

23 February 2017

Brighton &amp; Hove City Council

**Budget Council 23 February 2017:****Setting a Lawful Budget for 2017/18****Introduction**

Under section 30 (6) of the Local Government Act 1992 the Council has a duty to set the Council tax before the 11 March 2017. A failure to set the tax then does not in itself invalidate the tax demands but it has other adverse consequences including the potential loss of income to the Council. In practical terms this means the Council needs to reach a final position to meet billing deadline requirements before the 8<sup>th</sup> March 2017.

The legal obligations for setting the budget mean in practical terms that:

- Members should not put forward proposals that would mean setting an unlawful budget and need to take officer advice in particular from legal and finance to ensure that their proposals are in order;
- Although the Council corporately sets the budget the Council acts through Members collectively, each and every Member is therefore jointly and severally responsible for the setting of the budget; and
- Wherever possible Members are expected to facilitate rather than frustrate the setting of a lawful budget.
- The Local Authorities (Standing Orders) (England) (Amendment) Regulations 2014 impose an obligation on the Council to amend standing orders to require the vote of Members on the budget to be recorded. The votes on the amendments and the substantive budget will be conducted by electronic voting and the individual votes will be reflected in the minutes.

Please also note that the formal council tax resolution will incorporate the following recommendations:

That Council notes:

- 1) That for the avoidance of doubt, all Amendments considered and approved by the council represent resourcing decisions only. Where possible, the necessary lead-in time to undertake statutory and/or other appropriate consultation with staff and/or service users, together with appropriate one-off resources, has been identified in support of each Amendment, however, even where this has not been possible this does not absolve the council from undertaking statutory or other appropriate consultation before proposals can be implemented;
- 2) The Equalities Impact Assessments to cover all budget options and their cumulative effect as set out in Appendices 9, 10 and 14;
- 3) The revised Medium Term Financial Strategy and resource projections for 2017/18 to 2020/21 as set out in Appendix 15.

## **Budget Council 23 February 2017**

To help Members at Council on 23 February 2017 the procedure to be followed in respect of the Budget debate, (subject to Council approval) is set out below:-

**75. Declarations of Interest.**

**76. Mayor's urgent communications:**

**77. Adoption of Special Procedures**

The Council will be asked to agree that Council Procedural Rules be suspended in accordance with council procedural rule 1.7 to the extent that it is necessary to enable the business of the meeting to be dealt with as set out in agenda items 78 - 81 below.

**78. General Fund Revenue Budget & Council Tax 2017/18**

**79. Supplementary Financial Information for Budget Council**

**80. Capital Resources & Capital Investment Programme 2017/18**

**81. Housing Revenue Account (HRA) Revenue Budget 2017/18**

## **Budget Proposal based on a 1.99% Council Tax Increase with a 3% Precept (Ring-fenced for Adult Social Care):**

**(a)** The **Mayor** will invite **Councillor Morgan** and **Councillor Hamilton** to move and second the Administration's Budget based on a 1.99% Council Tax increase and a 3% precept for Adult Social Care, together with an amendment.

Councillor Morgan will have unlimited time and Councillor Hamilton will have 5 minutes within which to move and second the budget proposals, together with the amendment and to refer to the prevailing financial conditions in relation to the budget.

*[The Chief Finance Officer / Monitoring Officer shall have discretion at any stage to remind Members of the proposed substantive budget motion and its implications following acceptance of any amendments.]*

## **Budget Proposal based on a 1.99% Council Tax Increase with a 3% Precept (Ring-fenced for Adult Social Care) and the Conservative Group's Amendments 1 - 6:**

**(b)** The **Mayor** will invite **Councillor Wealls**, and **Councillor Geoffrey Theobald** to respond and move the Conservative Group's six amendments to the budget proposals.

Councillor Wealls will have unlimited time to move the amendments and Councillor Theobald will have 5 minutes within which to second the amendments and to refer to the prevailing financial conditions in relation to the budget.

*[The Chief Finance Officer / Monitoring Officer shall have discretion at any stage to remind Members of the proposed substantive budget motion and its implications following acceptance of any amendments.]*

### **Budget Proposal based on a 1.99% Council Tax Increase with a 3% Precept (Ring-fenced for Adult Social Care) and the Green Group's Amendments 1 - 3:**

- (c) The **Mayor** will invite **Councillor Sykes** and **Councillor Mac Cafferty** to move and second the Green Group's three amendments to the budget proposals.

Councillor Mac Cafferty will have unlimited time and Councillor Sykes will have 5 minutes within which to move and second the amendments and to refer to the prevailing financial conditions in relation to the budget.

