

POLICY AND BUDGET FRAMEWORK PROCEDURE RULES (PBR)

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POLICY AND BUDGET FRAMEWORK PROCEDURE RULES

PBR1

The framework for executive decisions

The Full Council will be responsible for the adoption of its Policy and Budget framework as set out in Article 4. Once a budget or a policy framework is in place, it will be the responsibility of the Mayor to implement it.

PBR2

Process for developing the framework

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

- (a) By a date designated by the Mayor, where a plan [that forms part of the Policy Framework needs to be adopted](#), the Mayor will publish initial proposals for that part of the Policy and Budget Framework, having first canvassed the views of local stakeholders as appropriate and in a manner suitable to the matter under consideration. Details of the Mayor's consultation process and the timetable for making proposals to the Council for the adoption of any plan or strategy shall be included in relation to each of these matters in the Forward Plan published at the council's main office and also available on the council's web page - www.bristol.gov.uk. The Chair of Overview and Scrutiny committee will also be notified.

The designated date referred to in paragraph (a) of these Rules shall be three (3) months unless the Mayor considers that there are special factors that make this timescale inappropriate. If it does, it shall state the reasons in publicising the Forward Plan in accordance with paragraph (a) of these Rules and shall inform overview and scrutiny committee of the time for response when the initial proposals is referred to it.

Notice required - 3 months

Any representations made to the Mayor shall be taken into account in formulating the initial proposals, and shall be reflected in any report dealing with them. If the matter is one where an overview and scrutiny committee has carried out a review of policy, then the outcome of that review will be reported to the Mayor and considered in the preparation of initial proposals.

- (b) The Mayor may consider whether to refer their initial proposals to the relevant overview and scrutiny committee for further advice and consideration. The proposals will be referred by the Monitoring Officer who will forward them to the chair and members of the relevant overview and scrutiny committee. The overview and scrutiny committee shall

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 Mayor. The overview and scrutiny committee shall report to the Mayor on the outcome of its deliberations. The overview and scrutiny committee shall have **not less than four weeks** to respond to the initial proposals referred to it.

Notice required - 4 weeks

- (c) Having considered the report of the overview and scrutiny committee, the Mayor, if he/she considers it appropriate, may amend his/her proposals before submitting them to the Full Council meeting for consideration. In that report the Mayor should reflect how he/she has taken into account the deliberations of the overview and scrutiny committee.
 - (d) When considering the Mayor's proposals the Council may
 - (i) adopt or approve the draft budget, plan or strategy;
 - (ii) ask the executive to reconsider or
 - (iii) amend the budget, plan or strategy itself
- Pursuant to (i) this will include the submission (where required) to the Secretary of State or any Minister of the Crown for approval.
- (e) If the Council approves the proposals with amendments or approves alternative proposals, the Mayor may resubmit his/her proposals or make fresh proposals and submit these to the Council. He/She may exercise this right by writing to the Monitoring Officer within five working days of the Council decision. He/She may also waive this right by writing to the Monitoring Officer.
 - (f) If the Council rejects the proposals, the Mayor must resubmit his/her proposals or make fresh proposals.
 - (g) If the Mayor submits or resubmits proposals under rule (e) or (f) the Council shall consider these proposals. It shall make its final decision on the matter in that it may approve the proposals of the Mayor by a simple majority of votes cast at the meeting; or approve a different decision which does not accord with the recommendations of the Mayor by a two thirds majority.
 - (h) Once proposals are approved, the Mayor shall implement them.

PBR3

Process for developing the budget

1. For the purposes of the Constitution, the Budget shall be defined as meaning the process whereby in any financial year, the Mayor submits to the Full Council for its consideration for the following financial year:
 - estimates of the budget requirement (as provided for in the Local Government Finance Act 1992);
 - all the components of the budget such as the budgetary allocations to different services and projects;
 - proposed taxation levels;
 - contingency funds (reserves and balances); and
 - any plan or strategy for the control of the local authority's borrowing or capital expenditure
2. The Mayor will publish in advance a timetable for the Budget. The chair of overview and scrutiny committee will also be notified. The timetable will be subject to variation dependent upon the timing of the Local Government Finance Settlement and the information available. This will be advised upon by the Chief Finance Officer.
3. The Mayor shall publish his/her major budgetary proposals in accordance with the timetable referred to in paragraph (2) above. The Mayor's major budgetary proposals shall form the basis of any consultation process or exercise and will also be disseminated to the Political group leaders. The proposals may be updated from time to time by the Mayor as further information becomes available.
4. The initial proposals shall be referred, in accordance with the timetable above, to overview and scrutiny committee for consideration and comment. The Committee shall have such time as the timescale provided for by the Mayor to respond to the Initial proposals. Having considered the comments of overview and scrutiny committee on the initial proposals upon which the draft budget shall be based, the Mayor will finalise his/her proposals before submitting them to the Council for consideration.

