
STATUTORY INSTRUMENTS

2017 No. 611

The Combined Authorities (Finance) Order 2017

PART 3

Setting of a combined authority's budget: mayor's general functions

Mayor to notify combined authority of proposed budget: general component

5.—(1) The mayor must, before 1st February in any financial year, notify the combined authority of the mayor's draft budget in relation to the following financial year.

(2) The draft budget must—

- (a) set out the mayor's spending plans and how the mayor intends to meet the costs of the mayor's general functions; and
- (b) include the relevant amounts and calculations.

(3) In this Part references to "the combined authority" are, except in article 8(7) and (8), to be construed as references to members of the authority other than the mayor.

Combined authority to review budget

6.—(1) The combined authority must review the mayor's draft budget notified to it under article 5.

(2) The combined authority may make a report to the mayor on the draft budget.

(3) Any report—

- (a) must set out whether or not the combined authority would approve the draft budget in its current form; and
- (b) may include recommendations, including recommendations as to the relevant amounts and calculations that should be used for the financial year.

(4) The mayor's draft budget shall be deemed to be approved by the combined authority unless the authority makes a report under paragraph (2) to the mayor before 8th February.

Mayor's consideration of report

7. Where the combined authority makes a report under article 6, it must specify a period of at least five working days beginning on the day after the day on which the mayor receives the report within which the mayor may—

- (a) decide whether or not to make any revisions to the draft budget; and
- (b) notify the combined authority of the reasons for that decision and, where revisions are made, the revised draft budget.

Combined authority's decision on budget

8.—(1) When any period specified under article 7 by the combined authority has expired the authority must determine whether to—

- (a) approve the mayor's draft budget (or revised draft budget, as the case may be); or
- (b) veto the draft budget (or revised draft budget) and approve the mayor's draft budget incorporating the combined authority's recommendations contained in the report to the mayor under article 6.

(2) The mayor's draft budget (or revised draft budget) shall be deemed to be approved unless vetoed within the relevant period in accordance with this article.

(3) In making a decision on a question under paragraph (1) the combined authority must take into account the reasons given by the mayor under article 7.

(4) Any decision to veto the mayor's draft budget (or draft revised budget) and approve the mayor's draft budget incorporating the combined authority's recommendations contained in the report to the mayor under article 6 must be decided by a two thirds majority of the members, or substitute members acting in their place, of the combined authority present and voting on the question at a meeting of the authority.

(5) In paragraph (2) "relevant period" means the period of five working days beginning with the day after the date on which the period specified under article 7 expires.

(6) Paragraph (7) applies in a case where the mayor has failed, in accordance with article 5(1), to notify the combined authority of the mayor's draft budget before 1st February.

(7) Where this paragraph applies, the combined authority must determine the relevant amounts and calculations that are to be used for the financial year.

(8) Any decision under paragraph (7) must be decided by a two thirds majority of the members, or substitute members acting in their place, of the combined authority present and voting on the question at a meeting of the authority.

(9) Paragraphs (4) and (8) have effect subject to—

- (a) paragraphs (10) and (11); and
- (b) any provision to the contrary in an order made under Part 6 of the 2009 Act.

(10) In paragraphs (4) and (8) "member" and "substitute member" does not include any person who is not a member of a constituent council.

(11) In relation to the Tees Valley Combined Authority(1), the reference in paragraphs (4) and (8) to a two thirds majority is to be read as a reference to a three fifths majority.

Calculations and amounts to be used in setting precept

9.—(1) The relevant amounts and calculations which are approved by the combined authority in accordance with article 8 shall be used in making a calculation (whether originally or by way of substitute)—

- (a) under the provisions of the 1992 Act mentioned in paragraph (2); and
- (b) in calculating the amounts to be stated in a precept under Chapter 4 of Part 1 of the 1992 Act (precepts).

(2) The provisions are—

- (a) section 42A (calculation of council tax requirement by authorities in England);

(1) The Tees Valley Combined Authority was established by article 3 of the Tees Valley Combined Authority Order 2016 (S.I. 2016/449).

- (b) section 42B (calculation of basic amount of tax by authorities in England);
- (c) sections 47 to 49 (calculation of tax for different valuation bands; calculation of amount payable by each billing authority; substitute calculations); and
- (d) section 52ZJ (major precepting authority's duty to make substitute calculations).

Transparency of budget decision

10. Immediately after any vote is taken at a meeting to consider a question under article 8, there must be recorded in the minutes of the proceedings of that meeting the names of the persons who cast a vote for the decision or against the decision or who abstained from voting.