to be made to fulfil the authority's responsibility to exercise its functions and topics to be considered that affect the Borough, such an important decision requires the Council to place a greater focus on the just one decision at one meeting. Accordingly, it is common practice to suspend Council Standing Orders in relation to consideration of motions and amendments and, instead, to follow an alternate procedure to provide a more focussed and clear debate on the one topic. In addition, the mandatory procedures required of the Council in pursuing the meeting are somewhat different to normal procedures.
- 3.3 The Council has in previous years publicised the proposed alternate procedure through this report to the Cabinet, which is aided by rule 13 of the Council Procedure Rules (standing orders) relating to meetings of the Council, providing advance notice of the intention of proceedings at Council. This thereby provides advance notice of the how proceedings at the budget decision meeting(s) of the Council is intended to run.
- 3.4 Set out as per previous years' arrangements, the draft agenda for the Council meeting and the process recommended to the Mayor and the Council meeting are attached as Appendix 1.
- 3.5 The specific rules that the Cabinet and the Council are required to follow in formulating the budget proposals and then considering and making the budget decision are set out in their own set of standing orders, related only to this process. These standing orders are the Budget and Policy Framework Procedure Rules and are set out as Part 4(c) of the Council's Constitution.

- 3.6 The Budget and Policy Framework Procedure Rules, and therefore the consideration of the Cabinet's proposals at the Council meeting discussed here, are required to follow a set pattern and process by virtue of the Local Authorities (Standing Orders) (England) Regulations 2001. Currently, those legal provisions are more accurately reflected in a mixture of both the Budget and Policy Framework Procedure Rules and also this annual report, rather than just the Rules(standing orders). This is felt to be confusing for any person looking at just the Rules, as one should be able to, and in addition may not necessarily fully capture the provisions in the Regulations.
- 3.7 To regularise this situation, it is considered helpful were the Budget and Policy Framework Procedure Rules (standing orders) to be amended so as to incorporate:
- (a) the mandatory standing orders required of the Regulations more directly; and
 - (b) the provisions normally contained in this report requiring:
 - (i) that the budget decision meeting of Council consider only this item of business; and
 - (ii) that due notice is given in respect of alternative budget proposals as set out as Appendix 2
- 3.8 A further change that is felt to be beneficial is that concerning the virement limits, which require clarification. A recommendation in respect of this change will be included in the forthcoming February 2018 report concerning the Revenue budget and Council Tax levels 2018/19.

4.0 FINANCIAL & REGULATORY IMPLICATIONS

- 4.1 The budget decision meeting is that meeting where Cabinet will submit to the Council for its consideration in relation to the following financial year -
- (a) estimates of the amounts to be aggregated in making a calculation (whether originally or by way of substitute) in accordance with any of sections [31A, 31B, 34 to 36A, 42A, 42B, 45 to 49, 52ZF, 52ZJ] of the Local Government Finance Act 1992 (calculations of the council tax requirement., etc);
 - (b) estimates of other amounts to be used for the purposes of such a calculation; and
 - (c) estimates of such a calculation
- 4.2 The Police & Crime Commissioner for Merseyside and the Merseyside Fire & Rescue Service issue a precept on the Council to be paid through the Council Tax.
- 4.3 The Council's Budget and Policy Framework Procedure Rules (standing orders), at Part 4(c) of the Constitution, are the rules that set out how the cabinet are to go about formulating the Budget estimates and how the Council will consider those estimates and set the Council tax.

