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Meeting	Corporate Services, Climate Change and Scrutiny Management Committee (Calling In)
Date	2 October 2023
Present	Councillors Fenton (Chair), Rowley, Ayre, Baxter, Healey, Kelly, Merrett (Vice-Chair), D Myers, K Taylor, Widdowson, Crawshaw (Substitute for Cllr Steels-Walshaw) and Wann (Substitute for Cllr Waller)
Apologies	Councillors Steels-Walshaw and Waller
Officers Present	Ian Cunningham, Head of Business Intelligence Pauline Stuchfield, Director Customer & Communities Laura Williams, Assistant Director, Customer, Communities & Inclusion Dawn Steel, Head of Democratic and Scrutiny Services Frances Harrison, Head of Legal Services & Deputy Monitoring Officer

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**1. Declarations of Interest (5.35 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.

None were declared.

**2. Public Participation (5.36 pm)**

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

Gwen Swinburn spoke in relation to the called in item and requested that the exact calculations by Ward be published. She also stated that she would like to see stronger spending in the deprived areas of each Ward.

**3. Minutes (5.36 pm)**

Resolved: That the minutes of the last meeting held on 27 June 2022 were approved as a correct record.

**4. Called-In Item: Resolution "X" On Ward Funding From Finance & Performance Monitoring Report (5.39 pm)**

Members considered a report which set out the reasons for the call-in of the decisions made by the Executive on 14 September 2023 in respect of the approved ward funding allocations set out in paragraphs 30 and 31 of the report to Executive, along with the Committee's remit and powers in relation to the call-in.

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 decision had been called in by Cllrs Hollyer, Hook and Smalley, the detailed reasons and alleged constitutional breach for which were contained in Annex C, as follows:

- *We believe the decision breaches Principles of Decision Making c) clarity of aims and desired outcomes, and j) consideration of relevant implications.*
- *The stated outcome is to target funding at more deprived wards, however an error in the funding formula means this does not happen. The Executive Report states that (at 31) "The decision reflects that a standard amount of the funding is still applied on a per councillor basis, but a proportion is allocated using the Indices of Multiple Deprivation, including a weighting which reflected the population of each ward."*
- *However this is not the case, as each calculation of the average score for each ward includes both a multiplication and a division by population - meaning the population element is ultimately removed.*
- *The population weighting only applies to the weighting of the individual LSOA scores within the ward - so the ward's score is weighted by population of the relevant LSOAs, but this is not then itself weighted when comparing the ward score to other wards and allocating the funding.*
- *The equation for each ward's allocation (e.g. With just two LSOAs) is:*

$$\text{Ward IMD Score} = \frac{(\text{LSOA 1 Pop} \times \text{LSOA 1 IMD}) + (\text{LSOA 2 Pop} \times \text{LSOA 2 IMD})}{\text{LSOA 1 Pop} + \text{LSOA 2 Pop}}$$

*The allocation of funding is then made using this equation:*

$$\frac{\text{Ward Funding} = \text{Ward IMD Score} \times \text{Total Funding (£145,000)}}{\text{Total of Ward IMD Scores}}$$

- *This error means that larger wards are disadvantaged as their population is not taken into account compared to smaller wards.*
- *This means that there is little correlation between funding per resident and the ward's level of deprivation - negating the whole point of the changes.*

Councillor Hollyer represented the Calling-In Members and expanded on the reasons for the call-in and then responded to questions from Members. The Executive Member for Finance, Performance, Major Projects and Equalities and the Executive Member for Housing, Planning and Safer Communities then addressed the Committee and responded to questions. Next, the officers responsible for the calculation in question were invited to clarify the reasoning for the choice of calculation and to respond to questions. Finally, Cllr Hollyer summed up on behalf of the Calling-In Members, and the Executive Members summed up their position.

During the process outlined above, it was confirmed that:

- To avoid bias, and because the subject matter was technically complex, Executive Members had sought professional, technical advice from officers.
- 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.
- The Executive Members were willing to review and, if appropriate, refine the formula, and agreed to publish the detailed calculations in future budget reports.
- Pre-decision scrutiny of any revised formula would be welcome prior to budget allocations being made.

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 identifies 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 would 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 Request to have been breached or not.

At this point, Members also raised some concerns in practice about the revised Call-in process and were advised that should they wish to review any aspects, they should provide comments to the Monitoring Officer who would consider those comments and whether to report any appropriate amendments to Audit and Governance Committee in the light of operational experience.

With five Members finding there had been a breach and eight Members finding there had not been a breach, the Call-In fell and it was

**Resolved:**

- i. That the Call-In request be closed.
- ii. That the Chair and Vice-Chair of the Committee decide which scrutiny committee would be appropriate to receive the pre-decision scrutiny report on any revised funding formula.

**Reason:** to determine the outcome of the alleged breach in Executive decision making.

Cllr S Fenton, Chair

[The meeting started at 5.34 pm and finished at 7.14 pm].