



Governance Committee Report

Report of: The Director of Legal & Governance

Date: 30 June 2022

Subject: Planning for the 6-month Review of New Governance

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

Summary: This report begins the process of planning for a review of the new governance arrangements which the council has implemented from May 2022, and provides an opportunity for a discussion amongst members of some of their early experiences in the new system.

Recommendations:

1. That, as per Council's resolution, the Governance Committee's review of the new governance system commences six months after its implementation (November 2022) with a view to recommending improvements to Full Council in May 2023. This review will:
 - a. Use the previously agreed 'strategic aims' and 'design principles' as its success criteria
 - b. Actively seek and use feedback from residents, stakeholders, partners, councillors and officers to inform its assessment against those criteria, in line with the new ways of working expected of all decision-makers within the new system
 - c. Take account of any changes to the local and national context
2. That two extra provisional dates be added to the Governance Committee's programme in November to provide time for the review
3. That members discuss their experiences of the launch of the new system and first round of Policy Committees, and in doing so begin collating a list of issues which may need consideration in November.

Background Papers: N/A

Category of Report: OPEN

Statutory and Council Policy Checklist

Financial Implications
No Cleared by: Liz Gough
Legal Implications
No Cleared by: Gillian Duckworth
Equality of Opportunity Implications
No
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
Is the item a matter which is reserved for approval by the City Council?
NO
Press release
NO

PLANNING FOR THE SIX-MONTH REVIEW OF THE COUNCIL'S NEW GOVERNANCE

1.0 INTRODUCTION

- 1.1 The Governance Committee was appointed by Sheffield City Council to lead the work which took the Council from a 'Leader and Cabinet' model of Governance to a 'Committee' model earlier this year. An iterative approach was taken to the design process: Members shaped the design as it emerged with input from residents, stakeholders, partners, councillors and officers. This was critical both to achieve the necessary pace and to ensure that the design would be Councillor-led throughout, with the voice of residents at its heart.
- 1.2 The new governance system was unanimously agreed by Full Council in March 2022 and a revised constitution was agreed at the May 2022 AGM. This is given further context and detail by more work completed by the Committee along the way, including a set of design principles and a range of other commitments and descriptions of new ways of working in papers for the Governance Committee and Council over the course of 2021-2022.
- 1.3 However, the Governance Committee has been clear from the outset that agreement of a new system for May 2023 would only be the beginning of the change process. At the Committee's first ever meeting, the Leader of the Council expressed this view, acknowledging that while the system as initially designed would be unlikely to be perfect in all respects. The key thing would be for the Council to adapt and correct issues quickly. 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. The Governance Committee has heard anecdotally how challenging it can be to run a committee system in a council which does not have a single political Group with a majority. Now that the 'transition to committees programme' has already closed, this process of ongoing review and revision will need to become part of 'business as usual' for the Council.
- 1.4 Having said this, the Governance Committee felt it was important to ensure that this process of reflection and re-design did not allow for premature, knee-jerk or piecemeal alterations to the system, especially during the very early phases of the new system before it had properly bedded in and to take proper account of our experience over a reasonable time period. This is one reason why Full Council agreed at its meeting on 22 February 2022, at the instigation of the Governance Committee itself, to set the timeline of review and redesign as follows:

“The Governance Committee shall conduct a review of the effectiveness of the new system, commencing six months after implementation (November 2022) with a view to provide Full Council with insight into what has worked well and alongside any recommendations. This review will:

- Take account of any changes to the local and national context
- Include the previously agreed ‘strategic aims’ and ‘design principles’ in its assessment criteria
- Actively seek and use feedback from residents, stakeholders, councillors, and officers to inform its judgements against those criteria”

1.5 This report begins the process of planning for that six-month review and provides an opportunity for a discussion amongst members of some of their early experiences in the new system. The collation of issues for consideration by the Committee in November begins with this discussion.

