Brighton & Hove City Council

Budget Council 25 February 2010: Setting a lawful budget for 2010/11

Introduction

Under section 30 (6) of the Local Government Act 1992 the Council has a duty to set the Council tax by 11 March 2010. 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.

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 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.

Before Budget Council

- The Cabinet's budget will be worked up including all amendments from Budget Cabinet with full service, financial and legal implications. They will be incorporated in full into the main papers despatched for Budget Council.

- Other Groups' amendments are also evaluated by finance officers to determine the service, financial and legal implications of implementing those proposals. The proposals will be held confidential from the other political parties by the finance officers involved and all proposals must have been "signed off" by finance officers no later than 12 noon 3 days before Budget Council. (i.e. by 12 noon Monday 22nd February 2010)

- Only the Chief Executive and Director of Finance & Resources (with appropriate officers from the finance team) will be aware of the full range of amendments being proposed and they will not be shared with any parties until the morning of the date of the Council meeting.

- The Chief Executive shall have a "brokering" role if this would appear to facilitate agreement on particular amendments or proposals.

- The Mayor will refuse to accept any amendment subsequently moved that has not been "signed off" by the Director of Finance and Resources.

- All amendments are shared at 5 PM on Tuesday 23rd February between the Group Leaders.

- There will be a meeting of Group Leaders (attended by the Chief Executive, the Director of Finance & Resources and other relevant officers) at 4:30 PM on Wednesday 24th February with a view to exploring agreement on proposed amendments.

- There will be a second meeting of Group Leaders, with relevant Officers as mentioned above, on Thursday 25th February at 10:00 AM, unless the Chief Executive considers that, given any progress made on 24th February, it is not needed.

- Any variations to the amendments or any new amendments arising from the Leaders meetings shall be limited to grouping and repackaging of amendments or other changes providing that they do not, in the opinion of the Director of Finance & Resources, involve significant costing or evaluation that cannot reasonably be done within the available timescale.

Budget Council 25 February 2010
To help Members at Council on 25 February 2010 the procedure to be followed in respect of the Budget debate is set out below:-

53. Declarations of Interest.

54. Mayor's urgent communications, including the following:

The Council will be asked to agree that the Procedural Rules be suspended to the extent that it is necessary to enable the business of the meeting to be dealt with as set out in agenda item 55 below.

55. (a) General Fund Revenue Budget and Council Tax 2010/11
(b) Supplementary Financial Information for Budget Council
(c) Capital Resources and Capital Investment Programme for 2010/11 and
(d) Housing Revenue Account Budget for 2010/11

The four items listed above will be taken together:

(a) The **Mayor** will invite Councillor [xx] and Councillor [xx] to make their presentation to the Council and to move and second the Cabinet's budget, together with any amendments (up to 6). Councillor [xx] will have unlimited time and Councillor [xx] will have 5 minutes.

[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.]

(b) The **Mayor** will invite Councillor [xx] to move and Councillor [xx] to second the joint amendments (up to 6). Councillor [xx] will have unlimited time to move the amendments and Councillor [xx] will have 5 minutes within which to second the amendments.

[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.]

(c) The **Mayor** will invite Councillor Hamilton, Opposition Spokesperson on Finance and Councillor [xx] to respond and move the Labour Group's amendments (up to 6). Councillor Hamilton will

have unlimited time to move the amendments and Councillor [xx] 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.]

(d) The **Mayor** will invite Councillor [xx] and Councillor [xx] to respond and move the Green Group's amendments (up to 6). Councillor [xx] will have unlimited time and Councillor [xx] will have 5 minutes.

[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) The **Mayor** will invite Councillor Elgood and Councillor Watkins to respond and move the Liberal Democrat Group's amendments (up to 6). Councillor Elgood will have unlimited time and Councillor Watkins will have 5 minutes.

[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.]

(f) The **Mayor** will then allow Councillors to debate the proposed budgets and the amendments.

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

(g) At the conclusion of the debate the **Mayor** will invite Councillor [xx] to give her final right of reply.

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

(i) Joint Amendments
(ii) The Labour Group's amendments
(iii) The Green Group's amendments
(iv) The Liberal Democrat Group's amendments

(i) The **Mayor** will put the substantive motions (as amended) (if amended) to the meeting as follows:

Item 55(a) General Fund Revenue Budget & Council Tax 2010/11 recommendations together with;

Item 55(b) Supplementary Financial Information for Budget Council recommendations;

Item 55(c) Housing Revenue Account Budget 2010/11 recommendations;

Item 55(d) Capital Resources and Capital Investment Programme 2010/11 recommendations.

The Chief Finance Officer / Monitoring Officer may at any stage advise Members, especially if there is a need for consequential adjustment to parts of the budget resulting from the separate votes under 55(a), 55(b), 55(c) or 55(d). 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 amendments just agreed. The budget resolutions shall not be treated as concluded until any consequential adjustments are agreed.

Should Council fail to set the Council Tax on the 25th February 2010 there is one significant practical implication; the contractor who prints and sends out the Council Tax bills has a slot booked to process the city council's bills on the 26 February and a delay in setting the Budget would significantly affect this process.

Alex Bailey
Director of Strategy & Governance
(Monitoring Officer)

Catherine Vaughan
Director of Finance & Resources
(Chief Finance Officer)