

COUNCIL MEETING 14 FEBRUARY 2017

PROCEDURAL NOTE FOR DEALING WITH THE BUDGET DEBATE (Agenda item 6)

For the purposes of this procedure note 'The Budget' covers the content of the Budget Report and the Budget Book.

1. The first part of the budget debate

The first part of the debate will encompass the following:

- (1) The Chairman will call on the Leader of the Council to present the budget 2017/18, make his budget speech and move the motion to adopt the recommendations set out at 2.1 – 2.12 in item 6 [as printed or as circulated on the day, depending on the final financial settlement for local government] – **no time limit**.
(A copy of the Leader's speech will be supplied to all members once he has finished speaking.)
- (2) The Chairman will call on the Cabinet Member for Finance formally to second the motion. The Cabinet Member for Finance, Traded Services, Housing and Planning will formally second the motion and reserve his right to speak until later in the debate.
- (3) The Chairman will call on the Leaders of the opposition groups to respond and to move any amendments of which proper notice has been given (which will need to be formally seconded) in the following order:
Leader of the largest opposition group (the Liberal Democrat Group) – **up to 10 minutes**
Leader of the Labour Group – **up to three minutes**
Leader of the UKIP Group – **up to three minutes**
Leader of the Non-aligned Group – **up to three minutes**
Leader of the Green Group – **up to three minutes**
- (4) The Chairman will call any other Member who has given proper notice of an amendment (which will need to be formally seconded) as follows
 - a. Mover moves but does not speak
 - b. Seconder indicates that they second and whether they wish to speak after the proposer or reserve the right to speak until later in the debate
 - c. Proposer speaks – **up to three minutes**
 - d. Seconder speaks unless reserved till later–**up to three minutes**
(steps a-d are repeated for each amendment).
- (5) If there are any amendments duly seconded the Chairman will rule that it would be conducive for there to be a single debate on the budget.
- (6) The Chairman will call on individual Members to speak – **up to three minutes each**.
- (7) The Chairman will decide when the main debate has concluded, having ensured that all seconders of amendments have had the chance to speak.
- (8) The Chairman will call on individual Cabinet Members to speak on the generality of the budget - **up to three minutes** - or to respond to any comments made or amendments proposed to the detail of their portfolio budget – **up to six minutes** - in the following order:

(a) Adults and Children

- (b) Corporate and Communities
- (c) Digital Innovation, IT and Customer Services
- (d) Economic Growth, Infrastructure and Partnerships
- (e) Education and Lifelong Learning
- (f) Environment and Waste
- (g) Finance, Traded Services, Housing and Planning
- (h) Health
- (i) Highways and Transport
- (j) Leader

It will not be open to a Member to raise any matter on a portfolio budget after the Cabinet Member has spoken.

2. Conclusion of the Budget Debate

Once the last of the Cabinet Members has spoken, the Chairman will call on the Cabinet Member for Finance, Traded Services, Housing and Planning to make his speech in support of the motion to adopt the recommendations – **up to 10 minutes**.

The Chairman will then call on the Leader of the Council to sum up the debate – **no time limit**.

3. Voting

In accordance with Standing Order 16.10 2 (Voting on budget decisions) there will be a named vote on the motion to adopt the budget.

- The Chairman will put to the vote any amendments to the portfolio budgets that do not affect the precept or the level of balances in the order in which they were moved.
- The Chairman will put to the vote any amendments to the precept or the level of balances in the order in which they were moved.
- The Chairman will put the substantive budget motion (as amended or not) to the vote. This must be done by way of a named vote.

(Please note: In the event that the substantive Motion should fall, the Council must decide what it wishes to do about the budget. The options could include:

- A further substantive motion could be moved with the consent of the Chairman
- The Council could refer the matter to Cabinet for reconsideration
- The meeting could be adjourned (for hours, days or weeks but a lengthy adjournment could cause difficulties for the district billing authorities and the County Council must, by law, set its council tax by 1 March) to allow for further consideration.

Amendments to the Budget

An amendment to the budget may either:

- amend portfolio budgets without having an effect on the precept or the level of balances; or
- amend the precept or the level of balances.

Amending a portfolio budget will involve proposing changes to portfolio budgets without affecting the precept or the level of balances (in other words it only affects lines within given portfolios). This might involve moving money between lines within a portfolio budget or moving money from one portfolio budget to another.

Members may find helpful the following draft form of wording for such an amendment:

“subject to increasing the budget for (specify the portfolio and service or items) by £.....and reducing the budget for (specify the portfolio and service or items) by an equivalent amount”.

Amending the precept or the level of reserves or balances will involve proposing additional provision to the budgets, a reduction in the budgets or the deletion of an item from the budgets that will also have a consequential effect on the precept and/or the level of reserves or balances.

Members may find helpful the following draft forms of wording for such an amendment:

- (a) for use when proposing an addition to the budget
“subject to increasing the budget for (specify the portfolio and service or items) by £.....and to any necessary adjustment to the precept or the general balance or the ... earmarked revenue reserve (to be specified) being recommended to the Council”

Please note: should any proposed increase in the budget lead to an increase in the precept, then if this takes the level of the precept to an amount in excess of the referendum limit, it will be necessary for the Council to formally determine that the increase is ‘excessive’ (excessive is the term used in the legislation).

An ‘excessive’ increase would trigger a referendum, to be held by the district councils.

Full Council would also be under a duty to determine a ‘substitute’ budget and level of council tax (ie one which is under the referendum limit). This ‘substitute’ budget and council tax would have effect if the referendum was lost.

or

- (b) for use when proposing a reduction in the budget
“subject to reducing the budget for (specify the portfolio and service or items) by £.....and to any necessary adjustment to the precept or the general balance or the ... earmarked revenue reserve (to be specified) being recommended to the Council”.

If any amendment has an impact on future budgets, not just for 2017/18, this will need to be acknowledged in the amendment by the addition of the following wording:

“and those amendments as set out below having an on-going impact be added to the Medium Term Resource Strategy for action to be identified to determine a permanent funding solution”:

list the appropriate items and identify whether they require an alteration to the budget or an alteration to the capital programme