

# SHEFFIELD CITY COUNCIL

## Overview and Scrutiny Management Committee

### Special meeting held 26 November 2019

**PRESENT:** Councillors Mick Rooney (Chair), Ian Auckland, Steve Ayris, Denise Fox, Tim Huggan, Douglas Johnson, Mike Levery, Cate McDonald and Jim Steinke

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#### **1. APOLOGIES FOR ABSENCE**

1.1 Apologies for absence were received from Councillors Julie Grocutt and Sioned-Mair Richards.

#### **2. EXCLUSION OF PUBLIC AND PRESS**

2.1 No items were identified where resolutions may be moved to exclude the public and press.

#### **3. DECLARATIONS OF INTEREST**

3.1 In relation to Agenda Item 6 (Governance Review – Evidence Gathering Session 1), Councillor Denise Fox declared a personal interest as wife of Councillor Terry Fox (Cabinet Member for Finance, Resources and Governance).

#### **4. PUBLIC QUESTIONS AND PETITIONS**

4.1 Members of the public raised questions as follows:-

##### **4.2 Ruth Hubbard**

4.2.1 (a) Why, on the basis that there were a lot of people interested in the emerging issues regarding the governance review, were Members not putting these issues forward?

(b) As part of this exercise, there needed to be reference to a clear definition of precisely what governance means, as well as its purpose?

(c) Did the Committee acknowledge the potential conflict of interest in terms of undertaking the review, and the issue of Members' Allowances, specifically with regard to the additional allowances for chairing scrutiny committees?

4.2.2 The Chair stated that as regards the review currently being undertaken, as part of the four special meetings of this Committee which had been arranged, Members would listen to all sides of the debate, including the views of the public and experts, as well as the information gathered as part of The Big Conversation event. With regard to the issue of potential conflict of interest, he stated that the Committee would not decide on exactly what system the Council would to adopt, but was

simply looking at a set of principles.

4.3 Alan Kewley

4.3.1 It is my opinion that some scrutiny meetings are not very 'user-friendly' to the average member of the public who wished to participate, so what is the Council doing to encourage more members of the public to attend meetings and submit relevant questions, which would enhance the effectiveness of scrutiny? Are the agendas intelligible to the average member of the public, is the room layout suitable so that all members of the public can see and hear anything being discussed and could attendees have an opportunity to submit their comments on their experience via a simple questionnaire?

4.3.2 The Chair stated that he did not consider that much could be done in terms of simplifying agendas, but did feel that some reports submitted to scrutiny committees could be more 'user-friendly'. He stated that consideration would be given to reviewing the layout of the rooms in which meetings were held, and requested that the practice of leaving feedback forms for members of the public attending meetings, which had been used in the past, be re-introduced. The Chair stated that he did not consider that the Authority could do much more to increase attendance at meetings by members of the public.

**5. GOVERNANCE REVIEW - EVIDENCE GATHERING SESSION 1**

5.1 The Committee received a report of the Policy and Improvement Officer setting out the schedule for the first session as part of the governance review.

**National Experts in Governance and Decision Making**

5.2 Ian Parry – Centre for Public Scrutiny

5.2.1 The Committee received two documents from the Centre for Public Scrutiny: Rethinking Governance – Practical Steps for Councils Considering Changes to their Governance Arrangements and Musical Chairs – Practical Issues for Local Authorities in Moving to a Committee System.

5.2.2 Ian Parry stressed that the Centre for Public Scrutiny did not have a view or position in terms of an optimum governance model for local authorities, and pointed out that a governance model comprised a method of decision-making, and not public consultation. He stated that it was important that elected Members, being the main decision-makers, were held to account, with this role being undertaken, as part of the cabinet model, through scrutiny. The clarity of decision-making was always key, as it helped shape, and even change, decisions. The Council needed to be mindful of the expectations, both of members of the public and all Members of the Council, as well as needing to determine the level of inclusivity in any new governance model in order to help shape decisions it made on the part of the public.

5.2.4 Members of the Committee raised questions, and the following responses were provided:-

- It had been determined, as long as 20 years ago, in an Audit Commission report, that decision-making by local authorities was traditionally very slow, and needed to be quicker.
- The Centre for Public Scrutiny was currently working with a number of local authorities in connection with proposed changes to their governance models. There was no 'one system fits all', as individual authorities would have to look and determine precisely what model it required. There were some limitations as to what changes could be made, due to the law, but there were a few examples of hybrid models, which was another approach the Authority could adopt. The majority of local authorities which had recently reviewed its governance model had remained with a cabinet system.
- Whilst there were cases where local authorities appointed either opposition members or independent people as Chairs of their scrutiny committees, this was very rare. The practice of authorities having independent people co-opted on to their scrutiny committees was common.
- It was accepted that political and organisational cultures, attitudes and behaviours were what made systems successful and any cases of Members having 'other agendas' should be discouraged as part of the scrutiny role as such behaviour diluted its aims.
- The Authority would have to start by setting out protocols in terms of how it wanted things to operate, and then get 'buy in' from senior officers and Members. Such protocols can't simply be prescribed, but needed to evolve, and this process was often led by the scrutiny chairs.
- Scrutiny can often work well when looking at big, strategic issues.
- There had been a number of examples where delegating council budgets to area-based committees or community assemblies had been successful.
- A number of local authorities were currently reviewing their respective governance models, with the majority appearing to move from a cabinet and leader model to a committee system. Some authorities had only made a number of small changes due to the complexity and expense linked to wholesale changes. A number of authorities who had changed to a committee model had moved back to a cabinet and leader model as the arrangements did not work for them.
- The move by those local authorities looking to change back to a committee system did not appear to be led by any specific political party, but was mainly being done in order to increase inclusivity in its decision-making processes.
- An example of a hybrid system, which had been discussed by a number of authorities wishing to change to a committee system, included the establishment of a Policy Advisory Committee.

