

23 February 2017

Budget Council 23 February 2017: Adoption of Special Procedures: 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 by 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.

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 Administration's budget will have been worked up including all amendments from Budget Policy, Resources & Growth Committee with full service, financial and legal implications. They will have been incorporated in full into the main papers despatched for Budget Council.
- Other Groups' amendments were also evaluated by finance officers to determine the service, financial and legal implications of implementing those proposals. The proposals will have been held confidential from the other political parties by the finance officers involved and all proposals had to have been **"signed off" by finance officers no later than 12 noon 5 working days before Budget Council. (i.e. by 12 noon Thursday 16th February 2017).**
- Only the Chief Executive and Executive Director for Finance & Resources (with appropriate officers from the finance team) were aware of the full range of amendments being proposed and they would not be shared with any parties until after they had been given to the Group Leaders on the 20th February.

- 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 Executive Director for Finance & Resources.
- All amendments are shared **at 12noon on Monday 20th February** between the Group Leaders by the Head of Democratic Services.
- There will be a meeting of Group Leaders (attended by the Chief Executive, the Executive Director for Finance & Resources and other relevant officers) **at 4:00 pm on Wednesday 22nd 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 23rd February at 10:00 am**, unless the Chief Executive considers that, given any progress made on 22nd 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 Executive Director of Finance & Resources, involve significant costing or evaluation that cannot reasonably be done within the available timescale.

Should Council fail to set the Council Tax on the 23rd February 2017, a further meeting will need to be held prior to 3rd March; and a reserve date of **Tuesday 28th February is being held**. 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 4th March and a delay in setting the Budget before then would significantly affect this process.

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