

Title: Policy & Budgetary Framework Procedure Rules

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Portfolio Holder: Councillor Davison

Wards of the District directly affected: All

<b>Approvals required</b>	<b>Date</b>	<b>Name</b>
<b>Portfolio Holder</b>	4/9/2023	Ian Davison
<b>Finance</b>	30/8/2023	Alex Elston
<b>Legal Services</b>		
<b>Chief Executive</b>	30/8/2023	Chris Elliott
<b>Director of Climate Change</b>	30/8/2023	Dave Barber
<b>Head of Service(s)</b>	30/8/2023	Graham Leach
<b>Section 151 Officer</b>	30/8/2023	Richard Barr
<b>Monitoring Officer</b>	30/8/2023	Graham Leach
<b>Leadership Co-ordination Group</b>	4/9/2023	
<b>Final decision by this Committee or rec to another Cttee / Council?</b>	No - Recommendation to: Council on 26 September 2023	
<b>Contrary to Policy / Budget framework?</b>	No	
<b>Does this report contain exempt info/Confidential? If so, which paragraph(s)?</b>	No	
<b>Does this report relate to a key decision (referred to in the Cabinet Forward Plan)?</b>	No	
<b>Accessibility Checked?</b>	Yes	

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## Summary

The report brings forward a proposal to amend the Budget & Policy Framework Procedure Rules to enable changes to these to be made in a timely fashion.

## Recommendation(s)

- (1) That Cabinet seeks approval from Council to take decisions outside of the Policy & Budgetary Framework Procedure Rules: to not provide 5 months notification of the initial proposals and timeline for adoption of the new Corporate Strategy; and the timeline as set out at Paragraph 1.8 of the report.
- (2) That Cabinet notes the Consultation work underway on the draft strategic goals as set out at Appendix 2 to the report, with the partners listed at Appendix 3 to the report.
- (3) That Cabinet notes officers' work in comparing the Warwick District Council Policy & Budgetary Framework with its CIPFA nearest neighbours and asks officers to be mindful of this when reviewing the Constitution.

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## 1 Reasons for the Recommendation

- 1.1 In reviewing the Constitution for the delivery of the new Corporate Strategy it was identified that significant time was provided from initial proposals to the final document being adopted by Council.
- 1.2 This was not inline with the desire of the Council to deliver a new Corporate Strategy for the Council to enable the Council to identify and start delivering on its corporate priorities as soon as possible after the election.
- 1.3 Officers were asked to look at the CIPFA nearest neighbours Policy & Budgetary Frameworks for comparison to Warwick District Council.
- 1.4 The CIPFA nearest neighbours to Warwick District Council are: Rugby, Cheltenham (no less than four weeks), North Hertfordshire District Council, Mid Sussex District Council (six weeks), Test Valley, Maidstone, Charnwood, Chelmsford, Winchester, Huntingdonshire, East Hertfordshire, Tunbridge Wells, Basingstoke and Dene and the former authority of Harrogate. In addition, Officers also looked at Stratford-on-Avon District Council's Constitution.
- 1.5 It became clear from this review that most Councils have a time frame defined by the Cabinet (along with draft principles of any Policy with the Policy Framework to be adopted) at the relevant time. The remaining few had a time scale no greater than two months.
- 1.6 With this in mind, and the desire from Council to bring forward a new Corporate Strategy at the earliest opportunity, it was considered reasonable to seek an exemption to the adopted procedure rules, as set out at Appendix 1 to the report, with a wider review of these rules being undertaken as part of the review of the Constitution.
- 1.7 The finalised 2023 to 2030 Corporate Strategy will set out the Council's corporate aims and ambitions for the next 7 years, in the same way the current business strategy does. It will underpin every project and initiative developed and implemented by the Council's Service Areas that set out how to deliver services over the next 7 years.

