

25 February 2021

Brighton & Hove City Council

Procedural Note for Items 112 - 114:

Setting a Lawful Budget for 2021/22

Introduction

Under section 30 (6) of the Local Government Act 1992 the Council has a duty to set the Council tax before the 11 March each year. A failure to set the tax by then does not in itself invalidate the tax demands but it has other adverse consequences including the potential loss of income to the Council. In practical terms this means the Council needs to reach a final position to meet billing deadline requirements before the **5 March 2021**.

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 their 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.

Please also note that the formal Council Tax resolution will incorporate the following recommendations:

That Council notes:

- 1) That for the avoidance of doubt, all Amendments considered and approved by the council represent resourcing decisions only. Where possible, the necessary lead-in time to undertake statutory and/or other appropriate consultation with staff and/or service users, together with appropriate one-off resources, has been identified in support of each Amendment, however, even where this has not been possible this does not absolve the council from undertaking statutory or other appropriate consultation before proposals can be implemented.
- 2) The Equalities Impact Assessments to cover all budget options and their cumulative effect as set out in Appendices 6 and 7;

Budget Council 25 February 2021:

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

109. Declarations of Interest.

110. Mayor's urgent communications:

111. Adoption of Special Procedures

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 112 - 114 below.

112. General Fund Revenue Budget, Capital & Treasury Management Strategy 2021/22

113. Supplementary Financial Information for Budget Council

114. Housing Revenue Account (HRA) Budget and Capital Investment Programme 2021/22, and Medium-Term Financial Strategy

A. The Administration's Budget Proposal based on a 4.99% Council Tax Increase incorporating a 3% Adult Social Care Precept:

- (i)** The **Mayor** will invite **Councillor Druitt** and **Councillor Mac Cafferty** to move and second the Administration's Budget based on a 4.99% Council Tax increase incorporating a 3% precept for Adult Social Care.

Councillor Druitt will have unlimited time and Councillor Mac Cafferty will have 5 minutes within which to move and second the budget proposals, along with an amendment from the Green Group and to refer to the prevailing financial conditions in relation to the budget.

B. The Labour Group's Response and Amendments (Max 6):

- (ii)** The **Mayor** will invite **Councillor Yates** and **Councillor Platts** to move and second the Labour Group's amendments to the budget proposals.

Councillor Yates will have unlimited time and Councillor Platts will have 5 minutes within which to move and second the amendments and to refer to the prevailing financial conditions in relation to the budget.

[The S151 Chief Financial 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 Conservative Group's Response and Amendments (Max 6):

- (iii) The **Mayor** will invite **Councillor Miller**, and **Councillor Bell** to move and second the Conservative Group's amendments to the budget proposals.

Councillor Miller will have unlimited time and Councillor Bell will have 5 minutes within which to move and second the amendments and refer to the prevailing financial conditions in relation to the budget.

[The S151 Chief Financial 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. Council Debate:

- (iv) The **Mayor** will then allow Councillors to debate the 2021/22 Budget proposals for the General Fund Revenue Budget, Capital & Treasury Management Strategy 2021/22, based on a Council Tax increase of 4.99%, Supplementary Financial Information and the Housing Revenue Account Budget & Capital Investment Programme 2021/22, and Medium-Term Financial Strategy (items 112 - 114), and the amendments (as detailed in the addendum papers).

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

[The S151 Chief Financial 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 Administration's Right of Reply:

- (v) At the conclusion of the debate the **Mayor** will invite Councillor Gibson to give a final right of reply on behalf of the Administration and he will have up to 5 minutes in which to respond.

Following this,

- (i) The Mayor will ask the Head of Democratic Services to undertake a recorded vote of the amendments and the substantive budget as amended, if amended. At the discretion of the Mayor, a Group-based vote may be adopted providing it is clear how each Member voted, and the vote is recorded in the minutes.
- (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.

F. Voting on the amendments:

- (vi) The Mayor will then put the amendments to the vote (up to a maximum of 6 separate votes for Groups) in the following order:
- (i) The Conservative Group's amendments (6)
 - (ii) The Labour Group's amendments (3);
 - (iii) The Green Group's amendment (1).

