

**LEGISLATIVE GOVERNANCE REVIEW PROJECT UPDATE AND COUNCIL POLICY,
GOVERNANCE AND APPOINTMENTS OF BOARDS, COMMISSIONS, AND COMMITTEES**

EXECUTIVE SUMMARY

This report presents an update on the progress of items in the Legislative Governance Task Force 2014-2017 Work Plan specific to the Legislative Governance Review project:

"Item 1.b. Report on amalgamating all Council policies related to the Boards, Commissions and Committees of Council into one master policy,...";

"Item 1.d. Report exploring term limits for Citizens to the 81 Boards, Commissions and Committees (including Quasi-Judicial Boards)," and

"Item 1.e. Report proposing a new advertising and recruitment process for Citizen Members to the 81 Boards, Commissions and Committees (including stakeholder engagement and research of best practices among other municipalities.)"

CITY CLERK RECOMMENDATION(S)

That the Legislative Governance Task Force recommend that Council:

1. Approve the new Council Policy entitled Governance and Appointments of Boards, Commissions and Committees; and
2. Rescind the following Council Policies:
 - *Advertising Policy for Appointment of Citizens to Boards, Commissions and Committees (#CC002);*
 - *Appointment of Members of Council, Administration and Citizens to Agencies and Establishment of Council Agencies (#CC003);*
 - *Courtesy Policy – Letters for Applicants and Members of Council-Appointed Boards, Commissions and Committees (#CC033);*
 - *Disbanding of Committees (#CC019);* and
3. Approve Attachment 6, Implementation Phases – Legislative Governance Review Project, and return to Council Q1, 2017 with a review of the 2016 appointment process, and an update on the progress and timelines of the next phases of the project.

PREVIOUS COUNCIL DIRECTION / POLICY

At the 2015 March 30 Regular Meeting of Council, Council approved PFC2015-0308 Application to the City of Calgary Innovation Fund in which Legislative Governance Task Force (LGTF) acquired funding to support a limited-term project manager to support specified activities outlined in the LGTF Work Plan 2014-2017.

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At the 2015 September 8 LGTF meeting the Legislative Governance Task Force 2014-2017 Work Plan Q3 2015 Update informed LGTF that a Project Manager had been retained to lead the project as described in the 2015 March 30 report to Council as:.

“Phase 1 – Q2 2015 to Q2 2016: the Project Manager would develop a new recruitment and appointment process for citizen appointments to the various internal and external BCCs that City Council appoints members to (does not include wholly-owned subsidiaries); Develop BCCs citizen succession plans, training and performance matrixes, as well as orientation session for members; Engage internal and external BCC stakeholders to identify issues, collaboration opportunities and potential actions; The Project Manager will report back to Council with a proposal for consideration and implementation no later than the end of Q2 2016.”

Although directed to review the citizen appointment process, the process for Councillor, Administration, and non-binding organizations' nominations and appointments are included in the proposed policy.

This project update report and proposed policy (Attachment 1) represents the project's progress and the implementation plan going forward.

BACKGROUND

Boards, Commissions and Committees (BCCs) provide The City of Calgary Council with recommendations regarding important civic issues. They have an integral role in bringing together the citizens of Calgary, Members of Council and City Administration in achieving the common purpose of building and strengthening the community.

The Legislative Governance Review Project addresses specific items from the LGTF work plan requiring investigation and comparison between The City of Calgary's (The City) legislative governance practices pertaining to BCCs and leading governance practices of committees to which citizen members are appointed. The project was initially identified as a process improvement project but upon investigation it became apparent that this project is a process and quality improvement project with the potential to enhance governance and citizen leadership in decision-making.

On 2016 January 19 the project manager presented LGTF with the results of research into the current processes supporting BCCs at The City, stakeholder feedback from Administration, interviews with Members of Council, consultations with BCC representatives, and comparative consultations with other jurisdictions; The City of Vancouver (Vancouver), City of Edmonton (Edmonton), City of Winnipeg (Winnipeg), City of Mississauga (Mississauga), City of Toronto (Toronto) and the City of Ottawa (Ottawa). LGTF requested the project manager to return to the 2016 February 2 LGTF meeting with an engagement strategy and plan. At the assigned meeting, the project manager presented an engagement strategy and plan for implementation in 2016 March and the project was approved to move forward.