- 1.8 The draft strategic goals are currently subject to consultation with, the consultees listed at Appendix 2 to the report. The timetable for the delivery of the new corporate Strategy is proposed as follows:

4 September	LCG/Cabinet	Consider the initial feedback for the draft strategic goals of this new strategy
19 September	O&S	Discuss the [draft strategic goals] detail of the document
26 September	Council	Consider proposal to reduce the notice period between consultation and adoption of Corporate Strategy
3 October	O&S	Review any feedback they have received and provide Comments to Cabinet.
4 October	Report	Final draft version to be completed
1 November	O&S	Consider the final Draft of the Corporate Strategy
2 November	Cabinet	Consider Report on Final Draft
15 November	Council	Consider adoption of the Corporate Strategy

- 1.9 The intention is for the final version of the new Strategy to be considered by Cabinet on 2 November for them to make a recommendation to Council on 15 November.

## **2 Alternative Options**

- 2.1 The Cabinet could consider not applying for the exemption to the Policy & Budgetary Framework Procedure Rules but this would delay the delivery of the new Corporate strategy. This though could allow for further and wider community engagement in the proposed strategy. That said, the Corporate Strategy is an expression of the priorities of a new administration which has only recently been elected via significant amount of community participation.
- 2.2 The Cabinet could seek to amend the Policy & Budgetary Framework Procedure Rues at this time, however as reported to Cabinet in July 2023 there will be a review of the Constitution being undertaken and it is advised the Procedure Rules are reviewed as part of this.

## **3 Legal Implications**

- 3.1 The Cabinet is required to follow the procedure rules as set out failure to do so would see the final Corporate Strategy being open to legal challenge. The proposed approach provides a reasonable approach to delivering the strategy within the desired timescale.

## **4 Financial Services**

- 4.1 The report itself does not directly impact on the budget or budgetary framework of the Council.

## **5 Business Strategy**

- 5.1 Warwick District Council has adopted a Business Strategy which sets out key areas for service delivery. This report does not directly contribute to this but brings forward a timeframe for delivering a new Corporate Strategy to replace it.

## **6 Environmental/Climate Change Implications**

- 6.1 There are no direct environmental implications of the proposal in relation to the Council's policies and Climate Emergency Action Plan.

## **7 Analysis of the effects on Equality**

- 7.1 An Equality Impact Assessment will be completed on the final proposed Corporate Strategy before it is considered by Cabinet.

## **8 Data Protection**

- 8.1 There are no data protection implications of the proposal.

## **9 Health and Wellbeing**

- 9.1 There are no direct health and wellbeing implications of the proposal.

## **10 Risk Assessment**

- 10.1 The risk here is the length of time for developing and delivering the new Corporate Strategy. The longer it takes the more that "life" will intercede and the Council will have to make decisions on issues without its wider policy stance being known or agreed. This will spawn ad hoc decisions which may not help the Council overall or its communities being served.

## **11 Consultation**

- 11.1 Consultation is being undertaken as set out within paragraph 1.8 of the report.

**Background papers:** None

**Supporting documents:** Warwick District Council Business Strategy 2020-2023

## **BUDGET OR POLICY FRAMEWORK PROCEDURE RULES**

### **1. THE FRAMEWORK FOR EXECUTIVE DECISIONS**

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 Cabinet to implement it.

### **2. PROCESS FOR DEVELOPING THE BUDGET OR POLICY FRAMEWORK**

#### **2.1.1 The Budget Framework**

The process by which the budget framework shall be developed:-

- \* Alongside consideration of the Budget for the forthcoming year and agreeing the level of Council Tax for that year, the Cabinet will consider and agree a financial strategy setting out medium term (5 year time period) projections of the Council's financial position. In agreeing the financial strategy the Cabinet will take into account representations from the relevant Overview and Scrutiny Committee(s) and other stakeholders that it is considered appropriate to consult. The financial strategy shall cover as a minimum the Council's General Fund, Housing Revenue Account and capital expenditure and funding requirements. The financial strategy and projections will be reviewed by the Cabinet during the financial year.
- \* At least 6 months before the budget needs to be adopted the Cabinet will establish outline financial parameters within which the budget will be prepared. In agreeing such parameters the Cabinet is required to consult with the relevant Overview & Scrutiny Committee(s). Consultation with other stakeholders should also be undertaken by the Cabinet to the extent to which this is considered necessary.
- \* At least 2 months before the budget needs to be adopted, the Cabinet will publish initial proposals for the budget. These proposals shall include and detail significant changes from the current year budgets. The proposals shall include the timetable by which the Cabinet will approve the budget and details of any consultation it wishes to undertake with stakeholders.

