

Report of the Chief Officer - Financial Services

Report to Council

Date: 24th February 2021

Subject: Revenue budget 2021/22 – Morley Borough Independents Amendment

Are specific electoral Wards affected? If relevant, name(s) of Ward(s):	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Is the decision eligible for Call-In?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, Access to Information Procedure Rule number: Appendix number:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

1. Introduction

- 1.1. This report provides Members of Council with comments on the robustness of the proposals contained in the amendment to the budget motion in the name of Councillor Robert Finnigan.

2. Robustness of the budget

- 2.1 The Local Government Act (Part II) 2003 places a requirement on the Council that when making decisions on the setting of the council's budget and the council tax, they must consider a report from the council's statutory finance officer (the Chief Officer – Financial Services) on the robustness of the budget and the adequacy of reserves within the proposals. The report of the Chief Officer – Financial Services at item 8(i) on the council summons includes at section 11 comments to this effect in respect of the proposed budget motion.
- 2.2. Given this requirement, in considering any proposed amendment to the budget motion, members must also consider the comments of the Chief Officer – Financial Services on the robustness of the proposals. These comments supplement those contained in the main report.

3. Proposed amendment

- 3.1 Councillor Finnigan's amendment to the budget motion set out his proposals showing areas of additional spend and the sources of funding which are largely self-explanatory, however the following points should be considered;
- 3.2 Amendment 32 outlines a reduction to Members Special Responsibility Allowances by 31%. Recommendations in respect of member's allowances are made by the independent remuneration panel. Therefore before any proposed reduction could be implemented the Council would first have to consult with this panel.
- 3.3 Amendment 32 also proposes a reduction in the funding of full-time Trade Union Convenors. These form part of employees' terms and conditions of employment that can only be achieved either through collective agreement with the Trade Unions or through the dismissal and re-engagement of staff on new contracts of employment.
- 3.4 The amendment includes savings and spending proposals which are interdependent and which create additional risks to the budget. This risk should be managed by not committing to the additional spend until the additional savings have been realised or clearly identified.
- 3.5 Should this budget amendment be approved, it will be subject to the council's procedures for further consultation and will need to be informed by equality impact assessments as appropriate.
- 3.6 The budget amendment does not have any impact on the Council's general reserve.

4. Overall conclusion

- 4.1 In conclusion, whilst the proposals in the amendment will collectively increase the risk associated with the delivery of the Council's budget, and these risks are set out in section 15.6 of the 2021/22 Revenue Budget and Council Tax report, the budget motion in the name of Councillor Robert Finnigan will not materially impact on the overall robustness of the Council's budget for 2021/22 or the adequacy of its general fund reserve as at 31st March 2022.