- 4.4 Rule 2 of the current Budget and Policy Framework Procedure Rules (standing orders) states that:
- “The Cabinet will publicise a timetable for making proposals to the Council for the adoption of any plan, strategy or budget that forms part of the Budget and Policy Framework, and its arrangements for consultation after publication of those initial proposals.”
- 4.5 This is supplemented by Rule 13 of the Council Procedure Rules (standing orders), relating to meetings of the Council, which provides that the proper officer:
- “shall, prior to the Budget meeting of the Council, consult with the Leaders of each political group and submit to the Cabinet and Council a suggested procedure to be adopted at the budget meeting, but if no such procedure is adopted the normal procedures of the Council in relation to amendments to Cabinet recommendations will apply”.
- 4.6 The above standing order Rule 13 in respect of the budget decision meeting exists to assist the proper officer in setting the agenda for the Council meeting and Members in planning their approach to it. In doing so, it does not in any way detract from the principle that the manner in which the full Council meeting’s business is conducted is a matter for the Council meeting itself to determine (thus the suspension of standing orders as an agenda item) nor that the order, content and rulings concerning the meeting are matters for the Mayor to determine.
- 4.7 The Local Authorities (Standing Orders) (England) Regulations 2001(as amended) requires that the authority:
- “must incorporate in standing orders for regulating its proceedings and business the provisions set out in Part II of Schedule 2 [of the Regulations] or provisions to the like effect”.

5.0 LEGAL IMPLICATIONS

- 5.1 The Council must set the budget in accordance with the provisions of the Local Government Finance Act 1992 and approval of a sound budget each year is a statutory responsibility of the Council.
- 5.2 The distinction in the operation of the executive arrangements under the Local Government Act 2000 is that the responsibility for discharging the Authority’s various functions is split between full Council (non-executive functions) and the Leader as the senior executive member (executive functions). In terms of the budget, the role is a divided one in which, essentially, full Council is responsible for approving the budget and council tax setting and the Leader and Cabinet is responsible for formulating and proposing that budget to the full Council.
- 5.3 The Local Authorities (Standing Orders) (England) Regulations 2001(as amended) sets out how the budget decision is to be made and the process the Council must follow, and is to be reflected in the Council’s business standing orders for this purpose. A distinction of the budget decision meeting is that, if full Council do not succeed in agreeing with the Leader and Cabinet’s proposals or making an alternate budget decision at the end of this process,

the budget proposals submitted by the Leader and Cabinet stand as the authority's decision in default. This process ensures that the budget decision meeting(s) of Council do not ever result in the Council not having determined the necessary council tax requirement and be left without a budget decision.

- 5.4 The provisions of section 25, Local Government Act 2003 require that, when the Council is making the calculation of its budget requirement, it must have regard to the report of the chief finance (s.151) officer as to the robustness of the estimates made for the purposes of the calculations and the adequacy of the proposed the General Fund Balances and Reserves.
- 5.5 Beyond the setting of the council tax, a purpose of the budget is for Council to set the limits of what the Executive (Leader, Cabinet or an officer acting under delegated executive authority) may decide to spend the Council's budget on. The Council cannot, however, thereby determine how the money that is allocated in the budget to matters that are an executive responsibility is then spent, or even whether it is spent. Rather, what it does do is require that the Executive to exercise their responsibilities for decision making on a matter in a manner where they do not become 'minded to determine the matter contrary to, or not wholly in accordance with the authority's budget' without the consent of the Council.

6.0 RESOURCE IMPLICATIONS: ICT, STAFFING AND ASSETS

- 6.1 There are no such issues directly arising from this report.

7.0 RELEVANT RISKS

- 7.1 The Council is under a legal obligation to set a lawful budget. The proposed Budget Council Agenda and Procedure seeks to facilitate and assist the Council in this regard.

8.0 ENGAGEMENT/CONSULTATION

- 8.1 The proposed Budget Council Procedure at Appendix 1 has become settled custom and practice and has previously been subject to consultation with all three Political Group Leaders.

9.0 EQUALITIES IMPLICATIONS

- 9.1 No such implications arise from the content of this report.