#### **2.1.2 The Policy Framework**

The process by which the budget or policy framework is agreed:-

Five months before a policy framework needs to be adopted the Cabinet will publish initial proposals for that framework having first canvassed the views of local stakeholders as appropriate and in a manner suitable to the matter under consideration. Any representations made to the Cabinet 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 & Scrutiny Committee has carried out a review of policy, the initial outcome of that review will be reported to the Cabinet and considered in the preparation of the initial proposals.

- 2.2 (a) The Cabinet's proposals shall be referred to the relevant Overview & Scrutiny Committee(s) for advice and consideration. The Overview & Scrutiny Committee(s) shall consider the views of stakeholders as it considers appropriate, ensuring that this does not duplicate any consultation to be carried out by the Cabinet.
- (b) The Overview & Scrutiny Committee(s) shall report to the Cabinet on its deliberation within the timetable set by the Cabinet. The Chair of the relevant Overview & Scrutiny Committee(s) will be invited to present the deliberations to the Cabinet.
- (c) Having considered the views of the relevant Overview & Scrutiny Committee(s) and completed its own consultation with other stakeholders, the Cabinet, if it considers it appropriate, may amend its proposals, before submitting them to the Council for consideration.
- (d) The Council will consider the proposals of the Cabinet and may adopt them, amend them, or substitute its own proposals in their place.
- (e) The Council's decision will be publicised in accordance with Article 4 and a copy shall be given to the Leader of the Cabinet. The notice of decision shall be dated and shall state either that the decision shall be effective immediately (if the Council accepts the Cabinet's proposals without amendment) or (if the Cabinet's proposals are not accepted without amendment), that the Council's decision will become effective on the expiry of 5 working days after the publication of the notice of decision, unless the Leader objects to it in that period.
- (f) If the Leader objects to the decision of the Council, they 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 Head of Paid Services shall convene a special meeting of the Council to reconsider its decision and the decision shall not be effective pending that meeting.
- (g) The Council meeting must take place within 5 working days of the receipt of the Leaders written objection. At that Council meeting, the decision of the Council shall be reconsidered in the light of the objection, which shall be available in writing for the Council.
- (h) The Council shall at that meeting make its final decision on the matter on the basis of a simple majority. The decision shall be made public in accordance with Article 4, and shall be implemented immediately.
- (i) In approving the budget framework, the Council will also specify the extent of virement within the budget and degree of in-year changes to the budget which may be undertaken by the Cabinet, in accordance with paragraphs 5 and 6 of these Rules (virement and in-year adjustments). Any other changes to the budget framework are reserved to the Council.

### 3. **DECISIONS OUTSIDE THE BUDGET OR POLICY FRAMEWORK**

- (a) Subject to the provisions of paragraph 5 the Cabinet, individual members of the Cabinet and any officers, area committees or joint arrangements discharging Executive functions may only take decisions which are in line with the budget or policy framework.

If any of these bodies or persons wishes to make a decision which is contrary to the budget or policy framework approved by Council, then that decision may only be taken by the Council, subject to 4 below.

- (b) If the Cabinet, individual members of the Cabinet 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 the Chief Financial Officer as to whether the decision they want to make would be contrary to the budget or policy framework. If the advice of either of those officers is that the decision would not be in line with the existing budget 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 or policy framework) shall apply.

### 4. **URGENT DECISIONS OUTSIDE THE BUDGET OR POLICY FRAMEWORK**

- (a) The Cabinet may take a decision which is not wholly in accordance with the budget or policy framework approved by 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 Council; and
  - (ii) if the Chairmen of a relevant Overview and Scrutiny Committees agrees that the decision is a matter of urgency.

The reasons why it is not practical to convene a quorate meeting of full Council and the Chairman of the relevant Overview and Scrutiny Committees 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 a relevant Overview and Scrutiny Committee, the consent of the Chairman of the Council, and in the absence of both the Vice Chairman of the Council, will be sufficient.

- (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.

