

BUDGET PROCESS AND TIMETABLE 2016 – PROCEDURE NOTE

1. INTRODUCTION

- 1.1 The budget making process is governed by statute. The Local Government Act 2000 (section 9D) and the Functions and Responsibilities Regulations 2000 establish a division of functions between the Council and the Mayor. The Mayor is responsible for preparing and proposing to the Council a draft budget; and the Council is responsible for agreeing the final budget.
- 1.2 In the event of disagreement - i.e. if the Council wishes to amend the Mayor's proposals – a statutory dispute resolution process is set out in the Local Authorities (Standing Orders) Regulations 2001. This requires the Council to meet a second time to consider again the Mayor's proposals including any revisions he may have made in response to the Council's initial decision. The requirements of the 2001 regulations have been incorporated into the Budget and Policy Framework Procedure Rules at Part 4.3 of the Council's constitution.

2. CABINET AND OVERVIEW & SCRUTINY CONSIDERATION

18th December 2015: Initial despatch of budget papers (in line with the normal timetable for the Cabinet agenda). The Executive publishes draft budget proposals for consultation with the public, business and Overview & Scrutiny. The budget papers will be circulated to all Members.

Overview and Scrutiny, 4th January 2016: OSC will have initial discussions around budget issues (in addition to the planned meeting on 18 January – see below)

Cabinet, 5th January 2016: Cabinet formally proposes the draft Budget. Mayor may move amendments/ additions to the published report on the evening.

6th January 2016 – Formal notification to Overview & Scrutiny: Democratic Services write to Chair of Overview & Scrutiny Committee confirming that the Mayor's initial budget proposals have been circulated to all Members, and that any response of the Overview and Scrutiny Committee to these must be submitted to the Mayor by noon on Friday 22nd January 2016 (this is in excess of the 10 clear working days required by the Constitution).

18th January 2016 – Meeting of the Overview and Scrutiny Committee specifically to discuss the Mayor's proposals and formally consider O&S comments to be reported to the Mayor by the deadline above.

25th January 2016: Agenda despatch for Cabinet on 2nd February, including (if available) O&S comments and Mayor's revised budget proposals.

Cabinet, 2nd February 2016: To consider the feedback from O&S, public and business consultation and to formally propose the budget to Council. If there are any new matters included that were not consulted upon with O&S, these will need to be the subject of a further consultation exercise as below.

3rd February 2016: Democratic Services will formally notify the O&S Members of any material changes to the Mayor's proposals. Any comments of the O&S Committee on these must be notified to the Mayor by Friday 12th February 2016. Overview and Scrutiny Committee may need to hold an urgent extraordinary meeting to agree these.

8th February 2016 – Meeting of the Overview and Scrutiny Committee (Provisional) specifically to discuss any material changes to the Mayor's proposals that were announced at Cabinet on 3rd February. If there are no material changes then this meeting will not be held. The meeting will formally consider O&S comments to be reported to the Mayor by the deadline above.

Mayor's Final Proposals: 15th/16th February 2016

The Mayor will then receive any further O&S Committee comments and confirm his final budget proposals.

3. FIRST (OR ONLY) BUDGET COUNCIL MEETING – 24th FEBRUARY 2016

Agenda

- 3.1 The agenda for the Budget Council Meeting will be published on 16th February. Ideally this will include the Mayor's budget proposals. However if the Mayor varies those proposals at the Cabinet meeting on 3th February, it may be necessary to consult further with O&S before the proposals are circulated. In that case if necessary, the agenda will show the budget papers as 'to follow' and the Mayor will circulate his proposals following receipt of O&S comments.
- 3.2 The purpose of the first Budget Meeting is to consider the Mayor's proposals and any amendments. It is important that there is full discussion and at this stage amendments may be debated on any matters related to the budget.
- 3.3 There are no Public Questions, Members' Questions or Motions on Notice at the Budget Meeting. Petitions are taken (a maximum of three as normal) but only if they relate to the Budget. Apart from the budget proposals and associated business, no other business is normally taken at the Budget Council meeting although the Procedure Rules do provide for the inclusion of other business 'which by statute or in the opinion of the Chief Executive, after consultation with the Speaker of the Council, requires to be transacted'.

Amendments

- 3.4 Any councillor may propose an amendment to the Mayor's budget. Normally each political group proposes just one composite amendment - effectively their alternative budget - including all of their proposed changes.
- 3.5 **All amendments for consideration at the Budget Meeting must be sent to the Committee Services Manager by 9.15 a.m. on the working day prior to the Budget Meeting (i.e. Tuesday 23rd February).** The advice of the Chief Finance Officer will then be prepared for each of the amendments.
- 3.6 The amendments received will then be circulated to the Mayor & all Councillors at least 24 hours before the Budget Meeting – **i.e. by 7.30 p.m. on Tuesday 23rd February.** Officer comments on the amendments will be circulated with those amendments if possible or otherwise as soon as they are available.

- 3.7 Other than amendments notified in advance as above, no further amendment will normally be taken at the budget meeting. However, there must be some provision for Members to move new amendments at the first meeting to ensure that the final outcome of the debate reflects the wishes of the majority of Members - for example by omitting, or agreeing a different combination of, elements of any amendments that are already on the table. The rules therefore enable the Council to agree (by a majority vote and having heard the advice of the Monitoring Officer, Section 151 Officer and Head of Paid Service) that an amendment without notice can be debated. [Note: (i) If any attempt is made to move a new amendment without notice the meeting will adjourn for officers to confer before providing their advice; (ii) amendments proposed once the vote has commenced will be too late.]
- 3.8 At the end of the debate there is a vote on each amendment in turn, followed by a final vote on the overall budget as amended.
- 3.9 A detailed procedure note for the budget debate will be circulated . At the end of the debate, if the Mayor's budget proposals are passed, the Council's budget is set. If not, there will inevitably be a second Budget Council Meeting.

4. SECOND BUDGET COUNCIL MEETING (IF REQUIRED): PROVISIONAL DATE 3rd MARCH 2016

- 4.1 Following the first budget meeting the Mayor has a period of at least 5 working days to reconsider his proposals in light of the amendment(s) agreed by the Council. By the end of that period (i.e. by 5pm 3rd March), the Mayor must re-publish his proposals for consideration at a second Budget Council meeting. **He may revise his proposals by including some or all of the Council's amendments agreed at the first meeting**, and must give reasons for the amendments included and those not included. He may not propose new amendments at this stage.
- 4.2 Unlike the first budget meeting, the tone and feel of the second meeting is about closure and resolution, rather than opening up the debate. **At the second budget meeting the only matters that are in scope for debate are (i) the substantive budget agreed by the Council at the first meeting; and (ii) the Mayor's revised budget proposals.**
- 4.3 **The second budget meeting will determine which of these is adopted. No new amendments may be introduced at the meeting.**
- 4.4 At the meeting, the Mayor may accept the Council's amended budget. If he does not, the debate proceeds (with the same order of speakers as at the first meeting), culminating in a vote on the Council's amended budget. For the Council's amended budget to succeed, at least two-thirds of the Members present and voting must vote in favour (abstentions do not count as a vote).
- 4.5 The purpose of these statutory rules is to guarantee that there will be a decision at the end of the process - either the Council's amended budget will receive two-thirds support, in which case it will be adopted; or it will not, in which case the Mayor's revised budget is **deemed** adopted in accordance with the regulations.

4.6 **No suspension of procedure rules:** At both Budget Council meetings, the provision allowing Council to suspend certain procedure rules does not apply.

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