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APPENDICES

Appendix 1 - Budget Council Procedure

Appendix 2 - Proposed amendments to the Council's Budget and Policy Framework Procedure Rules (standing orders), Part 4(c) of the Constitution

BACKGROUND PAPERS/REFERENCE MATERIAL

None

**BUDGET COUNCIL
- DRAFT -
AGENDA and PROCEDURE**

**COUNCIL
Monday, 5 March 2018**

- 1. Apologies for absence**
- 2. Declarations of Interest / Restrictions on voting**
- 3. Mayor's Announcements**
- 4. Approval of Minutes**
- 5. Petitions (pursuant to Standing Order 5(2)(d) Council Procedure Rules)**
However, if a petition relates to the setting of the Budget, the member who presents it should be given the opportunity during the main debate to speak to it, in order that the Council can take account of it in that context.
- 6. Suspension of Standing Orders of the Council's Constitution**
 - (i) Standing Order 12(1) relates to 'Motions and Amendments' and provides that:

"A motion or amendment shall relate to a recommendation of a committee submitted in accordance with Standing Order 5.2(i), or to a matter referred to in Standing Orders 7 and 8. It shall not be discussed unless it has been proposed and seconded.

The terms of any amendment or notice of motion shall not be varied except with the agreement of the Council."

 - (ii) Standing Order 12(9) relates to 'Amendments' and provides that:

"Subject to Standing Order 7(5) an amendment to a motion or recommendation of the Cabinet or of a Committee shall be relevant to the motion or recommendation under consideration and shall be either
 - (a) to refer or refer back a subject of debate for consideration or reconsideration as the case may be;
 - (b) to leave out words;

(c) to leave out words and insert or add others;
(d) to insert or add words.
as long as the effect of any amendment is not to negate the motion or recommendation.”

- (iii) Standing Order 12(10) relates to ‘Amendments to be dealt with in order’ and provides that:

“Only one amendment may be moved and discussed at a time”.

For the purposes of the Budget Debate, Council is requested to suspend:

- (a) Standing Orders 12(1) insofar as it relates to amendments;
- (b) Standing Order 12(9); and
- (c) Standing Order 12(10).

7. Council Budget

The Budget Debate will only consider:

- (i) the Cabinet’s Budget Recommendations/Minutes, which shall include any additional paragraphs/ recommendations (e.g. those relating to precepts), together with any other recommendation(s)/minute(s) from the Cabinet meeting to be held on 19 February 2018 (and/or any other relevant Cabinet meeting) that require approval by the Council; and
- (ii) any objections to the recommendations and those Alternative Budget Proposal(s) or Amendment(s) to the Cabinet’s Budget Recommendations/Minutes referred to at (i) above that are duly lodged with the Assistant Director: Law and Governance (Monitoring Officer) on or before **12noon on Wednesday, 28th February 2018**.
- (iii) Budget Debate shall be conducted in accordance with the Budget Debate Process set out at Annex 1 to this Appendix.

8. Proposed changes to the Council’s Budget and Policy Framework Procedure Rules (standing orders) (Pages nnn - nnn)

Council to consider the recommendations referred from Cabinet to amend the Council’s Budget and Policy Framework Procedure Rules (standing orders) contained as Part 4(c) of the Constitution.

9. Appointments

Council shall consider any recommendations referred for appointment, approval and/or designation (as appropriate).

10. Vacancies

Council shall consider any appointments to be approved or any changes proposed to existing appointments.

Budget Debate Process

1. Cabinet Minute

- a. The Cabinet's Budget Recommendations/Minute(s) referred to at 7(i) of the Budget Council Procedure is formally moved by the Leader of the Council.
- b. The Cabinet's Budget Recommendations/Minute(s) is formally seconded.

2. Alternative Budget Proposal(s)/Amendments

- a. The Mayor will advise Council that Alternative Budget Proposal(s) or Amendments (submitted in accordance with 7(ii) of the Budget Council, Procedure) are to be proposed by both the other two Political Group Leaders and the Green Party Member (if applicable).

First Alternative Budget Proposal(s) or Amendment

- b. The Mayor will invite the Group Leader of the largest opposition political group to first propose his Alternative Budget Proposal(s) or Amendment.
- c. The Group Leader of the largest opposition political group formally moves his Alternative Budget Proposal(s) or Amendment.
- d. The Alternative Budget Proposal(s) or Amendment is formally seconded.