2.0 **BACKGROUND**

2.1 On 6th May 2021, a Sheffield City Council Governance Referendum was held to determine the future governance model of the Council. The following key steps took place before and after this (with links to key information):

- Before the referendum result and decision to transition to committees, there was a [scrutiny review into the options](#).
- [A binding resolution by Sheffield City Council on 19 May 2021](#) formalised the result of the referendum ie that the Council would operate a committee system from the date of its AGM in 2022.
- A [Governance Committee](#) was set up to lead the whole process, with delegated powers from Council.
- After the referendum and decision, members agreed [design principles](#) first, broadly in line with the process [recommended by the Centre for Governance and Scrutiny](#). These were designed via workshops with public and stakeholders.
- A modest [public/stakeholder engagement and co-design process](#) was conducted throughout, with face to face and online workshops.
- A [‘discussion framework’](#) was published to help focus the co-design work and to help with visualisation of the future state.
- The Governance Committee conducted an inquiry which drew on [extensive written evidence](#) and [two full afternoons of expert witnesses](#) (academics, councillors and officers from other councils, campaigners, community representatives and Sheffield’s own officers and members)
- The Governance Committee and Council agreed *how* they wanted it work (in the form of [over 100 recommendations in a final report](#)) and then a [new constitution](#) was produced and agreed to deliver this.

- Sheffield City Council has brought in an organisation called [Involve](#) to help them get the next steps right in terms of public engagement in decision-making within the new system.

3.0 PURPOSE OF THIS REPORT

- 3.1 This report describes and recommends an approach to reviewing the Council's new governance arrangements at an appropriate point in time, and commences a discussion about early reflections and lessons learnt so far.

4.0 METHOD FOR THE REVIEW

- 4.1 A precedent has been set for a whole committee inquiry approach to this work, with the committee very effectively using the learning from a range of voices in December 2021 to build a design for a committee system that was tailored closely to Sheffield's needs as they were then understood. This in turn followed on from, and somewhat mirrored in form, the exercise undertaken by the Council's Overview and Scrutiny Management Committee in 2019 when it looked at what could be achieved through changing the Council's decision-making model.

- 4.2 However, it is expected that the scale of the task in November will be smaller and less in depth than the complete ground-up design work required last year. Accordingly, the Council has closed the 'transition to committees' programme and reallocated or released the associated resources.

- 4.3 The following milestones and activities are therefore proposed:

- **NOVEMBER 2022 to JANUARY 2023** - Review process, receiving and co-ordinating submissions of evidence from a variety of stakeholders including elected members, council officers, partner organisations and the general public.
- **FEBRUARY 2023** - Governance Committee receives the final Post Implementation Review report
- **MARCH 2023** - Respond to the Post Implementation Review report with any proposed changes to the constitution and any alterations to the Benefits Outcome Framework
- **MAY 2023** - Any proposed changes to the constitution to be agreed at the AGM

- 4.4 The purpose of this exercise is threefold:

- Firstly, to consider how the transitional and initial period of the committee system has "enabled the Council to begin to work within a system where all parties' views are taken into

consideration when making decisions or setting policy for the Council...” as was originally intended.

- Secondly, it will look to review how well community participation, liaison with other organisations and analysis of policy is undertaken.
- Finally, the stocktake will also consider how the new governance arrangements interact with any changes to the local and national landscape.

4.5 It is proposed that the primary means of gathering evidence will be through interviews and group sessions with councillors, senior officers, partner organisations, voluntary, community and faith organisations and the public.

4.6 An Equality Impact Assessment (EIA) is ongoing and looks to identify possible barriers to participating within the new committee system. This assessment is a live document, and it is expected that as and when any further impacts are identified that they are captured and actioned within the EIA.

4.7 With regards to ensuring involvement in the review process itself, it is proposed that the following groups of stakeholders are invited to engage with the process in broadly the following ways:

Stakeholder	Engagement to include:
Public	<ul style="list-style-type: none"> • Seeking feedback through a range of face-to-face and online settings including Local Area Committees (LACs)
Councillors	<ul style="list-style-type: none"> • Structured review sessions for Policy Committee members • Facilitated sessions led by the Governance Committee • Collation of comments and feedback submitted to Democratic Services email inbox
Partner organisations (including voluntary, community and faith groups)	<ul style="list-style-type: none"> • Call to submit evidence • Facilitated session/s for groups of partner organisations
Council staff	<ul style="list-style-type: none"> • Learning sessions with teams around the committees
Other local authorities	<ul style="list-style-type: none"> • Continue to work with networks of local authorities who have undertaken large governance changes to ensure

	governance best practice is part of this review
Professional organisations	<ul style="list-style-type: none"> • The Centre for Governance and Scrutiny • Local Government Association • Involve

4.8 It will be important for the review process to be promoted in relevant circles and therefore it is proposed that a communication plan is developed and used.