(The Chief Executive may not use his delegated authority (CE4) to take urgent decision between meetings for the purposes of amending the Policy or Budgetary Framework.)

### 5. **VIREMENT**

- (a) The Council shall have the budget heads required by the Council's Code of Financial Practice.

- (b) Steps taken by the Cabinet, an individual member of the Cabinet or officers, discharging Cabinet functions to implement Council policy shall not exceed those budgets allocated to each budget head. However, such bodies or individuals shall be entitled to exercise virement across budget heads within the boundaries set within the Council's Code of Financial Practice. Beyond those limits, approval to any virement across budget heads shall require the approval of the Council.

6. **IN-YEAR CHANGES TO THE BUDGET OR POLICY FRAMEWORK**

The responsibility for agreeing the budget or policy framework lies with the Council, decisions by the Cabinet, an individual member of the Cabinet or officers, discharging Cabinet functions must be in line with the agreed budget or policy framework.

No changes to the budget or policy framework may be made by those bodies or individuals except those changes to the budget or policy framework allowed by the Council's Code of Financial Practice and those changes necessary to ensure compliance with the law, ministerial direction or government guidance.

7. **CALL-IN OF DECISIONS OUTSIDE THE BUDGET FRAMEWORK**

These must be made in line with Council Procedure Rule 21.



### Draft WDC Strategic Goals

*Currently these goals are presented under 3 broad headings. This may change in the final strategy and interrelationships will be highlighted. Note that the dark circles/bullet points are intended to be the strategic goals at the heart of the strategy and the light circles are some examples of how to achieve these goals.*

#### **Delivering Valued, Sustainable Services**

We will focus Council activities on the needs of our residents, communities and businesses. Achieving financial stability and sustainability over the 5-year Medium Term Financial Strategy period is the foundation for ensuring that we have the resources to continue to deliver great services that our residents value. We will also continue to find innovative ways to improve residents' lives.

- Put the Council's finances on a firm, stable and sustainable footing over the next 5 years.
  - Continue the Council's entrepreneurial ethos with diverse approaches to increasing income and investment, for example via Milverton Homes, partnership working and obtaining grants.
- Achieve and demonstrate delivery of high-quality services.
  - Whilst maintaining a solid base of delivering services, drive improvements via our Digital and Customer Strategy and Change Management Programme that will increase digital capability and transform the organisation's ability to deliver valued services in an ever-changing world.
  - Benchmark the Council's services on a continuous basis.
- We want to attract and retain the best talent to deliver our ambitions.
  - Ensure our People Strategy helps our valued services to be more effective.
  - Embed improved commissioning and contract management skills across the organisation.
- Ensure the best use of the Council's assets to deliver the Council's wider corporate aims.
  - Prepare a new Asset Strategy and Management Plan for the period to 2030.

#### **Low cost, low carbon energy across the District**

We will reduce energy consumption and hence bills in Council civic buildings, Council housing, and help others to do the same, such as privately owned homes, businesses, and other public and voluntary sector bodies. We will develop programmes that meet national standards of accreditation to ensure performance in use is optimised. This is all connected to our wider Climate Emergency Action Programme to reduce CO2 emissions and adapt to Climate Change which in turn links with the Ecological Emergency that the Council has also declared and for which it is preparing an Action Plan.

- Reduce energy consumption and carbon emissions from the council's public buildings.
  - Retrofit, improved heating systems and renewable energy generation.
  - Assess the creation of an investment fund for energy conservation and energy generation projects and implement if possible.
- Strive to provide Decent Homes for all our tenants including improving the energy efficiency of their homes.
- Ensure new housing developments led by the Council are exemplars of planning and construction to meet the climate emergency and other challenges.

- Explore multiple, innovative approaches to make it easier for the District's residents to reduce their heating bills and carbon emissions.

### **Creating Vibrant, Safe and Healthy Communities of the Future**

The Council must help communities to be dynamic and diverse, safe and healthy and where people's economic and housing needs can be met. This will facilitate a better and more sustainable balance with the natural world that will allow our communities to thrive.