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INVESTIGATION: ALTERNATIVES AND ANALYSIS

The investigation section of this report is presented according to the sequence of activities for the Advertising, Recruitment and Appointment processes supporting BCCs leading up to the annual Organizational Meeting of Council. The proposed policy changes are highlighted in Attachment 2, substantiated by research, findings and survey feedback.

Business Revitalization Zones (BRZs) are not within project scope. BRZ nominations for appointment to a BRZ's Board of Directors are made directly to Council for ratification only. Wholly-owned Subsidiaries (WOS) are not within project scope. WOS are corporations of The City and are legal entities governed by the Business Corporations Act (Act) RSA 2000.

Advertising and Recruitment

Across jurisdictions the advertising and recruitment campaign to fill BCC public member vacancies begins with City Clerks' office organizing and preparing for the campaign. Attachment 3 is a listing of the BCCs in-scope, from which citizen vacancies are determined and to which citizen members are subsequently selected and appointed through The City's annual advertising and recruitment process.

By resolution of Council some BCCs may choose not to participate in the annual advertising campaign and prefer to contract a search firm and conduct their own advertising campaign, i.e., Calgary Public Library Board and the Calgary Convention Centre Authority. The proposed policy sets direction for the BCCs that are not part of the City Clerk's Office campaign. These BCCs must adhere to the supporting processes as set out by the City Clerk to ensure advertising, nominations, appointments and follow-up communications with applicants remain in the purview of the City Clerk and Administration.

Comparing other jurisdictions' advertising practices revealed The City is the only municipality that advertises during late August/early September. Members of Council suggested that the annual advertising campaign be held earlier in the summer season, when exposure to the campaign may be greater. This shift in advertising timelines would accommodate ample time for receipt and distribution of applications to Members of Council and BCC's for review and consideration for nomination. The proposed policy is based on a June intake. The feasibility of this occurring in June 2016 is dependent on the approval of this policy prior to May 2016.

Vacancies are determined as per expiration of terms, resignations and at times, dismissals. Across jurisdictions BCC Chairs provide City Clerks' Offices with recruitment requirements specific to each vacancy for the upcoming campaign. The current differences in practices, involves the advertising campaign. A variety of advertising modes are currently in practice: multimedia sources including newspapers, trade bulletin publications, websites, newspapers, and community newsletters and networks. Print advertising is still in practice but minimally. Some jurisdictions attract a diverse pool of applicants by targeting community agencies to create awareness of BCC vacancies amongst under-represented constituencies. The proposed

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policy supports this practice, aiming to increase the awareness of vacancies throughout the municipality.

Application Enhancements, Prescribed Application Form and Choices

The application processes across jurisdictions is in a transformative state. A common practice feature is to create a process that focuses on an applicant's suitability to meet requirements specific to the BCC's stated qualification requirements. This process mimics employment recruitment practice, evolving as a preferred approach to manage applications. Submission of a generic cover letter and resume is replaced by the applicant submitting answers to questions related to their interest in serving on a specific BCC. These questions pertain to education, training, professional and employment background, and community and volunteer activities. Attachment 4 provides a sample of potential questions. Standardization of applications is reported by jurisdictions to help with easier and fairer application comparisons during short listing and interviewing of potential appointees. The proposed policy supports this practice, replacing the submission of a cover letter and resume with the applicant providing answers to prescribed questions, for each of the maximum two BCCs to which they are applying. This proposed application process is in step with advanced practices of other Canadian cities.

Based on data from previous Organizational Meetings of Council, it is known that appointments are mostly made from the first two selected choices made by the applicant. The proposed policy reflects this by replacing the three preference maximum allowance with a maximum of two choices.

Appointments Process and Reserve List – leveraging the BCC Chair, Vice-Chair and Administration Resources for Council BCCs

Transitioning from four policies (three from 1978 and one from 1988) to one contemporary policy addressing governance of BCCs is an opportune time for The City to lay a new framework for the governance of its BCCs supported by the collaboration of BCC Chairs, Vice-Chairs and Administration. Across jurisdictions leveraging knowledge of BCC members is particularly focused on supporting the nominations process. Chairs and Vice-Chairs contribute to the advertising and recruitment campaign by providing contact information for targeted audiences and organizations. Chairs, Vice-Chairs and at times Administration representatives and/or resource contacts, manage short-listing and interview recruitment activities. Short-listed candidates who are not appointed can remain on a Reserve List for consideration for appointment in the event that vacancies occur within the year. The Chair and Vice-Chair are in strategic leadership roles for the BCC and are experientially involved in meeting the mandate, work plans and planned outputs of the BCC.

