

Meeting	Customer and Corporate Services Scrutiny Management Committee (Calling In)
Date	3 February 2020
Present	Councillors Crawshaw (Chair), Fenton (Vice-Chair), Hunter, Rowley, Vassie, Wann, Musson and Kilbane (Substitute for Cllr Barnes)
Apologies	Councillors Barnes and D Taylor

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## 1. **Declarations of Interest**

Members were invited to declare at this point any personal interests not included on the Register of Interests, any prejudicial interests, or any disclosable pecuniary interests, which they might have in the business on the agenda.

Cllr Kilbane declared a personal interest in Agenda Item 3 (the Called-in Item), as a member of the Bishopthorpe Road Traders' Association. Cllr Hunter declared a personal interest in the same item, as Chair of the Acomb Traders' Association.

## 2. **Public Participation**

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

Gwen Swinburn spoke on Agenda Item 3 (the Called-in Item), expressing support for the original decisions, except for allocation of Inclusive Growth funding to the 'greening our commercial estate' project, which she considered should be funded from the council's commercial profits.

The Chair responded to the speaker, confirming that she was welcome to contribute to meetings under public participation, but in doing so should refrain from making adverse comments on the personal integrity of Council Members and officers.

### 3. **Called-In Item: Inclusive Growth Initiatives Fund - Progress and Authority to Spend**

Members considered a report which set out the reasons for the call-in of the decisions made by the Executive Leader at his Decision Session on 15 January 2020, in respect of the Inclusive Growth Initiatives Fund, and the Committee's remit and powers in relation to the call-in.

The decisions were set out in Annex 1 to the report, along with the original report to the Decision Session at Annex 2.

Paragraph 11 of Annex 2 explained the background to the proposed allocation of £300k inclusive growth funding to 8 projects. The decisions had been called in by Cllrs Douglas, K Taylor and Webb for the following reasons:

- i. While many of the proposals have some merit, very few of them relate to inclusive growth, resulting in a misappropriation of retained business rates funding;*
- ii. A number of the items funded are items that would either have to be funded anyway or should be funded from another budget, suggesting the Leader is using inclusive growth funding to allow for savings elsewhere, e.g. consultation on the Economic Strategy, energy efficiency survey of the council's commercial estate.*
- iii. Making growth genuinely inclusive requires a long-term strategy, supported by measures that are significant and won't be halted after one or two years – for many of the funding decisions taken it is difficult to see how they will make any meaningful impact given the level of funding and time period involved."*

Under with the provisions of the council's constitution and the requirements of Local Government Act 2000, the following options were available:

- A – not to refer the matter to Executive, in which case the original decisions would be confirmed, or
- B - refer the matter to Executive with specific recommendations.

Cllr Douglas addressed the committee on behalf of the Calling-In Members, explaining in more detail the reasons for the calling-in, and responding to questions put by Members. The Executive Member for Economy & Strategic Planning, on behalf of the Executive Leader, then outlined the reasons for the

original decisions, and responded to Members' questions. Finally, questions were put to officers responsible for the report at Annex 2. During this part of the meeting, it was confirmed that:

- There was no alternative funding source for the 'greening our retail estate' project;
- Profits from the council's commercial estate were used to fund council services as part of the base budget;
- No external bodies had been consulted on the funding allocation; this would not have been normal practice;
- The effectiveness of community jobs fairs had not been formally assessed; it was intended to do this in future;
- There were many definitions of 'inclusive growth', depending on local economic context, place and political perspective;
- As in many other local authorities, there was currently no formal definition of 'inclusive growth' in York.

After a full debate in the light of all the information provided, the Executive Member was asked whether he was prepared to be involved in a discussion at a scrutiny committee on the definition of 'inclusive growth'. He confirmed that he was. It was then

Resolved: (i) That Option A be approved and the original decisions of the Executive Leader not be referred to the Executive.

Reason: The committee do not consider that there are grounds to make specific recommendations to the Executive on the decisions.

- (ii) That the Executive Member for Economy & Strategic Planning, during his attendance at the next meeting of the Economy & Place Policy & Scrutiny Committee, facilitate a discussion on the definition of 'inclusive growth' in order to achieve a common understanding of the term.

Reason: To assist Members in understanding the principles underlying the allocation of inclusive growth funding, and the potential for future development of an inclusive growth strategy.

Cllr J Crawshaw, Chair

[The meeting started at 5.30 pm and finished at 7.15 pm].