

BUDGET AND POLICY FRAMEWORK PROCEDURE RULES

1. ADOPTION OF THE BUDGET AND THE FRAMEWORK

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 Committees to implement it.

- 1.1 In approving the Budget and Policy Framework, the Council will also specify the extent of virement within the budget and degree of in-year changes to the policy framework which may be undertaken by the a Committee or officer, in accordance with paragraphs 5 and 6 of these Rules (virement and in-year adjustments). Any other changes to the policy and budgetary framework are reserved to the Council.

2. PROCESS FOR DEVELOPING THE BUDGET

- 2.1 The Council will follow the process set out in the Financial Procedure Rules in Part 4 of the Constitution. In addition, the draft budget will be reported to Policy Development Committee prior to firm proposals being recommended to Council and the views of the Policy Development Committee will be taken into account by Strategy and Resources Committee when drawing up the final recommendations to Council. Immediately after a vote is taken at a budget decision meeting of the authority, 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 and for the purposes of this provision:-

- (a) “*budget decision*” means a meeting of the relevant body at which it makes a calculation (whether originally or by way of substitution) in accordance with any of sections 31A, 31B, 34 to 3A, 42A, 42B, 45 to 49, 52ZF and 52ZJ of the Local Government Finance Act 1992, or issues a precept under Chapter 4 of Part 1 of that Act. This includes a meeting where 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
- (b) references to a “*vote*” are references to a vote on any decision relating to the making of the calculation or the issuing of the precept as the case may be.

NDDC CONSTITUTION

Part 4

3. DECISIONS OUTSIDE THE BUDGET OR POLICY FRAMEWORK

- 3.1 Subject to the provisions of paragraph 4 Committees and Sub Committees and officers 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 paragraph 5 below and subject also to article 11.7 of Part 1 of the Constitution.
- 3.2 Paragraph 3.1 above shall not apply where a decision is made by an officer or by the Planning Committee contrary to the then adopted Development Plan forming part of the Policy Framework

4. VIREMENT

- 4.1 In the event that virement across budget heads or budgets becomes necessary or desirable, it shall be carried out in accordance with the Financial Procedure Rules set out in Part 4 of this Constitution. Beyond that limit, approval to any virement across budget heads shall require the approval of the Full Council.

5. IN-YEAR CHANGES TO POLICY FRAMEWORK

The responsibility for agreeing the Budget and Policy Framework lies with the Council and decisions by any committee or officers or joint arrangements 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:

- 5.1 which will result in the closure or discontinuance of a service or part of a service to meet a budgetary constraint;
- 5.2 necessary to ensure compliance with the law, ministerial direction or government guidance;
- 5.3 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

NDDC CONSTITUTION

Part 4

consideration; for which provision is made within the relevant budget or policy.