Political Process

5. Once the Mayor's budget proposals are noted by the Cabinet prior to submission to Full Council (for the first Council meeting), the political groups and/or any member of the Council, can chose to prepare an alternative budget or amendments. All political groups are supported by officers in this exercise. The Finance function will specifically assign a senior finance officer to each political group to maintain the confidentiality of group discussion and spreads the workload.

6. Consistent information is made available to all groups but discussions and requests for supplementary information within the groups are confidential to that group. If similar requests are made by more than one group, officers will take steps to ensure there is no duplication of effort, whilst maintaining group confidentiality.
7. The alternative budgets / amendments produced must have the effect of providing the Council with a “balanced budget” as determined by the Chief Finance Officer. Following which a budget motion can be submitted for presentation to Full Council
8. The process outlined above reflects good practice; however failure to comply with the process outlined in paragraphs (5)-(7) will not in any way invalidate the budgetary process and this convention is not enforceable by the Council or any Political party in any manner.

PBR4

Procedure for the budget fixing meeting

- (1) A meeting of the Full Council will be held in February or March in each year:
 - (i) to approve the civic budget;
 - (ii) to pass the statutory resolutions in respect of the council tax including provision for collection of precepts, charges and other items included in the council tax or local taxation for the following financial year (i.e. the year commencing on 1 April after the budget meeting).

Publication of the civic budget:

- (2) The civic budget prepared by the executive will be published not less than **fifteen** clear working days before the date of the budget fixing meeting.

Notice Required - 15 clear working days
- (3) At least 6 working days prior to the first council meeting any political group and/or any member of the Council shall advise the Monitoring Officer of any alternatives to the Mayors proposals which are to be included in the agenda and presented at the first council meeting. Such requests shall detail the alternative/referral and must have the effect of providing the Council with a “balanced budget” as determined by the Section 151 Officer. Any alternative proposals submitted will be circulated to all Councillors 4 working days before the first council meeting.

Notice Required - 6 clear working days

Procedure at the budget fixing meeting:

- (4) The Mayor will open the budget speech by moving:
“That the proposed civic budget be approved”.

Once the motion has been seconded the Council may:-

- a. Adopt the Mayor’s proposals as presented
- b. Consider the previously advised alternative proposals (referred to in 3 above) as a request for a referral back of the proposals to the Mayor for consideration.

Amendments to the proposed civic budget:

- (5) Once the motion has been seconded, any political group /member of council may move an amendment to the motion that the proposed civic budget be approved provided that:
- (i) The alternative budget / amendments to be proposed is in accordance with paragraph (3) above.
- (6) The Chief Finance Officer will advise the Council at the meeting of the minimum decisions and resolutions the Council must make at that meeting as required to comply with statutory requirements.
- (7) When considering the alternative budgets referred to in 3 the Council shall consider each alternative budget/amendments presented by the political group/council members individually. Each alternative budget proposal/amendment shall be moved and if seconded shall be debated.
- (8) There will be a time limit on the length of speeches and at the conclusion of the debate on that individual motion the Mayor will respond to each alternative budget / amendment and sum up, before it is voted on.
- (9) A vote shall be taken as to whether the Council wishes to refer that alternative proposal to the Mayor for consideration. This process shall apply to each alternative budget proposal / amendment in turn. No amendments to the alternative budget proposals / amendments shall be allowed.
- (10) After all the alternative budgets / amendments have been approved, the Chief Finance Officer will confirm the position in terms of which alternative budgets / amendments were carried.
- (11) Without any further discussion, the Lord Mayor will invite the Monitoring Officer to put the question on the motion that the civic budget (including any amendments) or alternative budget carried be approved.

- (12) Where the Council resolves in accordance to refer alternative proposals back to the Mayor for re-consideration, the Monitoring Officer shall as soon as practicably possible will summons a Second Council meeting.
- (13) The Second Council Meeting. The Monitoring Officer will call a Council meeting to consider:-
- (a) the Mayors proposals following the referral back from the First Council meeting;
 - (b) adopting (with or without modification) the plan or strategy;
 - (c) such decisions required to comply with statutory requirements and/or Ministerial/ Governmental guidance/requirement as advised by the Chief Finance Officer
- (14) The Council shall only consider the Mayor's Budget and those alternative proposals presented to the Council for consideration at the First Council meeting.
- (15) At the Second Council meeting, the Council must take into account the reasoning put forward by the Mayor in considering his/her re-submitted budget and consider whether it wishes to approve an alternative budget to that now proposed. If an alternative budget is proposed it must be approved by a 2/3rds majority in order to be adopted.
- (16) At the Second Council meeting there is no consensus on the matters before Council. There will be no time limit on the length of this meeting the Council shall continue to meet until such matters as the Chief Finance Officer advises that the Council is required to make decisions in accordance with 13(c) above are determined. (Note: An example of a requirement to pass a resolution in law may include the setting of a lawful budget by a certain date, or the determination of the Council Tax).
- (17) On the approval of the civic budget, the Mayor will move the adoption of the statutory resolutions in respect of the levying of council tax or other local taxation for the ensuing year including the provision for the collection of precepts, charges and other items included in the council tax or other local taxation.

