

Appendix 4: Budget Protocol

BUDGET COUNCIL PROTOCOL

1. Legal Requirements

- 1.1 The requirements of relevant legislation, particularly the Local Authorities (Functions and Responsibilities) (England) Regulations 2000 (as amended) (referred to in this Protocol as "the Regulations") must be complied with.
- 1.2 The Regulations require the budget to be presented to Full Council by way of a recommendation from the Cabinet.
- 1.3 The budget proposal may be amended, see section 3. While an amendment can be quite wide ranging it is not permissible for a Member to introduce a different motion recommending a different budget. This would be contrary to the Regulations which require that the budget be recommended to the Council by the Cabinet.
- 1.4 Under Section 25 of the Local Government Act 2003 the Deputy Chief Executive, fulfilling the role of Chief Finance Officer, is under a statutory duty to report on the robustness of the budget estimates and the adequacy of the proposed financial reserves ("the Section 25 report") before the budget decision is taken. The Council must have regard to the Deputy Chief Executive's report before reaching a decision. This will apply to amendments as outlined in section 3.
- 1.5 A flowchart illustrating the procedure set out below is included as Annex A to this protocol.

2. Procedure

- 2.1 The procedure at Budget Council as at all Council meetings is governed by the Constitution.
- 2.2 The Cabinet recommendation on the budget will be proposed by the Cabinet Member with responsibility for Finance or by another Member of the Cabinet. The Seconder will have the right to speak next or to reserve the right to speak until later in the debate.
- 2.3 The budget proposer will have 15 minutes to introduce the budget. The Seconder will have 5 minutes to speak.
- 2.4 The Chair will then ask the opposition group(s) if they wish to respond to the budget proposals at this point or reserve their right to speak until after amendments have been dealt with. The opposition group(s) has the right to a 15 minute speech on the budget proposals either at this point in the debate or after amendments have been dealt with.

3. Amendments

- 3.1 Amendments to the budget motion may have significant implications for the calculations used in producing the budget recommendation and for the level of Council Tax and/or the Council's reserves. Therefore, **any** Member wishing to move an amendment which affects any of the proposals in the budget recommendation to any material extent should provide a copy of the amendment to the Deputy Chief Executive as early as possible before the meeting, preferably at least 2 days before the meeting, but by no later than **3.00 p.m. on the day before the Council meeting**. The Deputy Chief Executive may need to discuss any proposed amendment with Officers and will need to show the proposed amendment to the Monitoring Officer but otherwise the Deputy Chief Executive guarantees absolute confidentiality in relation to any amendment received. The Monitoring Officer will also maintain this confidentiality.
- 3.2 The Section 25 report provisions apply also to any amendments which affect the estimates. The Section 25 report provisions do not, however, apply to an amendment which does not affect the estimates, such as an amendment to refer the matter back to the Cabinet for reconsideration. It should, however, be borne in mind that any resolution of the Council to refer the budget back to the Cabinet may have cost implications for the Council in that it may cause a delay in the Council Tax billing process.
- 3.3 If an amendment to refer a recommendation back to the Cabinet is carried then it is likely that a special meeting of the Cabinet will be called early in the week following the Budget Council meeting, with the matter then being reported back to a special Full Council meeting later that week.
- 3.4 While the figures in the budget proposal may be amended in any way, subject to the Section 25 report by the Deputy Chief Executive, an amendment which seeks to give an instruction to the Cabinet in relation to a specific service or services (e.g. to maintain or discontinue a specific service or budget provision) will not be in order as once the budget has been approved the Cabinet is free to spend or not spend, and to vire within the rules of the Budget Framework as set out in the Council's Financial Rules.
- 3.5 The Section 25 report on the robustness of any amendment, will be submitted by the Deputy Chief Executive before an adjournment allowing groups to discuss the amendment(s).
- 3.6 The Deputy Chief Executive will use a pro forma for the Section 25 report which will be handed to the Chief Executive.
- 3.7 The opposition group(s) will have the first opportunity to present budget amendments. The opposition group(s) will have 5 minutes to present the amendment(s). The

Secunder of the amendment will have 5 minutes to speak and may reserve their right to speak until later.