*[The Chief Finance Officer / Monitoring Officer shall have discretion at any stage to remind Members of the proposed substantive budget motion and its implications following acceptance of any amendments.]*

### **Council Debate:**

- (d) The **Mayor** will then allow Councillors to debate the 2017/18 Budget proposals for the General Fund Revenue budget, Capital Resources and Capital Investment Programme and the Housing Revenue Account Revenue budget based on a Council Tax increase of 4.99% (items 78 - 81), and the amendments (as detailed in the addendum papers).

**NOTE: Speakers are limited to three minutes each unless otherwise specified or extensions granted.**

*[The Chief Finance Officer / Monitoring Officer shall have discretion at any stage to remind Members of the proposed substantive budget motion and its implications following acceptance of any amendments.]*

### **Administration's Right of Reply:**

- (e) At the conclusion of the debate the **Mayor** will invite Councillor **Mitchell** to give a final right of reply on behalf of the Administration and she will have up to 5 minutes in which to respond.

Following this,

- (i) The Mayor will request that the screen is lowered so that the outcome of the voting can be shown (Note: This will mean a delay of approximately 45 seconds).

- (ii) There will be a slight delay between each vote to enable the results of the previous item to be recorded into the system for the minutes once they have been shown on the screen.
- (f)** The Mayor will then put the amendments to the vote (up to a maximum of 6 separate votes) in the following order:
- (i) The Labour & Co-operative Group amendment (total of 1);
  - (ii) The Conservative Group's amendments (total of 6);
  - (iii) The Green Group's amendments (total of 3);

*Following the conclusion of the voting on the amendments The Chief Finance Officer will confirm how the individual amendments that have been carried affect the council tax proposal as necessary.*

*There will be a need for a short adjournment to allow for the preparation of the council tax resolutions to reflect the budget proposals as amended / if amended to be printed and circulated prior to the substantive vote.*

## **Substantive Votes:**

- (h)** The **Mayor** will put the substantive motions (as amended) (if amended) relating to the General Fund Revenue Budget and Council Tax to the vote as follows:

### **1. Budget 1.99% with a 3% Precept for Adult Social Care**

- 1.1** *The Chief Finance Officer will clarify the amendments that have been agreed and how they affect the budget proposal which will then be put to the vote.*
- 1.2** **Item 78** General Fund Revenue Budget & Council Tax 2017/18 based on a budget and council tax increase of 4.99% (incorporating a 3% precept for Adult Social Care); recommendations (1) to (7); as detailed in the extract from the Policy, Resources & Growth Committee;  
**together with;**
- Item 79** Supplementary Financial Information for Budget Council recommendation (2.1); and the council tax resolution on pages 383-385 of the agenda or as circulated;
- 1.3** **Note:** *Should the budget of 4.99% be approved, then the Mayor will move to Item 80 on the agenda.*
- 1.4** If the vote on the Budget is carried the Mayor will then put the Capital & Resources Budget to the vote as detailed in **(2)** below.
- 1.5** If the vote is lost then the Chief Finance Officer and/or the Monitoring Officer will outline the Council's position and consult the Mayor.

**1.6 Note:** There may then be a need for an adjournment.

**Followed by:**

- (i)** The **Mayor** will put the substantive motions (as amended) (if amended) relating to the Capital Resources and Capital Investment Programme 2017/18 and the Housing Revenue Account Budget 2017/18 to the vote as follows:

## **2. Capital Resources and Capital Investment Programme 2017/18**

**2.1** *The Chief Finance Officer will clarify the position should the amendment have been agreed and how it affects the budget proposal which will then be put to the vote.*

**2.2 Item 80** Capital Resources and Capital Investment Programme 2017/18 recommendations (1) - (7) as detailed in the extract from the Policy, Resources & Growth Committee.

**Followed by:**

## **3. Housing Revenue Account Budget 2017/18**

**3.1** *The Chief Finance Officer will clarify the position should the amendment have been agreed and how it affects the budget proposal which will then be put to the vote.*

**3.2 Item 81** Housing Revenue Account Budget 2017/18 recommendation (1) as detailed in the extract from the Policy, Resources & Growth Committee and appendix 1 to the report.

- (j)** The Mayor will then close the meeting.

***Additional guidance note regarding voting on amendments:***

1. None of the amendments as they stand need to be changed regardless of the voting outcomes on each of the amendments:

<b>Conservative amendment 1</b>
<b>Conservative amendment 2</b>
<b>Conservative amendment 3</b>
<b>Conservative amendment 4</b>
<b>Conservative amendment 5</b>
<b>Conservative amendment 6</b>
<b>Green amendment 1</b>
<b>Green amendment 2</b>
<b>Green amendment 3</b>

*The Chief Finance Officer / Monitoring Officer may advise the Mayor of the need for a short adjournment, in order to adjust the budget model in light of any amendments just agreed.*

*The Budget resolutions shall not be treated as concluded until any consequential adjustments are agreed.*

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