PBR5

Overall budget and level of council tax

Each year the Mayor shall make a recommendation to Full Council as to the overall financial budget and level of council tax to be levied in order to provide sufficient resources to implement the Policy and Budget Framework. The budget proposal should include appropriate performance & output measures against which the achievements of the Council within that year can be measured and monitored.

PBR6

Decisions outside the budget or policy framework

- (a) Subject to the provisions of paragraph PBR 8 (virement and supplementary estimates) the Mayor, individual members of the executive and any officers, area committees or joint arrangements discharging executive functions may only take decisions which are in line with the Policy and Budget Framework. If any of these bodies or persons wishes to make a decision which is contrary to the framework, or contrary to or not wholly in accordance with the budget approved by the Full Council, then that decision may only be taken by the Full Council, subject to PBR 5 (urgent decisions) below.
- (b) If the Mayor, individual members of the executive and any officers, area committees or joint arrangements discharging executive functions want to make such a decision, they shall take advice from the Monitoring Officer and Chief Finance Officer as to whether the decision they want to make would be contrary to the Policy and Budget 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 and Budget framework, then the decision must be referred by that body or person to the Full Council for decision, unless the decision is a matter of urgency, in which case the provisions in paragraph PBR 7 (urgent decisions outside the Policy and Budget framework) shall apply.

PBR7

Urgent decisions outside the budget or policy framework

This procedure covers decisions contrary to the Policy and Budget Framework and contrary to or not wholly in accordance with the budget.

(a) The Mayor, an individual member of the executive or officers, area committees or joint arrangements discharging executive functions may take a decision which is contrary to the Full Council's Policy and Budget Framework or contrary to or not wholly in accordance with the financial budget approved by the 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) the leaders of the political parties (or their deputies in their absence) covering over two-thirds of the 70 elected councillors agree to it

The reasons why it is not practical to convene a quorate meeting of Full Council must be noted on the record of the decision.

- (b) Following the decision, the decision taker will provide a full report to the next available meeting of the Full Council explaining the decision, the reasons for it and why the decision was treated as a matter of urgency.

PBR8

Virement and Supplementary Estimates

Steps taken by the Mayor, an individual member of the executive or officers, area committees or joint arrangements discharging *executive* functions to implement council policy shall not exceed those financial budgets allocated to each budget head. However, such bodies or individuals shall be entitled to transfer a budget allocated to a budget head for a particular purpose to be transferred across budget heads and used for another purpose (virement) across budget heads in accordance with the requirements set out in the council's **financial regulations**. Beyond the limits set out in financial regulations, approval to any virement across budget heads shall require the approval of the Full Council.

Supplementary Estimates seeking the authorisation to utilise expenditure from the Council's balances not provided for in the Revenue Budget beyond the limits set out in financial regulations shall require the approval of Full Council.

PBR9

In-year changes to policy framework

The responsibility for agreeing the Policy Framework lies with the Full Council, and decisions by the Mayor, an individual member of the executive or officers, area committees or joint arrangements discharging executive functions must be in line with it. No changes to any policy and strategy which make up the 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 service to meet a financial 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 Full Council following consultation, but where the existing policy document is silent on the matter under consideration; and
- (d) which relate to policy in relation to schools, where the majority of school governing bodies agree with the proposed change.

PBR10

Call-in of decisions outside the budget or policy framework

- (a) Where an overview and scrutiny committee is of the opinion that an executive decision is, or if made would be, contrary to the Policy and Budget 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.
- (b) In respect of functions which are the responsibility of the Mayor, the monitoring officer's report and / or chief finance officer's report shall be sent to the Mayor with a copy to every councillor. Regardless of whether the decision is delegated or not, the Mayor must consider what action to take in respect of the monitoring officer's report and to prepare a report to the Full Council in the event that the Monitoring Officer or the Chief Finance Officer conclude that the decision was a departure from the agreed framework.
- (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 and Budget Framework or contrary to or not wholly in accordance with the budget, the overview and scrutiny committee may refer the matter to the Full Council. In such cases, no further action will be taken in respect of the decision or its implementation until the Full Council has met and considered the matter. The Full Council shall meet within 28 days of the request by the overview and scrutiny committee (if there is a forthcoming ordinary meeting of the Full Council the matter will be automatically included on the agenda for that meeting). 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 Full Council may either:
 - (i) endorse a decision or proposal of the executive decision taker as falling within the existing Policy and Budget 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 policy concerned and/or financial regulations 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 Full 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 Mayor to reconsider the matter in accordance with the advice of either the Monitoring Officer / Chief Finance Officer.