Governance Committee Report

Report of: Director of Legal and Governance (Monitoring Officer)

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Date: 27 October 2021

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Subject: Approach to Designing a Committee System

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Author of Report: Alexander Polak, Assistant Director (Governance)

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Summary:

The purpose of this report is:

1. To provide an update on progress since the Committee's last meeting on 20 September 2021

2. To provide more detail about a recommended approach to the process of designing a committee system of governance for Sheffield City Council, including timescales

3. To propose a draft framework for use in conversations about the future governance model with members, stakeholders and the public. This framework _is not a proposed governance model for Sheffield_, it is a descriptive list of the main areas which will need discussion in order to design a Sheffield-specific model. It is based on the experiences of other committee-led councils and expert advice from the Centre for Governance and Scrutiny.

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Recommendations:

1. _That progress in the five weeks since the committee's last meeting be noted._

2. _That the framework at appendix A be agreed for immediate public use to support conversations with stakeholders, the public, councillors and officers about the future model of the Council's governance._

3. _That a whole-committee inquiry be conducted between now and Christmas 2021, with the goal of recommending a draft committee governance model to Full Council for endorsement in January. The inquiry will include:_

a. *Open, council-led engagement with stakeholders, the public, members and council officers as per the engagement report elsewhere on today's agenda*

b. *Desktop research including review of all relevant material received in the 2019 Scrutiny exercise and since including the Big City Conversation*

c. *Research into comparator authorities' experiences and recognised best practice*

d. *Lessons learnt from the active experimentation taking place via the Transitional Committees, Local Area Committees and other experiences of decision-making during the 2021/22 transitional year*

e. *Whole-committee sessions on 30 November and up to three extraordinary meetings in early December, at which the committee may call expert witnesses as necessary to build on what has already been learned from the above*

4. *That the approach be endorsed of using the draft governance model (after, and subject to, agreement by Full Council in January):*

   a. *As one of the starting points for the city-wide engagement exercise taking place in 'phase three' of the project in the new year, supported by Involve*

   b. *as the basis for progressing decisions about constitutional detail during January-March, subject to input from the simultaneous engagement exercise referred to at 4a, leading to a final agreement by Full Council in March 2022.*

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Background Papers: N/A

Category of Report: OPEN

Statutory and Council Policy Checklist

Financial Implications	
YES - Cleared by: Kayleigh Inman	
Legal Implications	
YES - Cleared by: Andrea Simpson	
Equality of Opportunity Implications	
YES - Cleared by: James Henderson	
Tackling Health Inequalities Implications	
NO	
Human rights Implications	
NO:	
Environmental and Sustainability implications	
NO	
Economic impact	
NO	
Community safety implications	
NO	
Human resources implications	
NO	
Property implications	
NO	
Area(s) affected	
None	
Relevant Cabinet Portfolio Member	
Councillor Julie Grocutt, Deputy Leader and Executive Member for Community Engagement and Governance	
Is the item a matter which is reserved for approval by the City Council?	
NO	
Press release	
NO	

APPROACH TO DESIGNING A COMMITTEE SYSTEM

1.0   INTRODUCTION

1.1   The Governance Committee has been appointed by Sheffield City
        Council to lead the work which will take the Council from a 'Leader
        and Cabinet' model of Governance to a 'Committee' model. This
        report provides more detailed recommendations about how this should
        be done.

2.0   BACKGROUND

2.1   On 20th September 2021 the Governance Committee met and
        considered a paper which set out the background for this work. In
        summary the Committee agreed:
        - some draft design principles for use when weighing up options
          before May 2022 and when measuring the degree of success
          after May 2022
        - Commencement of stakeholder engagement about these
          principles
        - a high-level plan for a two-stage process
        - Commencement of design of the new committee governance
          model
        - Commencement of wider stakeholder engagement activity in a
          two-stage process:
          - Proportionate, topic-by-topic engagement with internal
            and external stakeholders on technical questions as they
            arise, starting immediately, including an open public
            invitation for participants to contribute via a stakeholder
            group made up of interested parties;
          - A city-wide, facilitated, representative, discursive
            engagement exercise in the new year, by which time
            more citizens' input could be more impactfully applied to
            the emerging model, and to shaping future ways of
            working within it.
        - That more detail on this approach should come back to the
          October meeting of the Governance Committee

2.2   Progress has been made in the weeks between the 20 September
        Committee meeting and the time of writing this report, including:
        1. Conceiving and setting up a fortnightly series of workshops and
           briefings ('drop-ins') for stakeholders and the public, and
           another series for councillors following initial member briefings
           over the fortnight immediately preceding this meeting;
        2. Holding the first of these public sessions on 22 October in order
           to begin conversations about the principles as requested by the
           Committee;
        3. Setting up an initial round of briefings with senior officers in
           order to lay the groundwork for the necessary change in

processes, culture and ways of working amongst the Council's officers;

4. The Local Area Committees and Transitional Committees have now all held their first meetings and are in the process of reflecting and ensuring that best practice and lessons are shared amongst them in order to continuously improve. An item elsewhere on today's agenda provides for initial feedback from Transitional Committees.