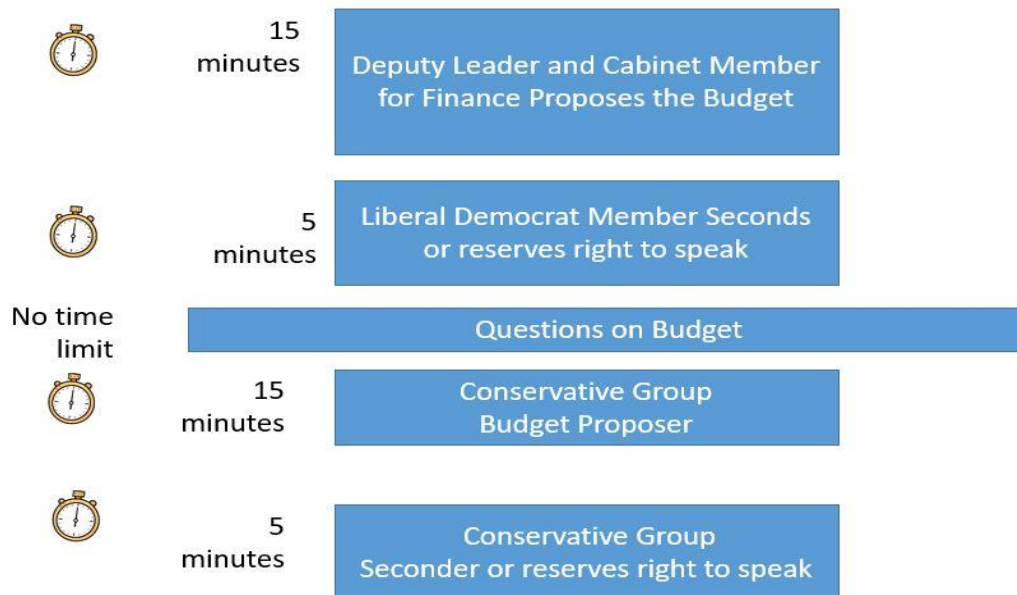
- 3.8 Members of any other group(s) will then have 5 minutes to present amendments. The Secunder of the amendment will have 5 minutes to speak and may reserve their right to speak until later.
- 3.9 Any Independent Members will then have 5 minutes to present amendments. The Secunder of the amendment will have 5 minutes to speak and may reserve their right to speak until later.
- 3.10 After all amendments have been presented, there will be the opportunity for points of clarification to be raised and responses given.
- 3.11 Once points of clarification have been dealt with the Chief Executive will formally report that the Deputy Chief Executive has certified that each amendment is robust. In the event that the Deputy Chief Executive concludes that amendment(s) is/are not robust, this will be reported by the Chief Executive. If necessary, the Deputy Chief Executive will address the Council on the issue(s).
- 3.12 There will then be a 20 minute adjournment of Council to allow group(s) 20 minutes to consider the amendments.
- 3.13 The Cabinet Member with responsibility for Finance, or other Cabinet Member if they introduced the budget proposals, will address Council advising of any budget amendments which have been accepted by the Administration.
- 3.14 The amendments not accepted by the Administration will then be debated in the order in which they were originally presented to Council.
- 3.15 For any amendments which are not accepted, the Proposers of the amendments have the right to speak for 5 minutes each to sum up the debate.
- 3.16 The Cabinet Member with responsibility for Finance, or other Cabinet Member if they introduced the budget proposals, has the final right of response before a recorded vote is taken on the amendment.

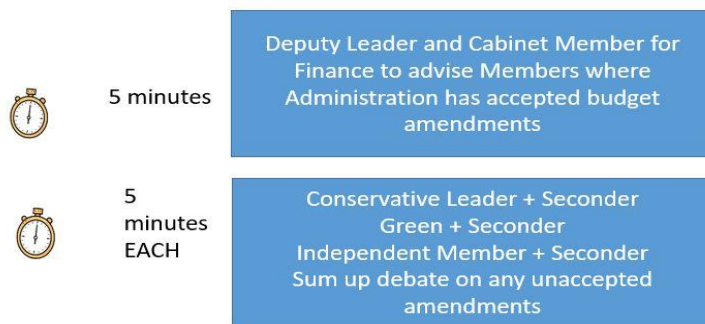
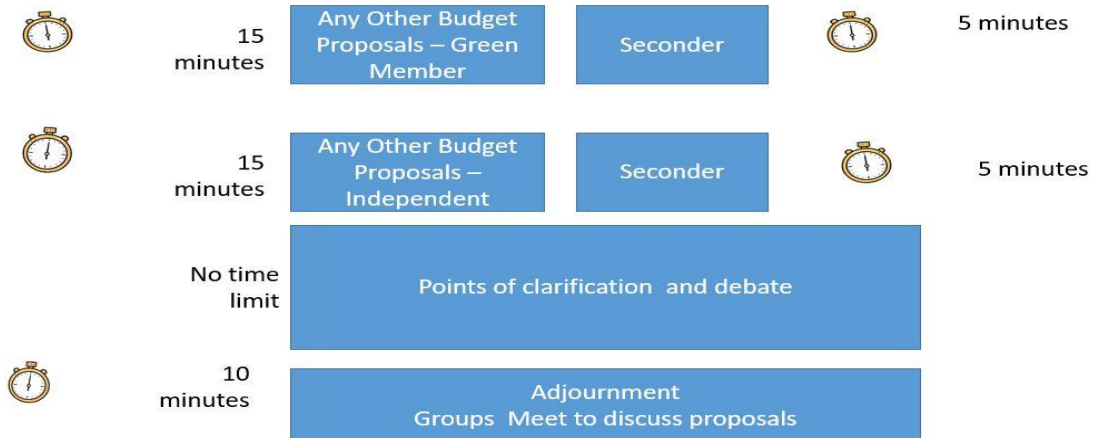
4. Return to the Substantive Budget Debate

- 4.1 Once all of the amendments have been determined, the proposed budget will be debated.
- 4.2 Any Member will then be able to ask questions on the proposed budget. Questions may only be asked of the Member who proposed the motion and not of any other Member of the Cabinet or other Member of the Council.
- 4.3 A Member may only ask one question, plus any supplementary questions.

- 4.4 A Member who has asked a question may ask supplementary questions. A supplementary question must relate to the original question, or to any answer given to the original question or any previous supplementary question. A supplementary question may not introduce a new matter.
- 4.5 The opposition group(s) may respond to the budget proposals if they have reserved the right to speak following the Administrations introduction of the budget proposals. The opposition group(s) have the right to a 15 minute speech on the budget proposals.
- 4.6 The Secunder of the proposed budget has the right to speak for 5 minutes if they have not spoken before.
- 4.7 The Cabinet Member with responsibility for Finance, or other Cabinet Member if they introduced the budget proposals, will sum up the debate.
- 4.8 A recorded vote will be taken.

Procedure:





Lib Dem Deputy Leader right to respond to each amendment

Recorded Vote on Individual Amendments

Return to Substantive Budget

General Debate –any other points on the budget to be raised

Liberal Democrat Secunder has opportunity to speak if they have not spoken before

Deputy Leader and Cabinet Member for Finance to sum up and propose the budget

Recorded Vote