

## Part Three - Chapter 4 - Budget and Policy Framework Procedure Rules

### General

- 4.1 The Council will be responsible for the adoption of its Budget and Policy Framework as set out in the Constitution. Once a budget or a policy framework is in place, it is the responsibility of the Executive to implement it.
- 4.2 This procedure defines the roles and responsibilities of the Executive, Scrutiny Panels, ordinary committees and the full Council in the formulation, review and amendment of the Council's Policy Framework and Budgets.
- 4.3 In these rules, "Budget" includes the allocation of financial resources to different services and projects, proposed contingency funds, setting the Council Tax and decisions relating to the control of the Council's borrowing requirement, the control of its capital expenditure and the setting of virement limits

### Role and duties of the Executive

- 4.4 The Executive will be responsible for initiating, preparing, amending and making recommendations to the Council on all matters relating to the Policy Framework and budgets of the Council.
- 4.5 In the preparation of the Policy Framework and budgets or any parts thereof, the Executive will:
  - a) publish a timetable for making its proposals at the Civic Offices, Civic Way, Fareham, Hampshire, on the Council's web site and wherever else it deems appropriate, or the Council requires, and undertake, prior to any final recommendations being made, consultations with such other interested parties as it considers appropriate, as the Council may require or as may be required by law;
  - b) consult the relevant Scrutiny Panel and ordinary Committees (if necessary), on the proposals prior to any final recommendations being formulated for submission to Council;
  - c) allow a consultation period of at least six weeks between publication of the timetable and finalisation of proposals for submission to Council;
  - d) ensure that the Council complies with all legislation relating to the preparation and adoption of the strategic plans and budgets;
  - e) make available to the relevant Scrutiny Panel, ordinary committees and those papers, reports or other documents on which the Executive has relied in making its recommendations to Council;
  - f) in relation to the proposed budget and notwithstanding the other provisions of this paragraph, the Executive will present its outline proposals identifying its revenue and capital financial strategy for the following year to Council by 31 October;

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- g) consult the relevant Scrutiny Panel on proposals which comply with the financial strategy approved by Council and referred to above and submit detailed proposals on the overall budgets and the level of the Council Tax to Council by the February immediately preceding the commencement of the next financial year; and
- h) take into account any comments made by the relevant Scrutiny Panel, ordinary committees and other consultees and in its report to Council, reflect those comments and its responses thereto.

### Role, responsibilities and rights of the Scrutiny Panels and ordinary committees.

4.6 The Scrutiny Panels and ordinary committees' responsibilities in the preparation of the Policy Framework and the budget will be as consultees representing the views of the community. In support of the rights contained in the Local Government Act 2000, the Scrutiny Panels and ordinary committees will:

- a) be provided with copies of all relevant papers, reports and other documents on which the Executive has relied in making its proposals – provided that if any confidential information is supplied – that confidentiality will be maintained;
- b) have power, subject to the approval of the Chief Executive Officer, to require additional research to be undertaken on specific issues;
- c) comply with all reasonable time scales set by the Executive for response to any consultations; and
- d) be empowered to submit a report to Council on any matter relating to the Policy Framework or budgets where there is a disagreement between the Executive and any Scrutiny Panel or ordinary committee.

### Role of Council

4.7 In relation to the preparation of the Policy Framework, the budget and the Council Tax, Council will retain the absolute right, subject to the provisions of this Constitution, to approve, amend, or reject any proposals put to it by the Executive.

### Disputes resolution procedure

4.8 Before amending any draft plan or strategy forming part of the Policy Framework, or approving any such plan or strategy for submission to the Secretary of State or relevant Minister, Council must:

- a) inform the Executive Leader of any objections which it has to the draft plan or strategy or any proposals to modify, reject, defer or make no decision on the plan or strategy and if such objections or proposals are not accepted by him/her must give to him/her instructions requiring reconsideration by the Executive of its proposals;

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- b) have regard to any comments made by any Scrutiny Panel, and ordinary committees of the Council, other local authorities, partners and interested parties;
- c) take no action on any decision which is contrary to proposals submitted by the Executive until at least five working days, or longer period specified by the Council in its instructions, after the instructions referred to above have been notified to the Executive Leader or until the decision has been dealt with in accordance with the 'disputes procedure' provisions of this Constitution, whichever is the later; and
- d) in amending, approving or adopting any draft plan or strategy, the Council must take into account any proposals for amendment made by the Executive, and any disagreement which the Executive has with the Council's objections, which have been notified to Council within the period specified by Council.

4.9 Where the Executive submits to the Council its proposals for budget estimates and Council Tax calculation and the Council proposes to modify, reject, defer or make no decision on an Executive recommendation, it must:

- a) inform the Executive Leader of any objections and give him instructions requiring reconsideration by the Executive of its estimates and calculations;
- b) take no action on proposals submitted by the Executive until at least five working days after instructions referred to above have been notified to the Executive Leader; and
- c) in making any budget decisions or calculations, Council must take into account any revision of estimates or calculations made by the Executive and any disagreement which the Executive has with the Council's objections, which have been notified to Council within the period specified by Council.

### Variation of procedure

4.10 Where permitted by law, this procedure may be varied by resolution of Council on a recommendation from the Executive. No such recommendation will be made until the Executive has consulted the relevant Scrutiny Panel and ordinary committees of the Council.