

## 4.5 - Budget and Policy Rules

### 1. General

These rules reflect specific statutory requirements relating to the approval of budgets and policies by the Combined Authority and the Mayor, or other decision-makers on their behalf.

Decision-makers should consider whether any **consultation** is required in respect of their proposals, in addition to the statutory requirements specified in these rules.

Decision-makers should also engage with a Combined Authority **Overview and Scrutiny Committee** (and any other committee of the Combined Authority) as appropriate in the development and scrutiny of proposals.

When approving budgets or policies, decision-makers must comply with the provisions relating to **Key Decisions** in the Access to Information Rules in Part 4 of the Constitution.

### 2. Mayor's Budget

The Mayor must prepare a draft budget for the Mayoral Functions by 1 February. The draft budget must:

- set out the Mayor's spending plans and how the Mayor intends to meet the costs of the Mayoral General Functions, and

- include the relevant amounts and calculations.

If the Mayor fails to present a draft budget to the Combined Authority by 1 February, the Combined Authority must determine the relevant amounts and calculations for the financial year. The decision must be made by a minimum 2/3 majority of the Combined Authority Members present and voting. The Combined Authority must review any draft budget presented by the Mayor and may make a report on the draft budget to the Mayor. The Mayor does not vote on this decision, which is decided by a simple majority of the other Combined Authority Members present and voting.

The Mayor's draft budget shall be deemed to be approved by the Mayor, unless the Combined Authority makes such report by 8 February.

Any report made by the Combined Authority:

- must set out whether or not the Combined Authority would approve the draft budget in its current form, and
- may include recommendations, including recommendations as to the relevant amounts and calculations that should be used for the financial year.

Where the Combined Authority has made a report, it must specify a period of at least five working days (beginning on the day after the day on which the Mayor receives the report) within which the Mayor may:

- decide whether or not to make any revisions to the draft budget, and
- notify the Combined Authority of the reasons for that decision and, where revisions are made, the revised budget.

Where any specified period has expired, the Combined Authority must decide (taking into account the reasons given by the Mayor) whether to:

- approve the Mayor's draft budget, or the revised draft budget; the Mayor does not vote on this decision, which is decided by a simple majority of the other Combined Authority Members present and voting, or
- veto the Mayor's draft budget (or revised draft budget) and approve the Mayor's draft budget incorporating the Combined Authority's recommendations contained in the report to the Mayor; this decision must be made by a 3/4 majority of the Combined Authority Members present and voting.

The Mayor's draft budget (or the revised draft budget) shall be deemed to be approved unless vetoed within 5 working days beginning with the day after the date on which the period specified for the Mayor to consider the Combined Authority's report.

### **3. Approval of Policies - Non-Mayoral Functions**

The Combined Authority will approve any policy in relation to Non-Mayoral Functions. Where a Non-Mayoral Function has been conferred on the Combined Authority by the Order, approval of that policy requires the support of the Mayor.

Approving the Hull and East Yorkshire Investment Strategy is a Non-Mayoral Function. However, no spending commitments beyond an initial five-year allocation may be made until the Mayor has agreed the HEYIS.

#### 4. Approval of Policies - Mayoral Functions

Preparing and reviewing a **Local Transport Plan** is a Mayoral Function, (that is, exercisable only by the Mayor), subject to paragraph 18 below. The Mayor must have regard to any relevant statutory guidance when discharging this function.

In preparing and keeping the Local Transport Plan under review, the Mayor must consult:

- each local traffic authority for the Combined Authority's Area,
- the Secretary of State in relation to functions which the Secretary of State has as highway authority and traffic authority, and
- each Constituent Council.

In preparing and keeping the Local Transport Plan under review, the Mayor must also consult such of the following as the Mayor considers appropriate:

- operators of any network or station, or of any railway services in the Combined Authority's Area,
- operators or providers of other transport services in the Combined Authority's Area, or representative organisations,
- organisations appearing to the Mayor to represent the interests of users of transport services and facilities in the Combined Authority's Area, and
- other persons whom they consider appropriate.

By majority vote (including at least three members in favour), the Combined Authority may amend any Local Transport Plan made by the Mayor. The Combined Authority must have regard to any relevant statutory guidance when discharging this function.

As soon as practicable when a new Local Transport Plan has been prepared or an existing Plan reviewed or altered, the Mayor must:

- publish the Local Transport Plan and send a copy of it to the Secretary of State and such other persons as specified in statutory guidance,
- cause a copy of the Local Transport Plan to be made available for inspection and give public notice of this,
- supply a copy to any person on request.

The Mayor will approve **any other policy** in relation to Mayoral Functions, unless authority to do this has been delegated under the Mayor's arrangements.