

CONSTITUTION & DEMOCRATIC SERVICES COMMITTEE

Date of Meeting	Thursday 21 st June 2018
Report Subject	Call In During the Budget Process
Report Author	Chief Officer (Governance)

EXECUTIVE SUMMARY

At its meeting on April 2018, the Committee recommended adoption of a revised process for considering and approving the Council's annual budget. As part of the debate on that process, Members asked that further consideration be given to how the call in process should work in respect of Cabinet decisions on budget reports and whether any limitations should be placed on the use of call in.

There are procedural requirements for validly requesting a call in (e.g. it must be requested within 5 working days of the publication of the decision being challenged). Cabinet can expressly declare a decision to be urgent and thus exempt from call in (this is done extremely rarely and as a safeguard must have the agreement of the Chair of Council). However there are no other limits or restrictions on the use of call in e.g. it is possible to call in a decision that has already been considered by an Overview and Scrutiny Committee ("OSC").

A range of options exist for placing limits on call in such as:

- 1) prohibiting call in for budget decisions; or
- 2) limiting call in to issues that have not already been considered by an OSC; or
- 3) limiting call in to stages 1 and 2 of the new budget process so that the final 3rd stage cannot be delayed

The new budget process allows Members to consider proposals at All Member workshops and at OSC at each of the 3 stages. If a Member is concerned about a budget proposal at stages 1 or 2, then it can be deferred for further/more detailed consideration in a later stage. This should be sufficient to enable detailed scrutiny of proposals, though at times it is not always clear what the full implications of a decision will be (especially when considering the potential cumulative impact).

Ultimately, it is a matter for Councillors to decide whether to submit a call in request. The system is to some extent "self-policing" and OSCs are quick to reject any call in that is perceived to lack merit.

RECOMMENDATIONS

1	That the Committee recommends to Council the option it prefers in relation to call in.
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REPORT DETAILS

1.00	AVAILABLE OPTIONS FOR RESTRICTING CALL IN
1.01	At its meeting on April 2018 the Committee recommended adoption a revised process for considering and approving the Council's annual budget. As part of the debate on that process members asked that further consideration be given to how the call in process should work in respect of budget reports and whether any limitations should be placed on the use of call in.
1.02	<p>At present the procedural requirements for a call in are as follows:</p> <ol style="list-style-type: none">1) only executive (Cabinet) decisions can be called in;2) 4 members or the chair of an OSC must sign a call in notice; and3) a call in must be requested within 5 working days of the Cabinet record of decisions being published. <p>In addition, Cabinet can expressly declare a decision to be urgent and thus exempt from call in but this is done extremely rarely.</p>
1.03	There are no other limits or restrictions on the use of call in e.g. it is possible to call in a decision that has already been considered by an Overview and Scrutiny Committee ("OSC"). Members were seeking possible options on how to prevent the call in of issues that had already been considered in full by an OSC. This had come out from the consultation on proposed changes which was undertaken in March.
1.04	<p>A range of options exist for placing limits on call in such as:</p> <ol style="list-style-type: none">1) prohibiting call in for any budget decision by Cabinet – under the new budget process OSCs get at least 3 opportunities to consider budget proposals over a period stretching from June/July to February. That is sufficient time for very detailed scrutiny and might be felt to be adequate; or2) limiting call in to issues that have not already been considered by an OSC – this option prevents repetitious call ins (or the strategic use of a call in to delay a budget proposal). This option most closely meets the concerns of Members. For such a limitation to work either the Monitoring Officer or the Head of Democratic Services would need to determine whether the issue had already been considered; or3) limiting call in to stages 1 and 2 of the new budget process so that the final 3rd stage cannot be delayed – if the Council fails to set its budget by the 1 March each year then the publication, and thus payment, of council tax bills is delayed. 3rd stage proposals are usually considered shortly before the Council agrees the budget and any delay could be costly.

1.05	Each of these options would, of course, have the effect of limiting the ability of OSC's to consider some of the most important decisions taken by councillors.
1.06	Given the length and opportunity for detailed scrutiny under the new budget process, it is likely that issues will be fully considered by an OSC. During the budget setting process for 2018/2019 there was, however, an example of where important aspects of a budget proposal had not been considered until a call in was submitted. Call ins can therefore be seen as a useful fail safe. Further OSCs are swift to dismiss call ins that are perceived to have been submitted without merit.

2.00	RESOURCE IMPLICATIONS
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2.01	<p>The purpose of the revised budget setting process was to enable the early approval and implementation of acceptable budget proposals. By agreeing proposals well ahead of the financial year to which the budget relates the Council has been able to make savings in the current financial year and has also increased its achievement of budget efficiencies to the target level of 95%.</p> <p>Also as noted in the body of the report, delay in deciding the Council's budget can delay despatch of council tax bills. The printers operate in slots or "windows" when specific jobs are undertaken. If a job is not ready for its specific window then it can be some time before another window becomes available.</p>
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3.00	CONSULTATIONS REQUIRED / CARRIED OUT
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3.01	The Committee's recommendations will be reported to Council for approval.
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4.00	RISK MANAGEMENT
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4.01	These are addressed within the body of the report.
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5.00	APPENDICES
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5.01	None.
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6.00	LIST OF ACCESSIBLE BACKGROUND DOCUMENTS
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6.01	<ol style="list-style-type: none"> 1. Report of the Democratic Services Manager to the Constitution & Democratic Services Committee, 31st January 2018 – Budget Process, together with resultant minute. 2. Report of the Chief Executive, Chief Officer (Governance) and Democratic Services Manager to the Constitution & Democratic Services
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	<p>Committee 26th April, together with resultant minute. 3. Report of the Chief Officer Governance to the Annual Meeting of Council, 1st May 2018.</p> <p>Contact Officer: Gareth Owens, Chief Officer (Governance) Telephone: 01352 702344 E-mail: gareth.legal@flintshire.gov.uk</p>
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7.00	GLOSSARY OF TERMS
7.01	<p>Call In – a process for suspending the implementation of an executive decision until it has been considered by an Overview and Scrutiny Committee</p> <p>Executive Decision – a decision made by Cabinet, a Cabinet member or a Committee or joint Committee of Cabinet.</p>