Second Alternative Budget Proposal(s)/Amendment

- e. The Mayor will invite the Group Leader of the other opposition political group to propose his Alternative Budget Proposal(s) or Amendment.
- f. The Group Leader of the other opposition political group formally moves his Alternative Budget Proposal(s) or Amendment.
- g. The Alternative Budget Proposal(s) or Amendment is formally seconded.

Third Alternative Budget Proposal(s) or Amendment
(If applicable)

- h. The Mayor will invite the Green Party Member to propose his Alternative Budget Proposal(s) or Amendment.
- i. The Green Party Member formally moves his Alternative Budget Proposal(s) or Amendment.
- j. The Alternative Budget Proposal(s) or Amendment is formally seconded.

In the event that there is no seconder, the Third Alternative Budget Proposal(s) or Amendment(s) shall not be debated or voted upon.

3. Debating and Voting

The moved and seconded Cabinet's Minute and Alternative Budget Proposal(s)/Amendments shall be debated together (in accordance with the Rules of Debate set out below) and a vote then taken on each of them in turn.

Order of Speakers

- a. The Leader of the Council will speak to the Cabinet Budget Recommendations/Minute(s) (15 Minutes).
- b. The Portfolio Holder for Children's Services will speak to the Schools' Budget element of the Cabinet Budget Recommendations/Minute(s). (7 Minutes).
- c. The Group Leader of the largest opposition political group will speak to the First Alternative Budget Proposal(s)/Amendment (15 Minutes).
- d. The Group Leader of the other opposition political group will speak to the Second Alternative Budget Proposal(s)/Amendment (15 Minutes).
- e. If applicable, the Green Party Member will speak to the Third Alternative Budget Proposal(s)/Amendment (5 Minutes).
- f. Other members wishing to speak shall indicate to the Mayor, who will call them to speak in the order determined by the Mayor (Each Member - 3 Minutes).
- g. The budget debate shall end with the Seconders, **unless** they have spoken earlier. (Each Secunder - 7 Minutes save for the Secunder of the Green Party Alternative Budget Proposal(s)/Amendment who shall have 3 Minutes).

Right of Reply

- h. If applicable, the Proposer of the Third Alternative Budget Proposal(s)/Amendment will be invited to exercise his right of reply. (3 Minutes).
- i. The Proposer of the Second Alternative Budget Proposal(s)/Amendment will be invited to exercise his right of reply. (5 Minutes).
- j. The Proposer of the First Alternative Budget Proposal(s)/Amendment will be invited to exercise his right of reply. (5 Minutes).
- k. The Leader of the Council will be invited to exercise his right of reply. (5 Minutes).

Speakers

Speakers will be allocated the following time:

The Leader of the Council speaking to the Cabinet's Budget Recommendation(s)/Minute(s)	15 minutes
The Portfolio Holder for Children's Services (speaking on the Schools' Budget element)	7 minutes
The Group Leaders of the opposition political groups Green party Member (if applicable) speaking to their respective Alternative Budget Proposal(s)/ Amendment	15 minutes
Green Party Member speaking to their respective Alternative Budget Proposal(s)/ Amendment (if applicable)	5 minutes
Other speakers	3 minutes
Seconder of the Third Alternative Budget Proposal(s)/Amendment (if applicable)	3 minutes
Seconder of First and Second Alternative Budget Proposal(s)/Amendment	7 minutes
The Seconder of the Cabinet Budget Recommendation(s)/Minutes(s)	7 minutes
Green Party Member (if applicable) – right of reply	3 minutes
The Group Leaders of the opposition political groups – right of reply	5 minutes
The Leader of the Council – right of reply	5 minutes

(For the avoidance of any doubt the times mentioned in the table above shall not affect the Mayor's discretion to permit a speaker to speak beyond the allotted time).

4. Voting

The order of voting shall be as follows (and subject to 4(d)(ii) below):

a. If applicable, Third Alternative Budget Proposal(s)/ Amendment

A vote will be taken on the Third Alternative Budget Proposal(s)/Amendment.

b. Second Alternative Budget Proposal(s)/Amendment

A vote will be taken on the Second Alternative Budget Proposal(s)/Amendment.

c. First Alternative Budget Proposal(s)/Amendment

A vote will be taken on the First Alternative Budget Proposal(s)/Amendment.

d. Cabinet Recommendation(s)/Minute(s)

(i) If all the Alternative Budget Proposal(s)/Amendments to the Cabinet's Budget Recommendation(s)/Minute(s) fall, a vote will be taken on the Cabinet's Budget Recommendation(s)/Minute(s).