Expansion of the Chair's duties includes participation in advertising, recruitment and nominations processes. Approval of the proposed policy supports these activities in readiness for the 2016 Organizational Meeting of Council. It is also proposed that the Chair is involved in future development of training and orientation requirements for the BCCs. Succession planning

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and performance evaluation are intended for inclusion in the Chairs' responsibilities. The Chairs and Administration have the knowledge and experience to build the membership reflecting the qualifications and evolving needs of the BCC. The proposed policy expands the mandate of the BCC Chairs and Administration to collaboratively determine recommendations for appointments to their BCCs.

The City Administrative Leadership Team is aware that leveraging the roles of the assigned Administration Resources to Council committees is considered an anticipated outcome from the Legislative Governance Review project.

Classification of Committees

Classification of BCCs is practiced in some jurisdictions by grouping committees according to the nominations committees they are associated with, or standing policy committee structures. The challenge with committee classification at The City is inconsistent nomenclature. To bring clarity to the nomination, appointment and governance processes supporting the BCC's the proposed policy aims to provide guidance and direction for the classification of current and future committees. The classifications are based on the primary purpose of the BCC according to its governance documents. Schedule A in the proposed policy lists the fifteen classifications of BCCs at The City to which Council, Citizen or Administration representatives are appointed.

Advertising, recruitment and appointment processes for the BCCs vary. In the proposed policy the committees have been assigned to a grouping of committees with similar governance and appointment processes. Committees classified as Advisory, Review or Interest Group will have their Chairs, Vice-Chairs and Administration representatives conduct recruitment activities resulting in nominations for Council consideration. The nominations will be submitted either to the nominations committee (addressed later in this report) established by Council or, in the absence of a nominations committee, directly to Council.

BCCs classified as External, Oversight/Regulatory, and Partner will have their applications provided to the nominations committee, if Council decides to activate the committee, and the committee will use the BCC qualifications and eligibility requirements to recommend to Council which applicants should be appointed. Interviews may be conducted. The same process applies to BCCs classified as Ad Hoc or Task Force if they have been part of the City Clerk's Office advertising and recruitment campaign. The nominations will be submitted either to the nominations committee established by Council or, in the absence of a nominations committee, directly to Council.

Attachment 5 outlines the appointment processes according to the proposed BCC classifications, with a nominations committee established, or not established.

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Establishment of Committees

The Legislative Governance Review Project is guided by *Council Priorities 2015-2018*, approved by Council on 2014 May 05. The fifth priority provides guiding principles which can be applied when establishing new governance processes:

"A well-run city – Calgary's government is open, responsive, accountable, and transparent, delivering excellent services at a fair price. We work with our government partners to ensure we have the tools we need."

The proposed policy outlines the establishment of a new BCC based on good governance practices. Emulating the description of a well-run city, committees are required to be accountable and transparent when they establish a terms of reference document inclusive of mandate, composition, terms and term limits, eligibility and qualifications of public members, recruitment and reporting requirements, and classification of the BCC.

BCC's formed under the *Municipal Government Act* RSA 2000 c M-26; are provided legislative services from the City Clerk's Office as outlined in Schedule C of the proposed policy. Current exceptions, committees for which City Clerk's Office does not provide legislative services are Calgary Planning Commission, Calgary Parking Authority and the Co-ordinating Committee of the Councillors' Office. *The Procedure Bylaw* directs the City Clerk's Office to provide legislative services for all meetings of Council and Council Committees. Administrative Committees are not provided legislative services from the City Clerk's Office based on the criteria outlined in the committee descriptions included in Schedule A of the policy. As new committees are being established at The City, consultation with the City Clerk's Office will help determine the classification of a committee and the requirement for legislative services.

Nominations Committee

Currently at The City, the majority of Citizen, Council and Administration appointments to BCCs occur at the annual Organizational Meeting of Council. By Council resolution a BCC's appointments may occur at a subsequent meeting of Council such as when a BCC's advertising and recruitment process does not coincide with the annual campaign managed by the City Clerk's Office or when Members of Council decide to interview candidates.