- The question to be used as part of the referendum on this issue would be prescribed, with the Authority being unable to influence its wording. The Authority, however, would be entitled to use whatever wording it chose to describe the different models, as part of its advertisement literature.
- Whilst there was a considerable amount of evidence in the public realm regarding the ratio of officer decisions to Member decisions, a lot of this was anecdotal. One of the main reasons for delegating to officers was that meetings were only held at certain times, and some decisions needed to be made prior to such meetings being held.
- The clarity and responsibility with regard to decision-making was not totally clear. Under a committee system, if a consensus could not be reached, decisions would be made by a show of hands, therefore the majority were accountable. The vast majority of such decisions would therefore be made by the ruling political group on a Council.
- There was a possibility, under a move to a committee system, that Members would spend more time in meetings.

### 5.3 John Cade – Institute for Local Government Studies

- 5.3.1 The Committee received a briefing note from the Institute for Local Government Studies, summarising the historical and legal background to local government political structures, evaluations of the cabinet model in England, examples of councils reviewing their governance and guidance on how councils could do this effectively.
- 5.3.2 John Cade referred to a number of his personal reflections with regard to governance models, which were included in the paper.
- 5.3.3 Members of the Committee raised questions, and the following responses were provided:-
- Cases where changes to a local authority's governance model had been requested by the public were very rare but, in such circumstances, could actually be given more weight. The number of signatures on the petition clearly show that the Authority's decision-making processes represented a big enough issue for the public.
  - There were several examples which highlighted that the call-in procedure, in terms of post scrutiny decision-making, was not effective, and rarely brought about any changes. On the other hand, pre-scrutiny decision-making involved a wider section of Members, who could highlight some important points regarding major issues.
  - If, under any new governance model, the Authority chose to establish a policy and resources committee, as had been the case in other areas, it was important that consideration was given to precisely what the Authority wanted

in terms of the role of such a committee. In some areas, such committees had replaced the cabinet, which had resulted in very little change to their decision-making processes. If the Authority wanted to see a major change in terms of its decision-making, as had been requested by the public, other committees, whichever form they would take, would have to have the relevant powers to make decisions.

- Whilst not being able to provide a definitive response, it was going to be very difficult for the Authority to establish a new governance model, particularly one with any major changes, within the very tight timescale provided.
- Whilst it was accepted that not every decision made needed to be scrutinised, particularly on the grounds that there simply would not be the time or resources to provide for this, the Authority's scrutiny function was more about giving Members a chance to scrutinise major issues that decisions would be made on at a future date, such as those included in their Forward Plans.
- It was important that the Authority, from the outset, was clear in terms of where and how it wanted decisions to be made, which would then be reflected in an agreed model.
- There were examples where changes to local authorities' governance models had not been successful, and one such case involved an authority where changes resulted in some meetings lasting a whole day. As part of the review process, consideration needed to be given to the size of committee agendas, the nature of the items and whether some decisions could be delegated. Another option could be to encourage Members to ask questions on specific issues before the meetings. Some local authorities did not want to change their existing executive function, therefore introduced a hybrid model, which comprised different elements of the various models. One example of this involved an authority where a cabinet member chaired the Committee where a particular issue was discussed, then the cabinet made the final decision.
- It was important to ensure that any major decisions taken by external bodies that the Authority worked alongside, such as Sheffield City Region, Equality Hubs and Area Housing Committees, were reported back to a relevant council meeting.
- There was still a statutory duty on local authorities in terms of public health, and the majority of authorities that had changed their governance models had retained a health scrutiny committee. It was very important for authorities to ensure that their committees were properly scoped.

#### 5.4 Judith Hurcombe – Local Government Association

- 5.4.1 The Committee received a paper of the Local Government Association setting out a list of principles which any future decision-making structure should include.

5.4.2 Judith Hurcombe stressed that there was no ideal governance model due to the ever-changing political environment, and that there would always be advantages and disadvantages in terms of any chosen governance model. She stated that the Council needed to be bold in terms of precisely what it wanted from its decision-making processes, and that it was important that it monitored what was working well and what was not working so well. Ms Hurcombe concluded by stating that striking a balance between inclusivity and accountability was key to a successful governance model.