(ii) If the Cabinet's Budget Recommendation(s)/Minute(s) are amended or an Alternative Budget Proposal(s) carried pursuant to 4a–c above, that decision will be regarded as an in-principle decision, and the Budget meeting of the Council shall be adjourned to [*the date to be set by Council*] unless the Leader of the Council confirms to Council that he does not intend to challenge the in-principle decision, in which case it shall become effective.

In the event that the meeting is adjourned, the Council will reconsider its decision having regard to the Leader of the Council's written submission which must be submitted to the Assistant Director: Law and Governance by 4.00pm on [*the date to be set by Council*].

At that the adjourned meeting, the Council can:

(i) accept the Cabinet Budget Recommendation(s)/Minute(s) (without amendment); or

- (ii) re-affirm its approval of the in-principle decision made by Council, upon the occurrence of which it will shall become effective; or
- (iii) approve a different decision that does not accord with the Cabinet Budget Recommendation(s)/Minute(s).

NOTE: The Local Authorities (Standing Orders) (England) Regulations 2001 (as amended 2014) requires a recorded vote (i.e. names of all councillors voting and how they voted) to be taken in respect of all votes.

Budget and Policy Framework Procedure Rules

1. The Framework for Executive Decisions

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 Cabinet to implement it.

2. Developing the Budget and Policy Framework

The process by which the Budget and Policy Framework shall be developed and revised is:

- (a) The Cabinet will publicise a timetable for making proposals to the Council for the adoption of any plan, strategy or budget that forms part of the Budget and Policy Framework, and its arrangements for consultation after publication of those initial proposals. The Chair and Vice Chair of the Co-ordinating Committee will also be notified. Consultation will take place in a manner and to the extent that is appropriate in the circumstances.
- (b) In relation to proposals associated with the preparation of or alterations to the Development Plan the Executive will develop draft proposals for the purpose of public consultation in accordance with regulations 10 to 22 of the Town and Country Planning (Development Plans) (England) Regulation 1999. The draft consultation proposals will be submitted to Council for approval or amendment.
- (c) At the end of the consultation period, the Cabinet will draw up firm proposals for plans and the budget having regard to the responses to that consultation. The Cabinet's report to Council will reflect the comments made by consultees and the Cabinet's response.
- (d) Once the Cabinet has approved the firm proposals, the Chief Executive will refer them at the earliest opportunity to the Council for decision.

3. Adoption of Plans and Strategies ¹

- (a) *Where the process at Paragraph 2 results in the Leader or Cabinet submitting a draft plan or strategy to the Council for its consideration and, following*

¹ This paragraph contains standing orders that incorporate the provisions, or are of like effect, required by the Local Authorities (Standing Orders) (England) Regulations 2001 [as amended by the Local Authorities (Standing Orders) (England) (Amendment) Regulations 2014].

consideration of that draft plan or strategy, the Council has any objections to it, the Council must take the action set out in paragraph (b).

(b) Before the Council—

(i) amends the 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 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 any objections which it has to the draft plan or strategy and must give instructions requiring the Leader or Cabinet to reconsider, in the light of those objections, the draft plan or strategy submitted to it.

(c). Where the Council gives instructions in accordance with paragraph (b), 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 within which the Leader or Cabinet may—

(i) submit a revision of the draft plan or strategy as amended by the Leader or Cabinet (the “revised draft plan or strategy”), with the Leader or 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 Leader or Cabinet has with any of the Council’s objections and the Leader or Cabinet’s reasons for any such disagreement.

