

Additional financial comments of S151 Officer

Title of Meeting: Governance & Audit & Standards Committee

Date of Meeting: 27 February 2015

Subject: Shadow Committee system proposal

Report by: City Solicitor

The following paragraphs are provided to replace Section 8 of this report for clarification purposes.

8. Finance Comments

8.1 Members have previously been advised that to undertake this process properly will have cost implications. Nonetheless, Full Council resolved that a 'cost neutral' scheme be explored. Cost neutrality can only be achieved if the proposals contained within this report:

- Do not result in any additional external costs, and
- Can be met from existing spare capacity (e.g. Officers are able to accommodate additional time and work without that impacting on existing organisational demands)

Where spare capacity does not exist and additional time is requested of any officers, this will necessarily mean that their work is either delegated (in which case the resources of others will be taken), deferred or not undertaken. This represents a hidden cost but nevertheless is a cost to the organisation.

8.2 With extremely strong discipline, the proposals set out within this report could be implemented in a way that does not result in any additional external financial cost to the Council but there will inevitably be the hidden costs associated with Officer attendance (time) at the Shadow Committee.

8.3 Unless the timing of the shadow meetings is relatively short and given that between 50 and 60 meetings a year are likely (10 shadow committees meeting 5 to 6 times per year), it is almost inevitable that the Officer attendance time will result in those "hidden costs" and that cost neutrality has not been achieved.

8.4 This report only deals with the cost of the shadow committee system and the financial commentary has been provided accordingly.

8.5 This report does not deal with the transition from the shadow system to the full committee system and therefore it is the S151 Officers advice that it cannot be concluded whether a committee system in full can be implemented in a cost neutral way. In particular, the following is, as yet, not determined:

- i) The extent to which the agenda items will be managed at a level comparable to the current system
- ii) The overall officer time required in the Committee System vs. the current Cabinet System and how in practice (in the full Committee System) that will be achieved only by impacting on the time of the Officers mentioned in this report
- iii) How the volume of requests for further research, investigation, consultation and subsequent reporting will be limited to current volumes if the system is allowed to operate freely, if it is not to operate freely, considerable thought will need to be given to how the operation of the system will be curtailed.

8.6 Without further work and investigation, it cannot be concluded that a full committee system can be implemented in a cost neutral way.