

27 February 2014

Brighton & Hove City Council

Budget Council 27 February 2014:

Setting a Lawful Budget for 2014/15

Introduction

Under section 30 (6) of the Local Government Act 1992 the Council has a duty to set the **Council tax by 11 March 2014**. 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.
- 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.

Budget Council 27 February 2014

To help Members at Council on 27 February 2014 the procedure to be followed in respect of the Budget debate, (subject to Council approval) is set out below:-

77. Declarations of Interest.

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

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 79 - 82 below.

79. General Fund Revenue Budget & Council Tax 2014/15

80. Supplementary Financial Information for Budget Council

81. Capital Resources & Capital Investment Programme 2014/15

82. Housing Revenue Account Budget 2014/15

Council's Budget Proposal and Green Group's Amendments:

- (a) The **Mayor** will invite Councillor Littman and Councillor Jason Kitcat to move and second the Budget as recommended by the Policy & Resources Committee, along with their amendments. Councillor Littman will have unlimited time and Councillor Kitcat 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.]

Conservative Group's Amendments Proposal:

- (b) The **Mayor** will invite Councillor Ann Norman, and Councillor Geoffrey Theobald to respond and move their amendments. Councillor Norman 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.]

Labour & Co-operative Group's Amendments Proposal:

- (c) The **Mayor** will invite Councillor Morgan and Councillor Hamilton to respond and move their amendments. Councillor Morgan will have unlimited time and Councillor Hamilton 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.]

Council Debate:

- (d) The **Mayor** will then allow Councillors to debate the proposed Budget (items 79 – 82), and the amendments.

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

Administration's Right of Reply:

- (e) At the conclusion of the debate the **Mayor** will invite Councillor Littman to give his final right of reply.

Voting on Amendments:

- (f) (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.
- (g) The Mayor will then put the amendments to the vote (up to a maximum of 7 separate votes) in the following order:
- (i) The Green Group's amendments (total of 3);
- (ii) The Conservative Group's amendments (total of 7);
- (iii) The Labour & Co-operative Group's amendments (total of 7).

Additional guidance note regarding voting on amendments:

- Some of the proposed amendments use the same money for different purposes. Therefore, if any amendment is voted through subsequent amendments may need to be changed; which may require a short adjournment to clarify the changes required and to obtain agreement from the respective Group.
- The following amendments do not need to be changed regardless of the voting outcomes:
 - Green amendment 1; Conservative amendments 6 and 7.**
- The following amendments therefore may need to be changed:
 - Green amendments 2 or 3** if Green amendment 1 is carried;
 - Conservative amendment 1** if Green amendment 1,2 or 3 is carried;
 - Conservative amendment 2** if Green amendment 1 or 3 is carried;
 - Conservative amendment 3** if Green amendment 1 is carried;
 - Conservative amendment 4** if Green amendment 1 or 3 is carried;
 - Conservative amendment 5** if Green amendment 1 or 3 is carried;
 - Labour & Co-op amendment 1** if Green amendment 1 or 3 is carried, or Conservative amendment 1 or 4 is carried;

- **Labour & Co-op amendment 2** if Green amendment 1 or 3 is carried, or Conservative amendment 1 or 5 is carried;
- **Labour & Co-op amendment 3** if Green amendments 1 or 3 is carried, or Conservative amendment 2 is carried;
- **Labour & Co-op amendment 4** if Green amendments 2 or 3 is carried, or Conservative amendment 1 is carried;
- **Labour & Co-op amendment 5** if Conservative amendment 1 is carried;
- **Labour & Co-op amendment 6** if Conservative amendment 1 or 6 is carried;
- **Labour & Co-op amendment 7** if Conservative amendment 1 is carried.

During the voting on the amendments, if an amendment needs to be changed, then there may need to be a short adjournment whilst further clarification is prepared by officers for Members.

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.

Substantive Votes:

(h) The **Mayor** will put the substantive motions (as amended) (if amended) to the meeting in three separate votes as follows:

(1) Item 79 General Fund Revenue Budget & Council Tax 2014/15 recommendations (1) - (5);

together with;

Item 80 Supplementary Financial Information for Budget Council recommendations (1) - (4);

Followed by:

(2) Item 81 Capital Resources and Capital Investment Programme 2014/15 recommendations (1)-(6);

Followed by:

(3) Item 82 Housing Revenue Account Budget 2014/15 recommendations (1) - (5).

The Chief Finance Officer / Monitoring Officer may at any stage advise the Mayor and the Members of the need for a short adjournment, especially if there is a need for consequential adjustment to parts of the Budget resulting from the separate votes under 79 & 80, 81, and 82.

Should the Council fail to approve the Budget, the Mayor may decide to call for an adjournment in order to enable further discussions between the Groups; before reconvening the meeting and taking a further vote on the items.

Should Council fail to set the Council Tax on the 27th February 2014 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 6th March and a delay in setting the Budget before then would significantly affect this process.

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