(d) When the period specified by the Council, referred to in paragraph (c), 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 so 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 Leader or Cabinet’s reasons for those amendments, any disagreement that the Leader or Cabinet has with any of the Council’s objections and the Leader or Cabinet’s reasons for that disagreement, which the Leader or Cabinet submitted to the Council, or informed the Council of, within the period specified.

4. Adoption of the Budget ²

² This paragraph contains standing orders that incorporate the provisions, or are of like effect, required by the Local Authorities (Standing Orders) (England) Regulations 2001 [as amended by the Local Authorities (Standing Orders) (England) (Amendment) Regulations 2014].

- (a) *The process at Paragraph 2 will result in Cabinet making recommendations to Council on budget proposals and estimates in relation to the following financial year to a Budget Decision meeting of Council to enable the Council to set a lawful and balanced budget and to set the Council Tax by 11th March each year. Every Council has a statutory obligation to agree the Council tax by that date.*
- (b) *The Budget Decision meeting of Council will only consider:*
- (i) *the Cabinet's Budget Recommendations/Minutes, which shall include any additional paragraphs/ recommendations (e.g. those relating to precepts), together with any other recommendation(s)/minute(s) from the last relevant Cabinet meeting held before the meeting of Council (and/or any other relevant Cabinet meeting) that require approval by the Council; and*
 - (ii) *any objections to those Recommendations, Alternative Budget Proposal(s) or Amendment(s) to the Cabinet's Budget Recommendations/Minutes referred to at (i).*
- (c) *Where the Council, following consideration of those estimates or amounts, has any objections to them, it must take the action set out in paragraph (d). Where those objections take the form of a proposal to move a substantial amendment or amendments which amount to an alternative budget decision to be adopted by the Council, they may only do so provided they give notice in writing of the proposed amendment(s) to the Monitoring Officer no later than **12 noon three working days before the Council meeting** (not including the day of the meeting).*
- (d). *Before the Council makes a Budget Decision, it must inform the Leader of any objections which it has to the Cabinet's estimates or amounts and must give to the Leader instructions requiring the Leader and Cabinet to reconsider, in the light of those objections, those estimates and amounts in accordance with the Council's requirements.*
- (e). *Where the Council gives instructions in accordance with paragraph (d), it must specify a period of at least five working days beginning on the day after the date on which the Cabinet leader receives the instructions on behalf of the Cabinet within which the Cabinet leader may—*
- (i) *submit a revision of the estimates or amounts as amended by the Cabinet ("revised estimates or amounts"), 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.*
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- (f) *When the period specified by the Council, referred to in paragraph (e), has expired, the Council must, when making a Budget Decision, 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 Cabinet leader submitted to the Council, or informed the Council of, within the period specified.*
- (g) *Immediately after any vote is taken at a Budget Decision meeting of the Council there must be recorded in the minutes of the proceedings of that meeting the names of the persons who cast a vote for the decision or against the decision or who abstained from voting.*
- (h) *Within these Rules “Budget Decision” means a meeting of the full Council:*
- (i) *at which it makes a calculation (whether originally or by way of substitute) in accordance with any of sections 31A, 31B, 34 to 36A, 42A, 42B, 45 to 49, 52ZF, 52ZJ of the Local Government Finance Act 1992;*
 - (ii) *which includes a meeting where making the calculation or issuing the precept as the case may be was included as an item of business on the agenda for that meeting; and*
 - (ii) *in respect of which references to a vote are references to a vote on any decision related to the making of the calculation.*

5. Decisions outside the budget or policy framework

- (a) Any person or body exercising executive functions must normally act within the budget and policy framework. A decision is outside the budget and policy framework if it is contrary to the policy framework set out in Article 4 of the Constitution or contrary to or not wholly in accordance with the budget as defined in Article 4.
- (b) Urgent decisions outside the budget or policy framework may be made in the circumstances described in paragraph 5 below.
- (c) Virement will be possible to the extent described in the Council's Financial Procedure Rules.
- (d) In any other circumstances if a person or body exercising executive functions wishes to make a decision which is outside the budget or policy framework, then that decision may only be taken by the Council. It is the duty of the person or body who wishes to make the decision to refer it to Council.
- (e) In any case if a person or body wishes to make a decision which appears to be outside the budget or policy framework they shall take advice from the Monitoring Officer and/or the Chief Financial Officer. Those officers shall advise as to

whether the proposed decision would in fact 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. The only exception to this is if the decision is a matter of urgency. In that case the provisions in paragraph 6 (urgent decisions outside the budget and policy framework) shall apply.