A review of practice of other jurisdictions determined the governance structures supporting nominations and appointments are not consistent. In some jurisdictions nominations are addressed by established committees such as standing policy committees. In other municipalities distinct committees are established to which smaller selection panels are formed to conduct recruitment activities and make recommendations for appointments.

The new policy provides the options for Council to establish or not establish a nominations committee annually. Attachment 5 outlines the appointment processes with, or without a nominations committee. In all options, BCC Chairs, Vice-chairs, and assigned Administration

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Resources provide short-listing activities to support the appointment process, and from which a Reserve List can be developed. Regardless of the existence of a nominations committee for appointments, leveraging knowledge and assistance of the BCC Chairs, Vice-chairs and Administration Resources in the public member appointment process is of value to the process as proven in other jurisdictions.

The proposed introduction of a nominations committee at The City promotes the opportunity to possibly expand the mandate of The Legislative Governance Task Force to provide the role, rather than forming a new committee. This would require a change to its terms of reference. Schedule B of the proposed policy is a draft terms of reference for the establishment of a nominations committee, from which LGTF could expand its mandate and establish a revised terms of reference. Currently underway is a review of Council committees by The Council Committees Governance Review Framework project approved by LGTF 2016 March 01. Possibly a nominations committee structure could be referred for inclusion in that project.

Terms and Term Limits

The LGTF Work Plan 2014-2017 includes an investigation of terms and term limits for BCC members. Terms are in practice in all jurisdictions queried. Terms are one, two, three or in some cases, four years (Ontario municipalities). Staggering of terms supports transfer and retention of knowledge. Staggering is not practiced in municipalities where a review is conducted every two years to determine the necessity of the BCC.

Term limits are in place for three of the six jurisdictions queried. Eight years is the maximum at two Ontario municipalities and six years is reported in practice in Alberta. There was no distinction made for term limits for adjudicative or tribunal committees. The proposed policy puts a term limit of six years in place to reasonably support consistency in membership. Three, two year terms combined with staggering of 50 per cent of membership starting with a one year term, is recommended when new committees are formed at The City. By resolution of Council an expiring term limit can be extended for one year. Exceptions to this term limit recommendation exist for those BCCs for which a different limit is outlined in their governance documents.

Innovation – change management

A review of jurisdictional practice comparisons, interviews with Members of Council and preliminary review of feedback from the 2016 March engagement survey (> 50 per cent response rate) completed by BCC public members and administration resources influence the need to reassess the feasibility of affecting considerable change and innovation in the timeline set by LGTF Q1 (2015). A review of probable implementation approaches identified complexities due to the diversification of activities involving a variety of stakeholders affected by the changes. Commencing with advertising, through to recruitment, assessment, nomination, appointment, and human resource management the concentrated effort to be in readiness for the 2016 Organizational Meeting of Council requires resources beyond the current project's

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budgeted allowance. Remuneration for sustainable project management services may be required to ensure change management and stakeholder engagement is in place for the delivery of all aspects of the project as requested by LGTF Q1 (2015). Using the Organizational Meeting of Council as the annual milestone, a high level outline of the activities managed over three years is provided in Attachment 6.

Phasing the project over three years provides time for Council, BCC Chairs, Vice-chairs and Administration to adjust to the new processes and procedures in the nomination and appointment process. The direction for the orientation and training for new public members will be determined primarily from the data collected during the March 2016 engagement survey. Succession planning and performance management for public members requires more in-depth consultation with human resource experts, in consideration of the volunteer status of the public members.

Stakeholder Engagement, Research and Communication

The Legislative Governance Review Project involved interviews and consultations with City Clerk's stakeholders, consultations with City of Calgary administration representatives, interviews with Members of Council, consultations with six other jurisdictions across Canada, and a survey to administration and citizen members of BBC's. This engagement has resulted in providing a rich source of information about the BCC processes at The City and in other jurisdictions. In addition, the engagement of the Members of Council has provided a better understanding of their individual viewpoints on current processes and potential improvements.

The project manager provided regular updates to the City Clerk's stakeholders, LGTF and presented to the Administrative Leadership Team 2016 February 23. The project manager reported weekly to the Project Sponsor and, monthly in-person, updates were provided to the Project Executive Sponsor.

In addition, the City Clerk's Office consulted with the Law Department in the preparation of the proposed policy.