5. The programme and project management architecture which is delivering the transition to committees has been merged with the programme which was in place to implement the Local Area Committees. This is intended to support the important links between these pieces of work as well as to provide opportunities for efficient management of the programmes;

6. Continuing to work with key outside bodies which will support the Council with aspects of this process, including the Centre for Governance and Scrutiny, the Local Government Association, and Involve on various aspects of the programme including current and future public engagement, early research and design, member briefings and development of a member development programme;

7. Continuation of a research, analysis and planning exercise to:
   a. catalogue the full range of issues on which the Members or officers of the Council will need to reach decisions in order to define and implement a new governance model, and to express this initially in the form of a 'framework' as below (section 3);
   b. design a schedule of when the council should aim to take each of these decisions, as below (section 4);
   c. gathering the technical information and tools necessary to inform these decisions including eg mathematical models showing the hypothetical impact on members' time of various different scales of governance model, and establishing contact with other relevant local authorities in order to learn from their experiences and develop case studies; and
   d. beginning work with member support teams in order to understand their 'as-is' position, from which a 'to-be' model of member support can be developed in time for May 2022.

3.0   GOVERNANCE FRAMEWORK

3.1   The Governance Committee has previously endorsed an iterative approach to developing Sheffield City Council's new governance model, whereby design takes place alongside engagement. To support the first stages of this process it is considered helpful to produce a framework, representing a reasonably generic committee system, for use in conversations over the coming weeks. Appendix A is a framework which has been developed for this purpose.

3.2   This framework *is not a proposed governance model for Sheffield*, it is a descriptive list of the main areas which will need discussion in order to design a Sheffield-specific model. It is based on the experiences of other committee-led councils and expert advice from the Centre for Governance and Scrutiny. Most of the words included reflect either the necessities of the legal position or a reasonably standard approach to dealing with the problems which councils need to solve to run an effective committee system. Inevitably a level of judgement has been applied in order to produce this model but the Council is keen that this not be seen as representing a proposal except in the loosest sense in which it is helpful to have a 'starter for ten' in order to have useful conversations about governance design.

3.3   The primary question which should be asked about this model is:

> *'what changes, if any, would make this framework into a model that is right for Sheffield?'*

3.3   It is recommended that the framework at appendix A be agreed for immediate public use to support conversations with stakeholders, the public, councillors and officers about the future model of the Council's governance. This would form the first step in the process set out below.

3.4   It should be noted that the framework will quickly begin to change as the council learns more about how it should design its future model. Later versions of this document, including those used before the Committee's next opportunity to consider it, may look different to the one agreed today as it begins the process of developing into a draft model for Sheffield.
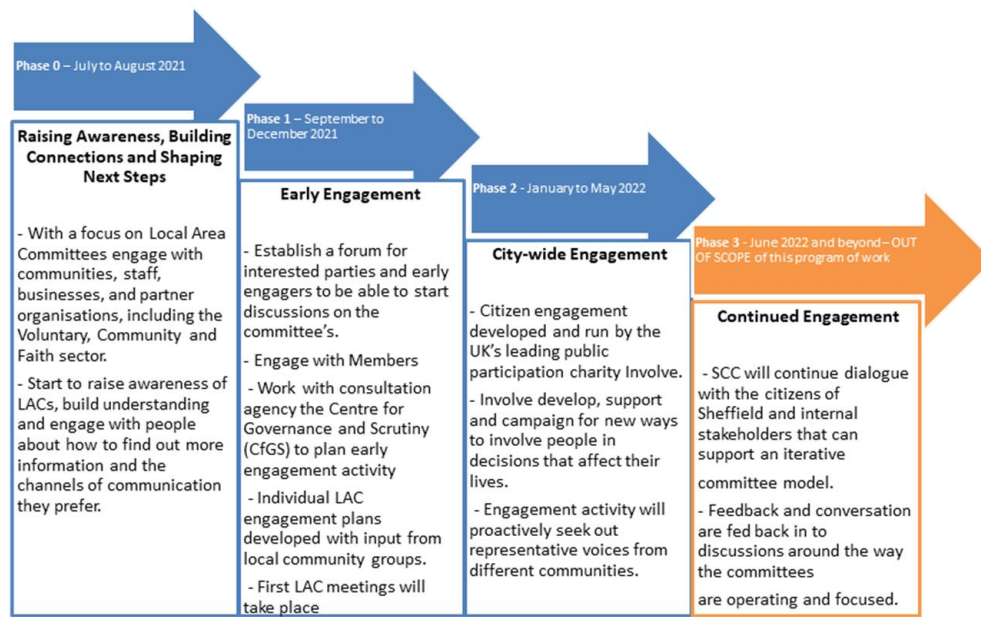
4.0   TIMESCALES AND APPROACH

