

## **Part 2 – The Articles**

### **Chapter 18 – Budget and Policy Framework**

#### **1. The Framework for Cabinet decisions**

- 1.1 The Assembly will be responsible for the adoption of the Council’s Budget and Policy Framework. Once a Budget or a Policy Framework is in place, it will be the responsibility of the Cabinet to implement it.

#### **2. Process for Developing the Framework**

- 2.1 The Assembly may, from time to time, review which plans and strategies shall comprise the Policy Framework (as listed in Part 2, Chapter 4) and may determine that:
- (i) it is minded to remove a plan or strategy from the Policy Framework;
  - (ii) an existing plan or strategy which forms part of the Policy Framework shall be reviewed;
  - (iii) that an additional plan or strategy shall be included in the Policy Framework.
- 2.2 In the case of (i) above, the Assembly shall consult the Cabinet before taking a decision whether to remove a plan or strategy from the Policy Framework. In the case of (ii) and (iii) above, the Assembly shall ask the Cabinet to prepare and recommend a draft policy or strategy. The Cabinet may also, at its own discretion, review an existing plan or strategy and submit it to the Assembly.
- 2.3 The Assembly may give instructions to the Cabinet in relation to any matters which the Assembly would wish the Cabinet to take into account as part of the preparations of a draft plan or strategy. The Assembly may also give instructions to the Cabinet in relation to any consultation with a Scrutiny Committee, other committees, partners, groups, individuals etc. which the Assembly would wish the Cabinet to undertake as part of the preparations of a draft plan or strategy. In the absence of any instructions from the Assembly, the Cabinet may determine its own consultation arrangements and may undertake additional consultation to any prescribed by the Assembly.
- 2.4 Where the Cabinet’s initial proposals have been referred to the relevant Scrutiny Committee for further advice and consideration, the Scrutiny Committee may 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 the Cabinet.
- 2.5 The Scrutiny Committee shall report to the Cabinet on the outcome of its deliberations. The Scrutiny Committee shall have 20 working days to respond to the initial proposals of the Cabinet unless the 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.

- 2.6 Having considered the report of the relevant Scrutiny Committee the Cabinet, if it considers it appropriate, may amend its proposals before submitting them to the Assembly for consideration. It will also report to the Assembly on how it has taken into account any recommendations from the Scrutiny Committee, as well as any other representations made to the Cabinet during consultation on the matter.
- 2.7 The Assembly will consider the proposals of the Cabinet and may adopt them, amend them, refer them back to the Cabinet for further consideration, or substitute its own proposals in their place. In considering the matter, the Assembly shall have before it the Cabinet's proposals and any report from the relevant Scrutiny Committee.
- 2.8 The notice of the Assembly's decision shall state either that the decision shall be effective immediately (if the Assembly accepts the Cabinet's proposals without amendment) or (if the Cabinet's proposals are not accepted without amendment), that the Assembly's decision will become effective on the expiry of at least 5 working days after the publication of the notice of decision, unless the Leader objects to it in that period.

#### **Conflict Resolution:**

- 2.9 The Leader must have a minimum of 5 working days in which to object to a decision of the Assembly which appears to be contrary to the recommendations of the Cabinet in connection with the setting of the Budget or any specific proposals or strategies, before the decision of the Assembly takes effect. The objection must be made in writing to the Chief Executive prior to the date upon which the decision is to be effective, stating the reasons for the objection.
- 2.10 If the Leader registers a formal objection there must be a meeting of the Assembly to reconsider the decision in dispute and the decision shall not be effective pending that meeting. The Assembly must consider the grounds for objection within 14 working days of the receipt of the Leader's written objection. At that meeting, the decision of the Assembly shall be reconsidered in the light of the Leader's objection.
- 2.11 The Assembly may insist that its decision is to stand. This confirmation will be by formal resolution passed by a simple majority. The decision shall be implemented immediately.

### **3. Decisions outside the Budget or Policy Framework**

- 3.1 The Cabinet or any other body or individual discharging executive functions may only take decisions which are in line with the Budget and Policy Framework. If any of these bodies or persons 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 Council, then that decision shall be a "departure decision" and may only be taken by the Assembly, subject to paragraph 4 below.
- 3.2 If the Cabinet or any other body or individual discharging executive functions want to make such a departure decision, they shall take advice from the

Monitoring Officer and/or the Chief Financial Officer as appropriate depending on 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 those officers is that the decision would not be in line with the existing Budget and/or Policy Framework, then the decision may take an “in principle” decision but the matter must be referred to the Assembly for decision, unless the decision is a matter of urgency in which case the provisions in paragraph 4 below shall apply.

#### **4. Urgent decisions outside the budget or policy framework**

- 4.1 The Cabinet or any other body or individual 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 the Assembly if the decision is a matter of urgency. However, the decision may only be taken if:
- (i) it is not practical to convene a quorate meeting of the Assembly; and
  - (ii) the Chair of the relevant Scrutiny Committee agrees that the decision is a matter of urgency.
- 4.2 The reasons why it is not practical to convene a quorate meeting of the Assembly and the Chair of the relevant Scrutiny Committee’s consent to the decision being taken as a matter of urgency must be noted in the record of the decision. In the absence of the Chair of the relevant Scrutiny Committee the consent of the Deputy Chair will be sufficient.
- 4.3 Following the decision, the decision taker will provide a full report to the next available Assembly meeting explaining the decision, the reasons for it and why the decision was treated as a matter of urgency.

#### **5. In-year changes to policy framework**

- 5.1 The responsibility for agreeing the Budget and Policy Framework lies with the Assembly, and decisions by the Cabinet or any other body or individual discharging executive functions must be in line with it. No changes to any policy and 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 a 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 Assembly following consultation, but where the existing policy document is silent on the matter under consideration.

## **6. Call-in decisions contrary to the Budget or Policy Framework**

- 6.1 Where a Scrutiny Committee is of the opinion that a Cabinet 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 (thereby a "departure decision"), then it shall seek advice from the Monitoring Officer and/or Chief Financial Officer.
- 6.2 In respect of functions which are the responsibility of the Cabinet, 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 and to prepare a report to the Assembly in the event that the Monitoring Officer / Chief Financial Officer conclude that the decision was a departure decision, and to the relevant Scrutiny Committee if the Monitoring Officer / Chief Financial Officer conclude that the decision was not a departure decision.
- 6.3 If the decision has yet to be made, or has been made but not yet implemented, and the advice from the Monitoring Officer / 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 Scrutiny Committee may refer the matter to Assembly. Alternatively, the Monitoring Officer / Chief Financial Officer may refer the matter direct to the Assembly. In such cases, no further action will be taken in respect of the decision or its implementation until the Assembly has met and considered the matter. The Assembly shall meet within 10 working and will receive a report of the decision or proposals and the advice of the Monitoring Officer / Chief Financial Officer. The Assembly may either:
- (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 Assembly be minuted and circulated to all Councillors in the normal way; or
  - (ii) amend the Council's Financial Rules or policy concerned to encompass the decision or proposal and agree to the decision with immediate effect. In this case, no further action is required save that the decision of the Assembly be minuted and circulated to all Councillors in the normal way; or
  - (iii) require the Cabinet to reconsider the matter in accordance with the advice of the Monitoring Officer and/or Chief Financial Officer, in cases where the Assembly 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.