

22 February 2018

Brighton & Hove City Council

Budget Council 22 February 2018:**Setting a Lawful Budget for 2018/19****Introduction**

Under section 30 (6) of the Local Government Act 1992 the Council has a duty to set the Council tax before the 10 March 2018. 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 6th March 2018.

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 11 and 12;

Budget Council 22 February 2018

To help Members at Council on 22 February 2018 the procedure to be followed in respect of the Budget debate, (subject to Council approval) is set out below:-

74. Declarations of Interest.

75. Mayor's urgent communications:

76. 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 77 – 79 below.

77. General Fund Revenue Budget, Council Tax & Capital Investment Programme 2018/19

78. Supplementary Financial Information for Budget Council

79. Housing Revenue Account (HRA) Budget & Investment Programme 2018/19 and Medium Term Financial Strategy

A. The Administration's Budget Proposal based on a 5.99% Council Tax Increase incorporating a 3% Precept Ring-fenced for Adult Social Care:

(i) The **Mayor** will invite **Councillor Morgan** and **Councillor Hamilton** to move and second the Administration's Budget based on a 5.99% Council Tax increase incorporating a 3% precept for Adult Social Care.

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

B. The Conservative Group's Response:

(ii) The **Mayor** will invite **Councillor Wealls**, and **Councillor Janio** to respond to the budget proposals.

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

C. The Green Group's Response and Amendments 1 – 6:

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

Councillor Sykes will have unlimited time and Councillor Mac Cafferty 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.]

D. Council Debate:

- (iv) The **Mayor** will then allow Councillors to debate the 2018/19 Budget proposals for the General Fund Revenue Budget, Council Tax, & Capital Investment Programme and the Housing Revenue Account Budget & Investment Programme and Medium Term Financial Strategy; based on a Council Tax increase of 5.99% (items 77 - 79), 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.]

E. Administration's Right of Reply:

- (v) 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 main 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 screens.

F. Voting on the amendments:

(vi) The Mayor will then put the amendments to the vote (up to a maximum of 6 separate votes) in the following order:

- (i) The Green Group's amendments (total of 6);

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 may 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.

G. Substantive Votes:

(vii) The **Mayor** will put the substantive motions (as amended) (if amended) relating to the General Fund Revenue Budget, Council Tax & Capital Investment Programme 2018/19 to the vote as follows:

1. Budget 5.99% 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 77** General Fund Revenue Budget, Council Tax & Capital Investment Programme 2018/19 based on a budget and council tax increase of 5.99% (incorporating a 3% precept for Adult Social Care); recommendations (1) to (10); as detailed in the extract from the Policy, Resources & Growth Committee;

together with;

Item 78 Supplementary Financial Information for Budget Council recommendation (2.1); and the council tax resolution on pages 29 - 30 of the addendum; or as circulated.

1.3 **Note:** *Should the budget of 5.99% be approved, then the Mayor will move to Item 79 on the agenda.*

1.4 If the vote on the Budget is carried the Mayor will then put the Housing Revenue Account Budget to the vote as detailed in (2) below.

1.5 If the vote on the budget 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:

(viii) The **Mayor** will put the substantive motions (as amended) (if amended) relating to the Housing Revenue Account Budget & Investment Programme 2018/19 and the Medium Term Financial Strategy to the vote as follows:

2. Housing Revenue Account Budget & Investment Programme 2018/19 and Medium Term Financial Strategy

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 79 Housing Revenue Account Budget & Investment Programme 2018/19 and Medium Term Financial Strategy recommendation (1) as detailed in the extract from the Policy, Resources & Growth Committee and appendix 1 to the report.

H. Close of Meeting:

(ix) The Mayor will then close the meeting.

Note: The Mayor may adjourn the meeting at any time.

Abraham Ghebre-Ghiorghis
Executive Lead Officer for Strategy,
Governance & Law
(Monitoring Officer)

David Kuenssberg
Executive Director for
Finance & Resources
(Chief Finance Officer)

Additional guidance note regarding voting on amendments:

1. If amendment 1 is **not** carried, then amendments 2 and 3 are automatically lost.
2. If amendment 1 is carried, then amendments 2 and 3 will need to be voted on separately.
3. If amendment 2 is **not** carried, then amendment 3 automatically falls.
4. Amendments 4, 5 and 6 have no impact on each other and therefore stand-alone regardless of the outcome of the voting outcomes on each of the amendments.

Green amendment 1 – Needs to be carried for amendments 2 & 3 to be voted on.
Green amendment 2 – Relies on amendment 1 being carried.
Green amendment 3 – Relies on amendments 1 and 2 being carried.
Green amendment 4 – No impact on other amendments
Green amendment 5 – No impact on other amendments.
Green amendment 6 – No impact on other amendments.

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.

Abraham Ghebre-Ghiorghis
Executive Lead Officer for Strategy,
Governance & Law
(Monitoring Officer)

David Kuenssberg
Executive Director for
Finance & Resources
(Chief Finance Officer)