- Support our communities, towns, town centres, neighbourhoods and villages to be economically ready for the future, with a focus on people and the environment.
  - Support the principle of the creation and implementation of the Investment Zone.
  - Transform Leamington town centre, especially the Parade.
  - Support and promote the Creative Sector to flourish and grow in the District.
  - Promote the District as a location for advanced manufacturing, "green", games and hi-tech based companies – Silicon Spa
  - Work with the University of Warwick and other internationally recognised institutions to enhance elements of this corporate strategy where they have expertise.
  - Work with partners to help local people access local job creation opportunities.
  - Work with Warwickshire College and other training providers to enhance the skill base of the local community.
  - Identify local neighbourhood improvement opportunities.
  - Promote community wealth building and the circular economy in all Council work and schemes and those of others wherever possible.
- Promote vibrant communities within all our towns and villages.
  - Celebrate our history and heritage.
  - Support local communities of artists and musicians through a revised Arts Strategy and Events Programme
  - Create a welcoming atmosphere for residents and visitors.
  - Promote sport at all levels from children's first steps and adult beginners to international bowls events.
  - Encourage everyone to have a more active lifestyle via use of our leisure centres, parks and open spaces, other sports facilities, and the provision of other outreach activities.
  - Support local voluntary, community, arts and sports organisations to sustain vibrant, active, healthy, cultured, and cohesive communities.
- Locally, lead in tackling the climate emergency by playing a proactive role in reducing the District's carbon emissions.
  - Revise and then implement the Climate Emergency Action Programme
- Promote sustainable development.
  - Using our joint WDC/SDC new Local Plan to: prioritise housing development on brownfield sites and minimize use of greenfield sites; and promote new developments using 20-minute neighbourhood/settlement designs.
  - Promote and implement active travel choices as a priority – public transport, walking and cycling.
  - All new housing developments to be net zero carbon in accordance with the DPD.
  - Boost the volume of high quality, low carbon, affordable and social housing including increasing the Council's and Milverton Homes' house building activity.

- Review the Green Spaces Strategy to ensure there is quality open space within a short distance of most homes and that it helps deliver biodiversity improvements.
- Ensure the provision of appropriate infrastructure is available to support new and existing development.
- Enhance the Biodiversity of the District
  - Increase the level of biodiversity on Council owned land and create a network of accessible linked biodiversity rich space.
  - Encourage others to enhance the biodiversity of the district using the planning system, the Biodiversity Net Gain legislation and other opportunities.
  - Develop Local Plan policies to encourage the positive use of Biodiversity Net Gain provisions to enhance the biodiversity of the WDC area.
  - Promote and support effective local action to tackle the ecological emergency – helping nature to help ourselves.
- Work with partners so that our District has a vibrant community at its heart, working together to ensure everyone is supported to live well and have safe and fully active lives.
  - Reduce air pollution in designated Air Quality Management Areas and Town Centres
  - Reduce health inequalities within the district and develop a series of health and community wellbeing hubs.
  - Reduce crime and the fear of crime.
  - Develop a Community Strategy where the Council and partners will work with communities to help address their own needs but, especially those with a more deprived socio-economic or isolated backgrounds.
  - Improve the quality of existing homes to ensure that they are free from mould/damp, are safe and are well insulated.

**Draft Strategic Aims  
Warwick District Council 2023 to 2030  
Consultees**

All Warwick District Councillors  
All Warwick District Council Employees  
All District & Borough Council's in Warwickshire  
Warwickshire County Council  
Coventry City Council  
Kenilworth Town Council  
Royal Leamington Spa Town Council  
Warwick Town Council  
Whitnash Town Council  
Act on Energy  
Heart of England Forest  
Biffa  
Idverde  
Everyone Active  
Leamington Bid  
Shakespeare's England:  
CDP  
Orbit  
Platform  
JV partner- Vistry/Countryside  
SWIFT  
Public Health  
South Warwickshire Health Partnership  
Homes England Platform  
Stonewater  
WCAVA  
Warwickshire & West Midlands Association of Local Council's  
Members of Warwick District Conservation Advisory Forum  
Coventry & Warwickshire Growth Hub  
Chamber of Commerce  
FSB  
Warwick Chamber of Trade  
Kenilworth Chamber of Trade  
University of Warwick  
Grant Thornton  
Housing Tenants Focus Group