6. Urgent decisions outside the Budget or Policy Framework

This procedure covers decisions contrary to the policy framework and contrary to or not wholly in accordance with the budget.

- (a) Any person or body discharging executive functions 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. However, the decision may only be taken:
 - (i) if it is not practical to convene a quorate meeting of the full Council; and
 - (ii) if the Chair and Vice Chair of the Co-ordinating Committee agrees that the decision is a matter of urgency.

The reasons why it is not practical to convene a quorate meeting of full Council must be noted on the record of the decision. The consent of the Chair and Vice Chair of the Co-ordinating Committee to the decision being taken as a matter of urgency must also be noted on that record. In the absence of the Chair and Vice Chair of the Co-ordinating Committee the consent of the Chair and Vice Chair of a Policy and Performance Committee whose terms of reference would allow it to scrutinise the proposed decision shall suffice. In his or her absence the consent of the Mayor will be sufficient.

- (b) 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. Virement

Proposals concerning virement limits will be included in the Revenue Budget and Council Tax levels 2018/19 report to be considered by Cabinet and Council in February and March 2018.

8. In-year changes to policy framework

All decisions in relation to executive functions must be in line with the policy framework. Only the Council can change any policy or strategy which is part of the framework except that the Cabinet may make changes:

- (a) to give effect to a ministerial requirement in relation to any plan or strategy submitted to him for approval;
- (b) if so authorised by the Council when approving or adopting the plan or strategy.

- (c) Any decisions subject to the provisions of paragraph 5 above.

9. Call-in of decisions outside the budget or policy framework

- (a) Where the Co-ordinating Committee is of the opinion that an executive decision is, or if made would be, contrary to the policy framework, or contrary to or not wholly in accordance with the Council's budget, then it shall seek advice from the Monitoring Officer and/or Chief Financial Officer.
- (b) In respect of functions, which are the Executive functions, the Monitoring Officer's report and/or Chief Financial Officer's report shall be to the Cabinet with a copy to every member of the Council. Regardless of whether the decision is delegated or not, the Cabinet must meet to decide what action to take in respect of the Monitoring Officer's report and to prepare a report to Council in the event that the Monitoring Officer or the Chief Finance Officer conclude that the decision was a departure, and to the Co-ordinating Committee if the Monitoring Officer or the Chief Finance Officer conclude that the decision was not a departure.
- (c) If the decision has yet to be made, or has been made but not yet implemented, and the advice from the Monitoring Officer and/or the Chief Financial Officer is that the decision is or would be contrary to the policy framework or contrary to or not wholly in accordance with the budget, the Coordinating Committee may refer the matter to Council. In such cases, no further action will be taken in respect of the decision or its implementation until the Council has met and considered the matter. The Council shall meet within 14 days of the request by the Co-ordinating Committee. At the meeting it will receive a report of the decision or proposals and the advice of the Monitoring Officer and/or the Chief Financial Officer. The Council may:
 - (i) endorse a decision or proposal of the Cabinet decision taker as falling within the existing budget and policy framework. In this case no further action is required, save that the decision of the Council be minuted and circulated to all councillors in the normal way; or
 - (ii) amend the Council's Financial Procedure Rules or policy concerned to encompass the decision or proposal of the body or individual responsible for that Cabinet function and agree to the decision with immediate effect. In this case, no further action is required save that the decision of the Council be minuted and circulated to all councillors in the normal way; or
 - (iii) where the Council accepts that the decision or proposal is contrary to the policy framework or contrary to or not wholly in accordance with the budget, and does not amend the existing framework to accommodate it, require the Cabinet to reconsider the matter in accordance with the advice of either the Monitoring Officer or Chief Financial Officer.