4.9 There will need to be consideration for how the process is facilitated without bias or prejudice. It is also important to consider the way any findings will be published; feedback during the design process clearly favoured a clarity and simplicity of language in these kinds of documents.

4.10 The main output from this review should be a report to Full Council which represents the Committee’s synthesis of all of the information gathered and their application of this knowledge to a review of Sheffield’s system. This is likely to be accompanied by some proposed edits to the Council’s Constitution.

5.0 FRAMEWORK FOR THE REVIEW

5.1 A framework should be established for the review in order to manage expectations and to facilitate planning for a successful review process.

5.2 During the development of the new committee system, a list of ‘design principles’ was agreed by Councillors when they were planning for this change. The principles state how the Council would like to make decisions in the future (see Appendix 1). Councillors agreed to keep these principles in mind when they designed the new committee system and they have agreed to use these principles to check how well it is working. They should be central to how we conduct the review, although different stakeholders are likely to define success in different ways.

5.3 It is proposed that the following top five design principles are used as bellwether indicators for the effectiveness of the system:

- **Be democratic.** Sheffield City Council is committed to democracy.
- **Be open and trustworthy.** Make decisions publicly, so people can tell who is responsible for what.
- **Include all Councillors.** Show what decisions everyone’s local councillors are involved in.
- **Listen to everyone.** Have the voice of residents at the heart of our decisions.

- **Be forward looking and keep improving.** Respond to the fast-changing world by trying new things and checking often whether it is working.

It should be noted that the fifth principle, 'be forward looking' is the driving force for this review but will also be integral to the work of all committees – ensuring that they are horizon scanning, finding best practice and feeding it back into the review process.

5.4 The primary method of assessment should be qualitative (and ultimately subjective) analysis of the governance environment by those who are working with and inside the new system. But there may also be some limited quantitative measures available. Some illustrative examples of how design principles could be translated into quantifiable measures can be seen below. This will need reviewing closer to the time, to assess the availability and relevance of this information to the future context. Most of these measures are meaningless in isolation – for example, how do you define how many urgency committees is too many, and compared to what – but the overall picture may add up to provide an insight.

Be democratic
<ul style="list-style-type: none"> • No. of urgency committees constituted • Volume of decisions • No. of extraordinary meetings needed • Proportion of meetings that were conducted as scheduled • Change in rate of public attendance at meetings and webcast views
Be open and trustworthy
<ul style="list-style-type: none"> • % of items on agendas published with papers to follow • % of committee work plans up to date and publicly visible
Include all Councillors
<ul style="list-style-type: none"> • % of Councillors involved in decision making • Average time spent by councillors in meetings at Town Hall
Listen to everyone
<ul style="list-style-type: none"> • Degree to which applied use of the public participation and engagement toolkit is in evidence in committees' work programmes and committee agendas • Utilise baselines identified in Big City Conversation and LAC surveys alongside any newly commissioned public survey • Progress against goals as set out in the new strategy as developed with the support of Involve
Be forward looking and keep improving

- Completion of a post implementation review

5.5 Alongside attributing metrics to the five key principles, it is also proposed that the impact of the remaining design principles is undertaken in a qualitative exercise to ascertain the influence of these design principles on the new committee system.

5.6 It will look to highlight positive examples but also identify recommendations for how the principles could further influence the development of the new committee system. It is proposed that evidence be presented in the following format:

Principles: “The new Committee System...”	How did the new system’s design or implementation aim to address this?	How well has this principle been addressed in practise? [evidence and reflections gathered by the committee]	Recommendations:
Principle 1			
Principle 2			
Principle 3			
Etc.			

6.0 **NEXT STEPS**

6.1 Implementation of the new system is underway at the time of writing and variations in the approach of individual committee chairs, committees and officers on the various policy committees are providing immediate lessons which are being applied in the day-to-day support of both members and officers.

Democratic Services are collating feedback received from members and officers and a Members’ Newsletter will encourage members to submit reflections, issues or ideas to committee@sheffield.gov.uk for collation before November.

