

8. PROTOCOL FOR INPUT OF STANDING COMMITTEES TO BUDGET SCRUTINY REVIEWS

The recommendation contained in the following report was adopted by the Budget Scrutiny and Audit Special Committee at its meeting on 28 January 2002, and referred to the February meeting of each Standing Committee:

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The purpose of this report is to set out a protocol for the working relationship between this Committee and Standing Committees.

The terms of reference for the Budget Scrutiny and Audit Special Committee state that reviews should be carried out *“with consultation with relevant Standing Committees”*.

A draft document titled ‘Process for Managing Relations’, which is part of the series of papers being developed around governance, suggests that:

“Where a subject matter clearly affects two or more committees, it shall be referred to each of those committees, and if the issue or project is significant, a joint meeting of those committees is encouraged”.

The work of the Budget Scrutiny and Audit Special Committee, in carrying out reviews of significant activities, by its nature will impact on the functions overviewed by the Standing Committees. However, the Budget Scrutiny and Audit Special Committee was put in place to provide an independent view of options for changes to services, to levels of service, methods of funding and methods of service delivery, and to report these options to the Council for consideration.

The intent of the Budget Scrutiny and Audit Special Committee terms of reference is clearly to provide some independence in the review process while taking note of the input of stakeholders; the protocol needs to reflect this.

PROTOCOL AND CONSULTATION PROCESS

The protocol is as follows:

- The Budget Scrutiny and Audit Special Committee will seek the views, through joint seminars or by direct report, of the relevant Standing Committee(s) on issues identified in the review process.
- The Budget Scrutiny and Audit Special Committee will include, and comment on, the views of the Standing Committee(s) in its review report to the Council.
- The chair of the relevant Standing Committee or his/her nominee will have the opportunity of attending all meetings of the Budget Scrutiny and Audit Committee to assist the committee, in a manner analogous to the Unit Manager who has responsibility for the significant activity.

The review process in summary form will be as follows:

Step 1	Budget Scrutiny approve the terms of reference for the review project
Step 2	Issues identified in the review by the review team are reported to Budget Scrutiny for consideration
Step 3	Budget Scrutiny holds a joint seminar with the relevant Standing Committee(s) to seek their views on the identified issues
Step 4	Budget Scrutiny considers the views raised by the Standing Committee(s) and reports these and its own conclusions and recommendations to Council
Step 5	The Council considers recommendations and determines final outcomes

The above process follows the expressed intent of the terms of reference of the Budget Scrutiny and Audit Special Committee but could be viewed as having the potential to lead to confrontation rather than consensus on review outcomes. An alternative to the above is that Step 4 will result in a joint report being forwarded to the Council. This joint report would set out the areas of agreement between Budget Scrutiny and the Standing Committee and explore the areas where there are different opinions with the Council making the final decision on these.

It is concluded that protocol and process provides adequate stakeholder input to the review process. As stated above the terms of reference for the Budget Scrutiny and Audit Special Committee intends that it perform its role with a level of independence and that the reviews should provide the Council with real options for the level and provision of services.

Recommendation: That the above protocol be adopted and circulated to the Standing Committees for comment.

Chairman's

Recommendation: That the Property and Major Projects Committee support the protocol set out in the foregoing report.