4.1   The Governance Committee has previously endorsed two key parts to our proposed engagement approach:

   a. Proportionate, topic-by-topic engagement with internal and external stakeholders on technical questions as they arise, starting immediately, including an open public invitation for participants to contribute via a stakeholder group made up of interested parties.

   b. A city-wide, facilitated, representative, discursive engagement exercise in the new year, by which time more citizens' input could be more impactfully applied to the emerging model, and to shaping future ways of working within it.

A report elsewhere on today's agenda puts significantly more detail to this approach, summarised in the following diagram. Parts (a) and (b)

above are represented as phases 2 and 3:

Phase 0 – July to August 2021

Raising Awareness, Building Connections and Shaping Next Steps

- With a focus on Local Area Committees engage with communities, staff, businesses, and partner organisations, including the Voluntary, Community and Faith sector.

- Start to raise awareness of LACs, build understanding and engage with people about how to find out more information and the channels of communication they prefer.

Phase 1 – September to December 2021

Early Engagement

- Establish a forum for interested parties and early engagers to be able to start discussions on the committee's.

- Engage with Members

- Work with consultation agency the Centre for Governance and Scrutiny (CfGS) to plan early engagement activity

- Individual LAC engagement plans developed with input from local community groups.

- First LAC meetings will take place

Phase 2 - January to May 2022

City-wide Engagement

- Citizen engagement developed and run by the UK's leading public participation charity Involve.

- Involve develop, support and campaign for new ways to involve people in decisions that affect their lives.

- Engagement activity will proactively seek out representative voices from different communities.

Phase 3 - June 2022 and beyond – OUT OF SCOPE of this program of work

Continued Engagement

- SCC will continue dialogue with the citizens of Sheffield and internal stakeholders that can support an iterative committee model.

- Feedback and conversation are fed back in to discussions around the way the committees are operating and focused.

4.2   The purpose of this report is to provide some detail about the character and timing of the development of the governance model within each of these phases, alongside and informed by this engagement.

4.3   **Phase 1 (July-Aug 2021)** is largely complete or underway, as per the activity set out at section 2.2, which will overlap into phase 2.

4.4   **Phase 2 (Sept-Dec 2021)** is proposed to take the form of a whole-committee inquiry, also known as a 'select committee' approach.

4.5   This should follow on from, and somewhat mirror in form, the exercise undertaken by the Council's Overview and Scrutiny Management Committee in 2019 when it looked at what should be achieved through changing the Council's decision-making model. The committee used a 'select committee' approach to this work, holding a series of evidence gathering sessions to hear from a range of witnesses. This included experts in local governance and decision making, local organisations with an interest in local democracy, partners from business and the Voluntary Community and Faith sector, Youth Cabinet and Youth Advisers. They also invited contributions from citizens through an online call for evidence and attendance at meetings, and undertook site visits and conversations with other local authorities to learn from their experiences of operating different governance models. A full list of witnesses, links to the evidence they considered and webcasts of their meetings can be found in that committee's final report, '*Principles for Governance at Sheffield City Council'*.

4.6   The Governance Committee should conduct its inquiry between now and Christmas 2021, with the goal of recommending a draft committee

governance model to Full Council for endorsement at its January meeting. It is custom and practice for January Council to be a 'scrutiny' meeting and it is felt that this topic would be suitable for inclusion. The recommendation is expected to take the form of a report describing a governance system in words and diagrams, rather than the specific constitutional drafting changes which will ultimately need to be agreed by full council. Council would be asked to endorse this model as a draft in January 2022, subject to stage 3 of the process and further agreement by Council before May 2022.

4.7　　The detail of the inquiry process will be worked up in consultation with the Chair and Vice chair, including via engagement with the whole committee in advance of its next meeting. It is anticipated to include:

　　　　a. Open, council-led engagement with stakeholders, the public, members and council officers as per the engagement report elsewhere on today's agenda under 'phase 2'

　　　　b. Desktop research including review of all relevant material received in the 2019 Scrutiny exercise and since, including the Big City Conversation and more

　　　　c. Research into comparator authorities' experiences and recognised best practice

　　　　d. Lessons learnt from the active experimentation taking place via the Transitional Committees, Local Area Committees and other experiences of decision-making during the 2021/22 transitional year

　　　　e. Whole-committee sessions on 30 November and up to three extraordinary meetings in early December, at which the committee may call expert witnesses as necessary to build on what has already been learned from the above.

　　　　f. A recommendation to council based on a final report received at the Committee's last extraordinary meeting in December.