7.0 **LEGAL AND FINANCIAL IMPLICATIONS**

7.1 There is no legal requirement for a six-month review of the Council’s governance environment although there is an imperative to ensure that the Council’s governance is effective overall. There are no direct legal or financial implications of this report, however consideration will need to be given in due course to the Democratic Services team’s capacity to support whatever scale of review is requested by members. Recommendations in this paper are consistent with the legal

framework within which the Council must operate from the date of its AGM in May 2022.

8.0 EQUALITY OF OPPORTUNITY IMPLICATIONS

- 8.1 The Public Sector Equality Duty in the Equality Act 2010 requires that public authorities, in the exercise of their functions, must have due regard to the need to:
- Eliminate discrimination, harassment, victimisation and any other conduct that is connected to protected characteristics and prohibited by or under this Act
 - Advance equality of opportunity between those who share a relevant protected characteristic and those who do not
 - Foster good relations between those who share a relevant protected characteristic and those who do not.
- 8.2 The move to a committee system of governance represents a great opportunity to reinforce our equality duties and the city's Equality Objectives in our decision making¹. Equality, diversity and inclusion is a key consideration in the design and implementation of the Council's Committee System and wider public engagement programme within which this decision-making environment should function. The Council is committed to ensuring that the development of our governance is inclusive, with involvement from all communities and Sheffielders with protected characteristics. All of this will be within the scope of the review to consider.
- 8.3 As part of the Transition to Committees Programme, an Equalities Impact Assessment (EIA) was developed. This remains a live document which officers will continue to update and develop over the coming months and as the new committee system is implemented, listening and learning from citizens, staff and Members to ensure that we identify and mitigate any discrimination or barriers that the committee system model may create.

9.0 APPENDICES

- Appendix 1 – Design Principles

¹ Sheffield Equality Objectives 2019-23 <https://www.sheffield.gov.uk/home/campaigns/equality-objectives.html>

Appendix 1

Design Principles

In May 2022 Sheffield City Council changed the way decisions are made. The new way of doing things is called a committee system.

This is a list of 'design principles' which were agreed by Councillors when they were planning for this change. The principles say how the council would like to make decisions in future.

Councillors agreed to keep these principles in mind when they designed the new committee system. Now that it is in place, they have agreed to use these principles to check how well it is working.

Top five principles

When it comes to the way it makes decisions, Sheffield City Council aims to...

- A.be democratic. Sheffield City Council is committed to local democracy
- B. ...be open and trustworthy. Make decisions publicly, so people can tell who is responsible for what
- C. ...include all Councillors. Show what decisions everyone's local councillors are involved in
- D. ...listen to everyone. Have the voice of residents at the heart of our decisions
- E. ...be forward looking and keep improving. Respond to the fast-changing world by trying new things and checking often whether it's working

The new Committee System...

- 1. ...should not be over-complicated, or costly
- 2. ...should include Full Council meetings which are time well spent
- 3. ...should make sure people in each part of the system know what's happening in the other parts, and that they all work together
- 4. ...should make it easy to know what decisions will be made, and when
- 5. ...should make it easy to know what decisions have been made and why (and what they mean)
- 6. ...should show the evidence for decisions, and what options were considered
- 7. ...should make it clear who is allowed to decide what, and why they have that power.
- 8. ...should hold decision-makers to account
- 9. ...should allow urgent decisions to happen quickly, without having to compromise on the other things in this list
- 10. ...should help Councillors from all parties to find the things they can agree on, and not let disagreements become blockages

11. ...should seek out and listen to all voices from across the city, valuing them equally
12. ...should show how Councillors took people's views into account when they made each decision
13. ...should help the Council work well with others locally and nationally
14. ...should make it easier for people to find information about how the City works, and how they can get something done through the Council

15. ...should have high expectations of Councillors' behaviour
16. ...should allow councillors to balance their time between local work, formal meetings and their own careers and families
17. ...should include support and training for councillors

Engagement Principles:

When we are engaging with people through this process, we will value:

18. ...Transparency - we will communicate in a way that easy for everyone to understand
19. ...Diversity – We will consider everyone's backgrounds, interests and needs
20. ...Inclusive participation – We will provide lots of opportunities for people to get involved in a way that suits them
21. ...Equality – Everyone's ideas will be equally encouraged and treated with respect
22. ...Responsiveness – We will listen, and use what we hear to help us take decisions