

Woking Borough Council

Budget and Policy Framework Procedure Rules

Shaping the *future* of our borough



1. The Framework for Executive Decisions

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 Leader/Executive to implement it.

2. Process for Developing the Framework

2.1. **The process by which the budget and policy framework shall be developed is:**

- i) The Leader/Executive will publicise by including in the forward plan a timetable in accordance with which it will make proposals to the Council for the adoption of any plan, strategy or budget that forms part of the budget and policy framework. Within this timetable the Overview and Scrutiny Committee will conduct such research, consultation with stakeholders and investigations as are necessary to enable it to develop proposals for a budget and policy framework for the forthcoming year.
- ii) The Overview and Scrutiny Committee will present its recommendations for the policy and budget framework to the Leader/Executive. The Leader/Executive will finalise their proposals for the Council to consider having taken into account the proposals from the Overview and Scrutiny Committee. The Leader's/Executive's report to Council will show their response to those proposals.
- iii) The Council will consider the proposals of the Leader/Executive and may adopt them, amend them, refer them back to the Leader/Executive for further consideration, or substitute its own proposals in their place.
- iv) The Council's decision will be publicised within five working days and a copy shall be given to the Leader/Executive. The notice of decision shall be dated and shall state either that the decision shall be effective immediately (if the Council accepts the Leader's/Executive's proposal without amendment) or (if the Leader's/Executive's proposal is not accepted without amendment), that the Council's decision will become effective on the expiry of five working days after the publication of the notice of decision, unless the Leader/Executive formally objects to it in that period.
- v) If the Leader/Executive objects to the decision of the Council, then the Leader/Executive shall give written notice to the Proper Officer to that effect prior to the date upon which the decision is to be 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 reconsider its decision and the decision shall not be effective pending that meeting.
- vi) The Council meeting must take place within five working days of the receipt of the Leader's/Executive's written objection. At that Council meeting, the previous decision of the Council shall be reconsidered in the light of the objection, which shall be available in writing for the Council.
- vii) The Council's decision, if not in accordance with the recommendation of the Leader/Executive, shall require a simple majority of those voting at the meeting.
- viii) The decision shall then be made public and shall be implemented immediately.

3. Decisions Outside the Budget or Policy Framework

- i) Subject to the provisions of Financial Regulations as they apply to virement, the Leader/Executive, Committees of the Executive, individual members and any officers 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 Full Council, then that decision may only be taken by the Council, subject to 4 below.

- ii) If the Leader/Executive, Committees of the Executive, individual members and any officers discharging executive functions want to make such a decision, they shall take advice from the Monitoring Officer and/or the Chief Finance 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 4 (urgent decisions outside the budget and policy framework) shall apply.

4. Urgent Decisions Outside the Budget or Policy Framework

4.1. (a) The Leader/Executive, a Committee of the Executive, an individual member or officers 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. Decisions to commit urgent expenditure may be taken in cases of civil emergency or where there is a compelling and urgent need for immediate action. In all other cases, 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 Chairman of the Overview and 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 Full Council and the Chairman of the Overview and Scrutiny Committee's consent to the decision being taken as a matter of urgency must be noted on the record of the decision. In the absence of the Chairman of the Overview and Scrutiny Committee the consent of the Mayor and in the absence of both the Deputy Mayor will be sufficient.

4.3. (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.

5. In-Year Changes to Policy Framework

5.1. The responsibility for agreeing the budget and policy framework lies with the Council, and decisions by the Leader/Executive, a Committee of the Executive, an individual member or officers 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 necessary to ensure compliance with the law, ministerial direction or government guidance.

6. Call-In of Decisions Outside the Budget or Policy Framework

6.1. (a) Where the Overview and Scrutiny 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 Finance Officer.

6.2. (b) In respect of functions which are the responsibility of the Leader/Executive, the Monitoring Officer's report and/or Chief Finance Officer's report shall be to the

Leader/Executive with a copy to every member of the Council. Regardless of whether the decision is delegated or not, the Leader/Executive must 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 Overview and Scrutiny Committee if the Monitoring Officer or the Chief Finance Officer conclude that the decision was not a departure.

- 6.3. (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 Finance 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 Overview and Scrutiny 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 five days of the request by the Overview and Scrutiny 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 Finance Officer. The Council may either:
- i) endorse a decision or proposal of the Executive 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 Regulations or policy concerned to encompass the decision or proposal of the body or individual responsible for that executive 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 Leader/Executive to reconsider the matter in accordance with the advice of either the Monitoring Officer/Chief Finance Officer.

7. Financial Regulations

- 7.1. The Council shall make, and from time to time review, financial regulations to determine the responsibilities of members and officers in the administration of its financial affairs, and there shall be delegated to the Chief Finance Officer authority to exercise the functions described in the regulations.

8. Investment Programme

- 8.1. Each year, the Leader/Executive shall prepare a five year Investment Programme and shall consider the aggregate effect of the Investment Programme on the Council's financial resources and make recommendations thereon to the Council.
- 8.2. Any scheme proposed to be included in an Investment Programme which was not contained in the preceding approved Investment Programme shall be considered by the Leader/Executive having received a report from the appropriate officer on the financial implications of the proposal.

9. Revenue Estimates

- 9.1. The Leader/Executive shall keep the Council's financial strategy under review and shall consider and determine annual revenue estimates for submission by way of recommendation to Council having received a report thereon from the Chief Finance Officer.
- 9.2. Any proposal to incur expenditure which is not provided for in the previously approved revenue estimates and which cannot be financed by way of virement in accordance with financial regulation 5.3 shall be considered and determined by the Leader/Executive for submission by way of recommendation to Council having received a report thereon from the appropriate officer on the financial implications of the proposal.

10. Expenditure - Exceptional

- 10.1. Any motion which is moved at a Council meeting otherwise than in pursuance of a recommendation or report of the Leader/Executive and if carried would, by the lesser of 5% or £5000, increase the expenditure upon or reduce the revenue of any service or would involve capital expenditure, shall when proposed or seconded, stand adjourned without discussion to the next ordinary meeting of the Council, and the Leader/Executive shall report on the financial implications of the proposal.