

22 February 2018

Budget Council 22 February 2018: Adoption of Special Procedures: 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 by 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.

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 15th February 2018).**
- 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 19th 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 19th 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 5:00 pm on Wednesday 21st 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 22nd February at 10:00 am**, unless the Chief Executive considers that, given any progress made on 21st 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 22nd February 2018, a further meeting will need to be held prior to 2nd March; and a reserve date of **Tuesday 27th 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 3rd March and a delay in setting the Budget before then would significantly affect this process.

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