
Meeting	Corporate Services, Climate Change and Scrutiny Management Committee (Calling In)
Date	4 December 2023
Present	Councillors Fenton (Chair), Baxter, Clarke (Substitute for Cllr Taylor), Healey, Kelly, Merrett (Vice-Chair), D Myers, Steels-Walshaw, Waller, J Burton, Hollyer (Substitute for Cllr Ayre) and Wann (Substitute for Cllr Widdowson)
Apologies	Councillors Ayre, Rowley and Widdowson
In Attendance	Cllr K Lomas, Executive Member, Finance, Performance, Major Projects and Equalities Cllr P Kilbane, Deputy Leader and Economy and Transport
Officers Present	David Warburton, Head of Regeneration Kathryn Daly, Head of City Development Nick Collins, Head of Property Dawn Steel, Head of Democratic and Scrutiny Services Lindsay Tomlinson, Head of Democratic Governance (via Zoom)

5. **Declarations of Interest 5:37 pm**

Members were asked to declare at this point in the meeting any disclosable pecuniary interest or other registerable interest they might have in respect of business on the agenda, if they had not already done so in advance on the Register of Interests.

Cllr Clarke declared, for transparency reasons, that he had spoken with Spark residents but was not pre-determined.

Cllr Merrett declared, also for transparency reasons, that he had exchanged emails with the Head of Property Services over some of the neighbour nuisance issues and that, in relation to some of the planning applications for the site, he had been involved when he was a member of the Civic Trust Transport Advisory Group.

6. Exclusion of Press and Public (5:39 pm)

Resolved: That the press and public be excluded from the meeting during any discussion arising on agenda Item 5, Annex K to Annex B, on the grounds that they contained information relating to the financial or business affairs of any particular person (including the authority holding that information). This information was classed as exempt under paragraph 3 of Schedule 12A to Section 100A of the Local Government Act 1972 (as revised by The Local Government (Access to Information) (Variation) Order 2006).

7. Public Participation (5:42 pm)

It was reported that there had been two registrations to speak at the meeting under the Council's Public Participation Scheme.

Chris Bush from York Business Improvement District (BID) spoke on agenda item 5. He stated that for the BID to support the alternative proposals around the closure of York's most popular car park, improvements needed to be made to public transport, including the extension to the operating hours of Park and Ride, and to Coppergate car park in terms of cleaning, repairs and 24 hour opening. He also recommended improvements to both the signage of city centre car parks and parking technology, and suggested that examples of other cities that had driven footfall in their areas following enhanced public realm would be useful.

Gwen Swinburn also spoke on agenda item 5 and raised some administrative issues. She raised concerns regarding the executive decision which gave members no options. She suggested that this be revisited whereby businesses cases, financials, legal, risks and other implications could be examined. She asked what would be received in place of the projected £20m loss.

8. Minutes (5:40 pm)

Resolved: That the minutes of the last meeting held on 2 October 2023 be approved by the Chair as a correct record subject to including the words 'by the

Executive Members' to the end of the second sentence in the second bullet point, under, during the process outlined above, it was confirmed that, on page 5 of the agenda pack. The above amendment to minute item 4, Called-In Item: Resolution "X" on Ward Funding from Finance & Performance Monitoring Report would read as follows:

- A number of different formulas could have been used to calculate ward funding. The choice of formula was different from the one put forward by the Call-In Members but was not considered incorrect *by the Executive Members*.

9. Called-In Item: Castle Gateway Update Report and Next Steps - Executive Meeting 16 November 2023 (5:49 Pm)

Members considered a report which set out the reasons for the multiple call-in of the decisions made by the Executive on 16 November 2023 in respect of Castle Gateway, along with the committee's remit and powers in relation to the call-ins.

The relevant decision was contained in the extract from the relevant Decision Sheet at Annex A to the report. The original report to Executive was attached as Annex B, and the decisions had been called in by Councillors Steward, Nicholls and Warters, as well as, Councillors Ayre, Mason and Smalley, the detailed reasons and alleged constitutional breach for which were contained in Annex C (i) and (ii), as follows:

Annex C (i), Cllrs Nicholls, Steward and Warters

Poor project progress highlights the need for cross party working rather than swings dependent on who is in power. Labour has a mandate, but just a one seat majority. Consensus, backed by tangible and sound financial business cases is needed, not hopes. There are big lessons which look unlearnt from the likes of the Community Stadium and Guildhall.

Specifically:

- *Spark was only to be a short lease and if the extension goes through will have been in for essentially a decade, paying well below market rent without sufficient positive overall good to justify this. Serious consideration should*

be given to other site uses, including a sale. The site is one location in the Piccadilly area, it is not pivotal. If the lease is extended there is no clear plan for after, it is simply a delay.