5.4.3 Members of the Committee raised questions, and the following responses were provided:-

- There was no definitive answer with regard to fast or slow decision-making, but local authorities simply needed to adopt a system which suited them best.
- The recent austerity measures had resulted in a major adverse impact on all local authorities. It had been very difficult for authorities during this time, and given their decision making powers, they would always be the target for blame by the public.
- If the Authority was to move to a committee system, a decision would have to be made in terms of the number of committees and where its resources needed to be targeted.
- The Local Government Association had not looked, in any detail, at any cases where problems had arisen in local authorities where their scrutiny committees had been chaired by members of the opposition. If requested, the Association could make some investigations and provide the Authority with some examples.
- Any change in systems was likely to involve a degree of cost, such as having to pay to hire additional meeting rooms and/or providing additional support for democratic services. It was important that local authorities continued to hold full Council meetings as this was the only forum where Members could debate major issues in public.

5.5 Following the evidence provided by the three national experts in governance and decision-making, Members of the Committee made comments as follows:-

- It was clear that there was a need for a change in culture, as well as amendments to the decision-making structures of the Council.
- There was a need to review the operation of full Council meetings.
- The evidence was very useful, but more detail on the pros and cons of the different governance models would be welcomed.
- There needed to be improvements in terms of the reports submitted to committees.

- It would be helpful to receive a clear definition of the term governance. The Authority needed to decide on a model, then tailor it in terms of exactly what it wanted.
- It was important that any future model was inclusive, particularly for the public.
- Given the 10-year rule, in terms of changes to a model that wasn't working, there was a strong emphasis on getting it right this time.
- If a move to a Committee system was agreed, individual Committees would need to have some level of autonomy.
- Community engagement was key in any agreed model.
- The option of pre-decision scrutiny should be explored.
- On the basis that pre-decision scrutiny appeared to be a link between scrutiny and cabinet, there was a need to focus efforts on the key decision-makers.
- The conflict between the different political parties was often over-emphasised.

5.6 Councillor Terry Fox (Cabinet Member for Finance, Resources and Governance) stated that Members needed to focus more on what system they required, as opposed to concentrating on the various structures. He stated that, following several meetings he had attended on the issue, there had been a strong focus on community involvement, therefore Members needed to look at what powers they wanted in terms of devolvement. He concluded by stressing that Members needed to be mindful, when looking at a new system, of the number of committees, and the time they were likely to spend in meetings.

#### **5.7 How Decision-Making Currently Works in Sheffield City Council**

5.7.1 The Committee received a report from Gillian Duckworth (Director of Legal and Governance) and Laurie Brennan (Head of Policy and Partnerships) on how decision-making currently works in Sheffield City Council. The report was supported by a presentation from Gillian Duckworth and Laurie Brennan.

5.7.2 Gillian Duckworth reported on the current model of decision-making, referring to the Cabinet, Executive Decisions, Key Decisions, and referring to statistics relating to the number of decisions made since May 2018, Members' allowances relating to the cabinet model and political proportionality during 2019/20. Ms Duckworth concluded by referring to the minimum requirements in terms of committee memberships under a committee model.

5.7.3 Laurie Brennan reported on the role of scrutiny, specifically how it worked and operated in Sheffield, what scrutiny could do, how people could get involved,

examples of effective scrutiny and areas where the role of scrutiny could be enhanced.

5.7.4 Members of the Committee raised questions, and the following responses were provided:-

- Whilst more decisions could be added to the Forward Plan, there was only a requirement to include key decisions.
- Under a committee system, certain committees would have the power to deal with a specific level of decisions.
- It was accepted that there had been unnecessary delays in terms of decision-making in the past but, whichever system was chosen, behaviour and culture was always likely to play a part with regard to the speed of decision-making. There would always be situations, particularly with regard to the more complex issues, or particular issues of public interest, where decisions would take longer. It was reported that Members received adequate training in terms of effective decision-making.
- Whilst the opportunity for scrutiny to play a wider role in holding wider public services to account at the sub-regional level, the reasons why such a system had not been explored in any detail was mainly due to capacity and resource issues. Discussions had been held with officers at Sheffield City Region, the outcome of which would be forwarded to Members.
- A cross-party Member working group had looked into the issue regarding costs of holding meetings, which resulted in changes to how full Council meetings operated. As part of the review process there may be a requirement for a further review. Full Council meetings were very labour intensive, with several members of Democratic Services involved.
- It was accepted that it would be very helpful, as part of any future governance model, if there were Forward Plans for bodies such as the Health and Wellbeing Board, Sheffield City Region and Local Area Partnerships. This would also provide a further level of accountability for such bodies. There was also a need to make sure there was some form of reporting back mechanism in respect of such bodies.
- The figure of £1,235 in the report referred to the approximate cost of arranging a committee meeting and not a full Council meeting.
- Rotherham MBC operated an effective pre-scrutiny system.

## **6. DATE OF NEXT MEETING**

6.1 It was noted that the next meeting of the Committee would be a special meeting, and would be held on Thursday, 28<sup>th</sup> November 2019, at 10.00 am, in the Town Hall.