
MEETING	CORPORATE AND SCRUTINY MANAGEMENT COMMITTEE (CALLING IN)
DATE	19 NOVEMBER 2012
PRESENT	COUNCILLORS WISEMAN (CHAIR), BURTON, FRASER (SUBSTITUTE), KING, MCILVEEN, RUNCIMAN (VICE-CHAIR), STEWART, WARTERS AND WATSON
APOLOGIES	COUNCILLORS BARNES, HORTON AND POTTER
IN ATTENDANCE	COUNCILLORS ALEXANDER, BARTON. CRISP, DOUGHTY, GILLIES, GUNNELL, HEALEY, TAYLOR.

9. DECLARATIONS OF INTEREST

Members were invited to declare at this point in the meeting any personal, prejudicial or disclosable pecuniary interests they might have in the business on the agenda.

Councillor Warters declared a personal interest non prejudicial in respect of the Called In Item: Community Stadium Update as he had worked for the Chairman of York City Knights.

10. EXCLUSION OF PRESS AND PUBLIC

RESOLVED: That the press and public be excluded from the meeting during consideration of Annexes 2 and 3 to agenda item 6.

11. PUBLIC PARTICIPATION

It was reported that there had been no registrations to speak at the meeting under the Council's Public Participation Scheme.

12. MINUTES

RESOLVED: That the minutes of the last meeting of the Corporate and Scrutiny Management Committee (Calling In) held on 15 October 2012 be approved and signed by the Chair as a correct record.

13. CALLED-IN ITEM: FUTURE CREDIT UNION ARRANGEMENTS IN YORK - SUPPORTING THE NORTH YORKSHIRE AND YORK CREDIT UNION

Members received a report which asked them to consider the decision made by Cabinet on 6 November 2012 in relation to the future of a Credit Union in York. The report to the meeting informed Cabinet of the work undertaken to establish a level of support from the City of York Council to secure an ongoing Credit Union presence in York and North Yorkshire.

Details of Cabinet's decision were attached as Annex A to the report, with the original report to Cabinet attached as Annex B. The decision had been called in by Cllrs Barton, Doughty and Healey on the following grounds:

- *No indication has been given of what measures are in place to ensure Credit Union applicants in York benefit from the Council's new grant of £50k, bearing in mind the loss of previous loan contributions to the former York Credit Union (YCU).*
- *No information has been given on what monitoring arrangements the Council had in place since granting the loan to YCU in 2008, nor has it been clarified what monitoring arrangements will be implemented now in relation to the grant allocated to developing a South Yorkshire Credit Union.*

Members were asked to decide whether to confirm the decision (Option a) or to refer it back to Cabinet for re-consideration (Option b) as set out in the report.

Councillor Healey addressed the meeting on behalf of the Calling-In members expressing concerns at the grant of £50k being made to South Yorkshire Credit Union (SYCU) to establish a presence in York without a Service Level Agreement or a guarantee of the money being paid back if they were to withdraw their service from York. He also suggested that the SYCU provide a performance monitoring report to a City of York Council Committee every 6 months.

The Cabinet Member for Corporate Services responded to the points raised, outlining the context of the Credit Union in York. She advised that there is a need for a Credit Union in the City and that it is important to residents and would enable financial inclusion. In respect of the £50k, it was confirmed that this money is for the Credit Union to set up a base in York and it would be a one off payment. The role of the Council would be to monitor the service.

The Leader of the Council addressed the meeting confirming that the £50k is a grant for the SYCU to establish a presence in York and is not to be used for lending. The Council is working with SYCU to keep the costs down. He also advised that the Council would appoint an observing officer to monitor the Credit Union in York.

Members went on to comment on the points raised and questioned the Cabinet Member and Council Leader on a range of related issues upon which they responded. These issues related broadly to the role of the observing officer. Members of the Committee felt that the observing officer should have a participatory role rather than just oversee the Credit Union.

Officers then clarified a number of points raised and confirmed that in terms of the £50k grant, the Council needed to enter into discussions with the SYCU to identify if they could be located within the new Council offices and reduce the level of grant accordingly. In relation to the monitoring of the Credit Union, officers would expect to receive information as a matter of course, the main issue being how the information would feed up to a member committee. It is anticipated that the observing officer would be a finance employee, to be confirmed.

Members agreed that the calling in be rejected but requested that the 'observing officer' be a participatory role and requested a written recommendation be drawn up to reflect their wishes.

RESOLVED: That Option (a) identified in the report be approved and that the decision of Cabinet be confirmed.

That written clarification of the role of observing officer be provided to members.

REASON: In accordance with the requirements of the Council's constitution.

14. **CALLED-IN ITEM: COMMUNITY STADIUM UPDATE**

Members received a report which asked them to consider the decisions made by Cabinet on 6th November 2012 in relation to the Community Stadium project. The report to the meeting provided an update on this project, including the procurement timetable and risk register, the Business Plan, new Project Management/Governance arrangements together with new interim arrangements for the current Waterworld contract.

Details of Cabinet's decision were attached at Annex A to the report, with the original report to Cabinet attached at Annex B. The decision had been called in by Cllrs Gillies, Warters and Taylor on the following grounds:

(1) The key amendments to the business case approved by Cabinet are not specifically itemised, including the total capital costs, so that the revisions agreed to are not particularly obvious and transparent;

(2) There needs to be a greater appreciation of when the risk identified in the report is deemed to be an unacceptable risk. For example, on the one hand the capital overspend is given a medium rating, whereas the risk associated with the S106 contribution from the retail development is rated high;

(3) The potential impact of the new interim contractual arrangements for the Leisure Complex upon the future financial stability and sustainability of the project does not appear to have been addressed.

Members were asked whether to confirm the decision (Option a) or to refer it back to Cabinet for re-consideration (Option b) as set out in the report.

Councillor Gillies addressed the meeting on behalf of the Calling-In members expressing concern at the business plan delivery and procurement. He felt that it was unacceptable that project costs had risen with an apparent increase of over 60% and without explanation. In relation to risks 4, 7 and 10 highlighted in the Cabinet report, he felt that these could be mitigated by delaying the project until the Section 106 money is available.

Councillor Taylor also addressed the meeting on behalf of the Calling-In Members to highlight paragraph 24 of the Cabinet report attached at Annex B to request that reconsideration be given to retaining leisure facilities under Council control.

The Cabinet Member for Leisure responded to the points raised, advising that it made long term financial sense to keep Greenwich Leisure Ltd (GLL) in place. The project cost table contained in the Cabinet report showed no impact on the £19.2m cost and it is possible that the business case detail would change as the project progressed. Risks were usual with all major development projects and officers would monitor the situation.

Members went on to discuss the points raised and other issues in some detail. These issues related to the operation of the Community Stadium and the arrangements with GLL, in particular the future of Waterworld.

In response, Officers confirmed that any potential operator would bid to take it on for 18 years and be expected to have a design and operating plan in place. Constitutional advice was also given in relation to the consideration of exempt information at Annex 2 to the report. It was noted that further consideration would be given to the current constitutional position on this matter outside this meeting.

RESOLVED: That Option (a) identified in the report be approved and that the decision of Cabinet be confirmed.

REASON: In accordance with the requirements of the Council's Constitution.

Councillor Wiseman, Chair
[The meeting started at 5.00 pm and finished at 7.15 pm].