Following the conclusion of the voting on the amendments The S151 Chief Financial Officer will confirm how the individual amendments that have been carried affect the council tax proposal as necessary.

There may be a need for a short adjournment to allow for the preparation of the council tax resolutions to reflect the budget proposals as amended / if amended to be circulated prior to the substantive vote.

G. Substantive Votes:

- (vii) The **Mayor** will put the substantive motions (as amended) (if amended) relating to the General Fund Revenue Budget, Capital & Treasury Management Strategy 2021/22 and Supplementary Financial Information to the vote as follows:

1. **Budget based on a 4.99% Council Tax increase, including a 3% Adult Social Care Precept**

- 1.1 *The S151 Chief Financial Officer will clarify the amendments that have been agreed and how they affect the budget proposal which will then be put to the vote.*
- 1.2 **Item 112** General Fund Revenue Budget, Capital & Treasury Management Strategy 2021/22, based on a council tax increase of 4.99% (incorporating a 3% Adult Social Care Precept); recommendations (1) to (7); as detailed in the extract from the Policy & Resources Committee;
together with;
- Item 113** Supplementary Financial Information for Budget Council recommendation (2.1); and the council tax resolution on pages 21 - 28 of the addendum;

Note: *Should the budget and Council Tax increase of 4.99% be approved, then the Mayor will move to Item 114 on the agenda.*

- 1.3 If the vote on the Budget is carried, the Mayor will then put the Housing Revenue Account Budget & Capital Investment Programme 2021/22 and Medium-Term Financial Strategy to the vote as detailed in **(2)** below.

- 1.4 If the vote on the budget is lost, then the S151 Chief Financial Officer and/or the Monitoring Officer will outline the Council's position and consult the Mayor.

Note: There may then be a need for an adjournment.

Followed by:

- (viii) The Mayor will put the substantive motions (as amended) (if amended) relating to the Housing Revenue Account Budget & Capital Investment Programme 2021/22 and the Medium-Term Financial Strategy to the vote as follows:

2. Housing Revenue Account Budget & Capital Investment Programme 2021/22 and Medium-Term Financial Strategy

- 2.1. *The S151 Chief Financial Officer will clarify the position should an amendment have been agreed and how it affects the budget proposal which will then be put to the vote.*
- 2.2. **Item 114** Housing Revenue Account Budget & Capital Investment Programme 2021/22 and Medium-Term Financial Strategy recommendation (1) as detailed in the extract from the Policy & Resources Committee and appendix 1 to the report.

H. Close of Meeting:

- (ix) The Mayor will then close the meeting.

Note: The Mayor may adjourn the meeting at any time.

Abraham Ghebre-Ghiorghis,
Monitoring Officer,
Executive Lead Officer for Strategy,
Governance & Law

Nigel Manvell,
S151 Chief Financial Officer
(Acting Chief Finance Officer)

Additional guidance note regarding voting on amendments:

1. Additional guidance below outlines any interdependency between any Group's amendments.

There are interdependencies with Green Group Amendment 1, Labour Group Amendment 3 and Conservative Group Amendment 5 as follows:

If Conservative Group Amendment 5 is agreed, but subsequently Labour Group Amendment 3 is agreed, Conservative amendment 5 would fall as resources in Conservative Group Amendment 5 will have been reallocated.

If Labour Group Amendment 3 is agreed but subsequently Green Group Amendment 1 is agreed, Labour amendment 3 would fall as part of the resources in Labour Group Amendment 3 would have been reallocated by the later amendment.

If Conservative Group Amendment 5 is agreed, Labour Group Amendment 3 is not agreed, and Green Amendment 1 is agreed, then Conservative Group Amendment 5 would fall as part of the resources in Conservative Group Amendment 5 would have been reallocated by the later amendment.

Note, votes on amendments are not legally binding of themselves until the substantive budget, as amended, if amended, is voted on. Therefore, until this point of the procedure, the creation of alternative joint/composite amendments, to the extent that they are utilising or repackaging resources already identified, is still possible.

The S151 Chief Financial 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.

Abraham Ghebre-Ghiorghis,
Monitoring Officer,
Executive Lead Officer:
Strategy, Governance & Law

Nigel Manvell,
S151 Chief Financial Officer
(Acting Chief Finance Officer)