

Brighton & Hove City Council

Council

Agenda Item 84

Subject: Budget Setting Protocol

Date of meeting: 1 February 2024

Report of: Executive Director for Governance, People & Resources

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Ward(s) affected: All

For general release

1. Purpose of the report and policy context

1.1 To agree the protocol for setting the council's budget and council tax including proceedings at the February Strategy, Finance & City Regeneration Committee and Budget Council in order to facilitate the decision-making process.

2. Recommendations

2.1 That the budget protocol outlined in Appendix 1 be approved for use at the Strategy, Finance & City Regeneration Committee on 8 February 2024 and the Budget Council meeting on the 22 February 2024.

2.2 That the Legal Advice Note as set out at Appendix 2 is noted.

3. Context and background information

3.1 Budget council is a special meeting of the Authority to set the Council Tax for each year and approve the General Fund and Housing Revenue Account budgets for the year ahead. In order to help councillors and members of the public with the process and running of the meeting, a protocol has been previously adopted requiring the suspension of Standing Orders in so far as it is required to adhere to the protocol.

3.2 The protocol is being put to the Council ahead of the budget meeting so that all Members can be fully aware of the procedure that will be followed should the protocol be approved. The protocol also proposes that there will be a limitation as to the number of amendments that directly impact the budget proposals ('budget amendments') and a defined timeline for their clearance prior to Budget Council to ensure safe and manageable decision-making.

3.3 Similarly, the budget proposals are first considered by Strategy, Finance & City Regeneration Committee for recommendation on to Budget Council. Under normal procedure rules amendments can be submitted up to 10:00am of the morning of the day before the meeting. However, in the case of amendments that impact the budget proposals, this is not appropriate as

such amendments would be highly likely to be disallowed due to the lack of time to undertake the necessary checks, including by the Chief Finance Officer and Monitoring Officer. The protocol therefore proposes that no 'Budget Amendments' shall be allowed for the February Strategy, Finance & City Regeneration Committee.

- 3.4 To further aid the smooth running of the budget and Council Tax setting process, a Legal Advice Note is normally provided to the Budget Council meeting setting out the legal, financial and practical consequences of a failure or delay in setting the Council Tax. A copy of the advice note is provided at Appendix 2.

4. Analysis and consideration of alternative options

- 4.1 Without the proposed protocol, the Budget Council meeting will need to follow the usual process for its meetings, and this would prove difficult and lead to lengthy adjournments and points of clarification. As such the use of the protocol is recommended as has been custom and practice in the authority.
- 4.2 Similarly, without the recommended protocol for the February Strategy, Finance & City Regeneration Committee, there is a potential for budget amendments to be submitted which could disrupt the budget process and distract officer capacity at the very point when the substantive budget proposals are being finalised.

5. Community engagement and consultation

- 5.1 The council has provided budget information and a short presentation on the website to inform members of the public how the budget is formulated and set. Further details of consultation and engagement undertaken will be provided in the General Fund and Housing Revenue Account budget reports to Strategy, Finance & City Regeneration Committee or Budget Council.

6. Conclusion

- 6.1 The budget protocol has been used successfully at previous budget meetings and is supported by the Leaders of the Groups.

7. Financial implications

- 7.1 There are no direct financial implications as the proposals are aimed at facilitating a smooth but robust procedure for facilitating the budget setting process through both the February Strategy, Finance & City Regeneration Committee and Budget Council.

Finance officer consulted: Nigel Manvel

Date consulted 26.01.22

8. Legal implications

- 8.1 The legal implications of not setting a budget are outlined in appendix 2 to the report and will need to be borne in mind at the Budget council meeting on the 22 February 2024.

Lawyer consulted: Abraham Ghebre-Ghiorghis Date consulted 24.01.24

9. Equalities implications

- 9.1 The protocol has been drawn up to enable a full discussion of the budget and for all Members who wish to participate in the debate and budget setting process.
- 9.2 The budget reports that will be considered at the meetings will include equalities impact assessments as appropriate.

10. Sustainability implications

- 10.1 The protocol is proposed primarily to ensure the smooth running of the Budget Council meeting and to enable the budget to be set rather than having to reconvene the meeting on another day which would then have an impact in terms of the resources required for a further meeting.

11. Crime & disorder implications:

- 11.1 There are no crime & disorder implications associate with the report.

Public health implications:

- 11.2 There are no public health implications associated with the report.

Supporting Documentation

1. Appendices

1. Budget protocol for 8 February 2024 Strategy, Finance & City Regeneration Committee and 22 February 2024 Budget Council meeting
2. Setting a lawful budget for 22 February 2024 Budget Council meeting