Strategic Alignment

The attached Council policy aligns with Council's priority of a well-run city:

"Calgary's government is open, responsive, accountable and transparent, delivering excellent services at a fair price. We work with our government partners to ensure we have the tools we need" (Action Plan 2015-2018).

Social, Environmental, Economic (External)

The recommendations in this report support five guiding directives of *The Leadership Strategic Plan: Contract with Council*, approved by Council on 2014 September 15:

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- i. Establish a cooperative and meaningful relationship with Council;
- ii. Cohesive leadership culture and collaborative workforce;
- iii. Better serve our citizens, communities and customers;
- iv. Focus immediate and collective attention on planning and building a greater city; and
- v. Strengthen the Corporation's financial position.

Financial Capacity

Current and Future Operating Budget:

Currently costs are for a Project manager, two year limited-term funded by The Council Innovation Fund \$ 350,000.00. Additional resources for research and policy development have been provided from existing operational funds.

Future considerations for expanded funding are:

Communications and advertising costs could escalate based on the advertising requirements of individual BCCs. Staffing in the City Clerk's office may need to be temporarily augmented during the transition of internal procedures and processes. And, the three year phased project may incur additional costs to produce: orientation guides, training delivery, succession planning and performance management materials and delivery of information sessions for BCC Chairs, Vice-chairs and Administration representatives pertaining to their expanded roles. The City Clerk will report back to LGTF on future phases and resource requirements.

Current and Future Capital Budget:

There are no current capital budget impacts.

Future impacts to capital budget involve information technology costs to make technical enhancements to Calgary.ca Web Pages and changes to the BCC online application system, allowing for a new application form, report functions and BCC specific documentation to be made available to applicants.

Risk Assessment

Affecting and implementing change to long-established processes often results in major cultural impact. To mitigate the intensity of the impact, the change management plan for this project is based on a phased approach over a three year period (2016-2018). This accommodates flexibility for the testing of new processes and, in collaboration with those affected by the change, enhance the quality of governance outcomes of the BCC's.

The proposed policy will result in leveraging The City support and administration resources assigned to the BCCs, the majority of whom are non-voting members. It cannot be overlooked that appointments of Administration voting members to BCCs can present a risk to The City as described in response to a consult by the City Clerk's Office with the Law Department in preparation for the 2014 Organizational Meeting of Council:

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“As in previous years, the City Solicitor advised that there is a risk to The City resulting from City employees being placed in conflict of interest or other difficult situation when asked to serve on Boards of directors of external organizations. Where City employees serve as directors, they must act in the best interest of the organization, even if that is in conflict with their view of the best interest of The City. While the likelihood and impact of such risk occurring is being mitigated over time given that, in accordance with the Civic Partner Accountability Framework, Council has reduced the number of City employees appointed to such Boards, this risk to The City and its employees remains in situations where City employees continue to be so appointed.”

On 2016 March 01 LGTF, per Council delegation, approved the Council Committees Governance Review Framework project, also being managed by the City Clerk's Office. There is recognition that the results of that project could influence changes to the direction of the Legislative Governance Review project and proposed policy brought forward in this report. Any amendments to this policy as a result, will be addressed at a later date. Communication between the two project managers is essential.

Approval of the proposed policy is required by April 2016 to allow preparations for the 2016 City Clerk's Office Advertising and Recruitment campaign to proceed in May. Without approval, processes supporting the 2016 Organizational Meeting of Council will remain unchanged.

REASON(S) FOR RECOMMENDATION(S):

In response to the Legislative Governance Task Force 2014-2017 Work Plan the City Clerk is requesting LGTF approval to bring the proposed policy, Governance and Appointments for Boards, Commissions and Committees to the 2016 April 25 Regular Meeting of Council for consideration and approval. Adoption of the proposed policy must occur at the 2016 April 25 Regular Meeting of Council or it will be too late to implement any changes for the 2016 Organizational Meeting of Council.

ATTACHMENT(S)

1. Proposed Council policy on Governance and Appointments of Boards, Commissions and Committees;
2. Leading Practices and Engagement Survey Feedback Guiding the New Policy;
3. Boards, Commissions and Committees with Citizen Appointments;
4. Public Member Application Questions (sample);
5. Boards, Commissions and Committees Proposed Appointment Process;
6. Implementation Phases – Legislative Governance Review Project