

Budget Council 24 February 2022

Procedural Note: Setting a lawful budget for 2022/23

Introduction

Under section 30 (6) of the Local Government Finance Act 1992 the Council has a duty to set the **Council Tax by 10 March 2022**. A failure to set the Council Tax 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 therefore need to take officer advice in particular from legal and finance officers 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 Council Tax; and
- wherever possible, Members are expected to facilitate rather than frustrate the setting of a lawful budget.

Before Budget Council

FOR POLICY & RESOURCES COMMITTEE ON 10TH FEBRUARY 2022

Each Group may submit up to two budget amendments ¹ to the Policy & Resources Committee meeting taking place on the 10 February 2022. Any such amendments will need to have been cleared by Finance Officers and submitted no later than 10.00am on Tuesday 8 February 2022.

FOR BUDGET COUNCIL

- The Administration's budget proposals will have been worked up including all successful amendments from the February Policy & Resources Committee with full service, financial and legal implications. They will have been incorporated in full into the main papers despatched for Budget Council.
- Each group may submit up to six budget amendments. All Groups' amendments will also have been evaluated by finance officers to determine the service, financial and legal implications of implementing those proposals. The proposals will have been held confidentially from the other political parties by the finance officers involved and all proposals had

¹ A 'budget amendment' means an amendment that has a financial impact on the budget proposals or the proposed Council Tax level.

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 17 February 2022).**

- The Independent Members may also submit up to two amendments in total. These will also need to have been evaluated by finance officers to determine the service, financial and legal implications of implementing those proposals. The proposals will have been held confidentially 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 17 February 2022).**
- Only the Chief Executive and the Chief Finance Officer (with appropriate officers from the finance team) will have been made aware of the full range of amendments being proposed and they will not be shared with any parties until after they had been given to the Group Leaders on Monday 21 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 council’s Chief Finance Officer).
- All amendments are shared **at 12noon on Monday 21 February** between the Group Leaders by the Head of Democratic Services.
- There will be a Whips’ meeting **at 2.00pm on Monday 21 February** with the Monitoring Officer and Head of Democratic Services so that any matters relating to the Budget Council meeting on the 24th and the recently circulated amendments can be discussed.
- There will be a meeting of Group Leaders (attended by the Chief Executive, the Chief Finance Officer and other relevant officers) **at 3:00pm on Wednesday 23 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 24 February at 10:00 am**, unless the Chief Executive considers that, given any progress made on 23 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 Chief Finance Officer, involve significant costing or evaluation that cannot reasonably be done within the available timescale.

Should Council fail to set the Council Tax on the 24 February 2022, a further meeting will need to be held prior to 10 March and a reserve date of **Tuesday 1 March** is being held for this purpose. 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 26 February and a delay in setting the Budget before then would significantly affect this process.

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