4.7　　An important principle of this work is that it should not repeat or duplicate things which have already been done or learnt, including by the 2019 Scrutiny exercise. Evidence from this activity is readily available and should still be largely relevant.

4.8　　Alongside input from the ongoing engagement work, Members will be supported to identify where there are gaps in our body of evidence which need to be filled in order to answer the design questions (aligned to the draft framework), and then take a view on who should be called to provide written or verbal evidence to fill these gaps. Analysis is underway to inform members' deliberation on this matter.

4.8   It is hoped that this process and generation of a final report can be completed in time to avoid needing to use the Governance Committee meeting currently scheduled for 22 December.

4.10   **Phase 3 (Jan-May 2022)** would therefore take place in the context of a Council-endorsed draft model for the future governance of Sheffield City Council, but there will still be a lot of work to complete in a short space of time in order to get to a final agreed model. The draft model will enable:

   a. An informed starting point for the city-wide engagement exercise taking place in 'phase three' of the project in the new year, supported by Involve. This should provide further feedback into the ongoing design of the model, expected to focus particularly on the aspects of that model which are about ensuring that the voice of the public is central to decision-making.

   b. A basis for progressing work on the constitutional detail behind the model, as well as potential additional protocols and other commitments to ways of working. These will come to Governance Committee meetings during this phase alongside ongoing public engagement.

4.11   The main output of this phase should be a recommendation to Council in March 2022 (and/or before) of revisions to the Council's constitution which comprise the necessary changes to the Council's governance in order that it can effectively operate and make decisions beyond May 2022. This is likely to require an extraordinary (extra) meeting of Council in March 2022

4.12   In addition, other matters will need to be recommended to Council by the Governance Committee around this time including the likely output from an Independent Remuneration Panel to consider members' allowances in the new system, and potentially a range of other protocols and descriptions of ways of working designed to ensure that the new system fulfils the ambitions of members, stakeholders and the public. All of these will need to be developed in light of the emerging feedback from the engagement exercises carried out in both phases 2 and 3 of this programme.

4.13   **Phase 4 (May 2022 and beyond)** is expected to consist of an ongoing process of review and revision of both the formal proposals for the governance model and the ways of working within that system. The experience of other councils which have transitioned to a committee system tells us that the bedding in period will last for multiple years during which time the degree of change is likely to depend on the outcome of elections as well as the changing needs of

the City. While the 'transition to committees programme' is not expected to continue on beyond the summer of 2022, this process of ongoing review and revision will need to become part of 'business as usual' for the council.

5.0   LEGAL, FINANCIAL AND EQUALITY OF OPPORTUNITY IMPLICATIONS

5.1   There are no immediate legal implications to this report. The legal implications of the outcome of the inquiry will be set out in a future report to the Governance Committee describing the proposed governance model.

5.2   There are no immediate financial implications to this report.

5.3   There are no immediate equalities implications to this report. Equalities will be a key consideration in the design and implementation of the engagement programme, the detail of which is covered in a report elsewhere on today's agenda.

6.0   RECOMMENDATIONS

1. *That progress in the five weeks since the committee's last meeting be noted.*

2. *That the framework at appendix A be agreed for immediate public use to support conversations with stakeholders, the public, councillors and officers about the future model of the Council's governance.*

3. *That a whole-committee enquiry be conducted between now and Christmas 2021, with the goal of recommending a draft committee governance model to Full Council for endorsement in January. The inquiry will include:*

   a. *Open, council-led engagement with stakeholders, the public, members and council officers as per the engagement report elsewhere on today's agenda*

   b. *Desktop research including review of all relevant material received in the 2019 Scrutiny exercise and since including the Big City Conversation.*

   c. *Research into comparator authorities' experiences and recognised best practice*

   d. *Lessons learnt from the active experimentation taking place via the Transitional Committees, Local Area Committees and other experiences of decision-making during the 2021/22 transitional year*

   e. *Whole-committee sessions on 30 November and up to three extraordinary meetings in early December, at which the committee may call expert witnesses as*

necessary to build on what has already been learned from the above

4. *That the approach be endorsed of using the draft governance model (after, and subject to, agreement by Full Council):*

   a. *As one of the starting points for the city-wide engagement exercise taking place in 'phase three' of the project in the new year, supported by Involve*

   b. *as the basis for progressing decisions about constitutional detail during January-March, subject to input from the simultaneous engagement exercise referred to at 4a, leading to a final agreement by Full Council in March 2022.*

7.0   APPENDICES
Appendix A – Draft governance framework

Gillian Duckworth
Director of Legal & Governance (and Monitoring Officer)

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