- *There is insufficient detail to show clear benefit on the return to the council from a generous lease extension to Mahavir Properties (Coppergate Centre).*
- *The magnitude of the direction change on St George's Field Multi Story Car Park has too little analysis given the associated write-offs and impact it would have.*
- *The reduction in city centre car parking is unacceptable and will be a real issue for businesses, The reduced car usage hoped for in the Local Transport Plan remains a hope.*
- *If city centre parking is cut as proposed there is inadequate planning for the resulting revenue drop.*
- *Report, round estimate, figures (e.g. Castle and Eye of York c. £1 million, St George's MSCP c. £2 million and Castle Mills c. £1 million) provide insufficient depth for members to analyse, never mind time being money and officer time not being tangibly considered.*

Castle Gateway area needs development but the report shows little sign of historically poor progress changing, merely further cost. The following is needed:

- *A realistic assessment of what is key to the project, rather than various sites joined together, as well as consideration of the appropriate public/private sector division.*
- *Cross party discussion and agreement on the future to truly achieve for York.*
- *True, business quality, scrutiny of spend by councillors.*

Annex C (ii), Cllrs Ayre, Mason and Smalley

- *In relation to Castle Mills, due regard has not been given to the potential impact of developing the bridge and riverside route separately from the wider development including the proposed public park. Planning permission in this sensitive area relied heavily on enabling benefits, and insufficient consideration has been given to the risk that securing future development of the site may be more problematic as a result of components of the development having been de-coupled.*
- *Insufficient consideration has also been given to the risk that failure to progress the site will lead to planning*

permission lapsing, potentially incurring significant additional costs through the applicability of new building regulations.

- In relation to car parking at Castle and St George's Field, the decision signals that a 50% reduction is to be made to localised parking provision. This decision is not supported by a wider parking review as agreed by Executive to inform any future car park closures. No assessment of risk is evident such as the possibility of private operators making up a reduction in CYC provision, no assessment is made of the likely positive or negative economic impacts and there is no evidence of consultation with businesses.*
- There is no assessment of the impact to the council of a loss of parking income on top of the potential abortive costs associated with the decision, and no mitigation strategy is evident.*
- There is no assessment of the impact on the future of the Piccadilly multi-storey car park of the December 2019 council motion to restrict all non-essential private motor vehicle journeys within the city walls.*
- There is no identified funding stream for the proposed development of the Castle car park site in the absence of enabling development.*
- In general, there is a lack of clarity around the extent to which due regard has been given to financial considerations – including the potential impact on the Housing Revenue Account - when making these decisions, as relevant financial information has largely been hidden from public view.*

At the invitation of the Chair, Councillors Steward, Warters and Nicholls and then Councillor Ayre, representing his Calling-In Members, expanded on the reasons for their call-ins and then they responded to questions from Members. The Executive Member for Economy and Transport and the Executive Member for Finance, Performance, Major Projects, Human Rights, Equality & Inclusion then addressed the committee and responded to questions, where officers also responded to questions raised regarding the financial implications relating to the original and the new business case, in particular the multi-storey car park, as well as, parking capacity and income from Spark:York. Finally, at the invite of the Chair, Cllr Steward, Warters and then Cllr Ayre summed up on behalf of their Calling-In Members, and the Executive Members summed up their position.

During the process outlined above, it was confirmed that:

- Terminating the scheme to build a multi storey car park on St Georges Car Park would ensure value for money and alignment with the draft Local Transport Plan, as the scheme would have required borrowing of around £15m, at a cost of £1.1m per annum over a 40-year term.
- Car parking income had previously generated £1.6m and the decision made for the re-purposing of Castle Car Park would reduce car parking income by approximately £1m per year. The remaining £600k would be replaced by displaced parking at the council's other car parking sites, which were largely underused for the majority of the year.
- Spark:York were paying a market value rent and the lease extension would provide further time for the council to work with Spark to ascertain if an alternative venue within York could be suitable whilst the Affordable Housing provision on this site continued to be explored.
- The council remained committed to consultation on the Castle Gateway project, including pre-decision scrutiny to support the development of full businesses cases for the projects that would be approved by Executive.
- Achieving better transport systems through the Local Transport Plan should increase the uptake of active travel and public transport use for getting into and around the centre of York.

Under the provisions of the council's constitution at the time the call-in was made, the following options were available:

- In the event of the majority of Members finding no breach, the call-in request would be immediately closed with no further action unless the Committee identified any areas worthy of future exploration by the scrutiny function.
- In the event of the majority of Members finding a breach, the called-in decision will be referred back in full for further consideration at the next appropriate meeting of the Executive.

Members were invited, individually, to state if they considered the core principles identified in the call-in requests to have been breached or not.

Regarding the call-in contained in Annex C (i), five Members found there had been a breach and seven Members found there

had not been a breach, therefore the call-in fell and regarding the call in contained in Annex C (ii), five Members found there had been a breach and seven Members found there had not been a breach, therefore the call-in fell.

The Chair suggested that this committee received updates on future major projects, including Castle Gateway, and to enable members to influence the future direction of the revised schemes, he also proposed that any key decision points and options available should be scrutinised. On being put to the vote, it was

Resolved:

- (i) That the Call-In requests be closed.
- (ii) That this committee be updated on any major projects, including the Castle Gateway project and that pre-decision scrutiny be the preferred route to influence the future direction of the revised schemes.

Reason: To determine the outcome of the alleged breach in Executive decision making and to ensure future appropriate scrutiny of major projects.

Cllr S Fenton, Chair

[The meeting started at 5.35 pm and finished at 7.34 pm].