

REPORT TO CABINET

14 MAY 2026

**JOINT REPORT OF THE
MONITORING OFFICER AND THE
HEAD OF DEMOCRATIC SERVICES**

CABINET DECISION

Regeneration and Housing - Lead Cabinet Member – Councillor Richard Eglinton

Yarm Levelling Up Fund (LUF) – Reconsideration of Decision Following Call-In

Summary

This report enables Cabinet to reconsider its decision relating to the Yarm Levelling Up Fund (LUF) public realm proposals following a call-in and subsequent consideration by the Executive Scrutiny Committee.

The call-in forms part of the Council's constitutional arrangements for scrutiny of executive decision-making and enables an executive decision to be paused and reconsidered where concerns are raised about the decision-making process.

On 22 April 2026, the Executive Scrutiny Committee considered the call-in and resolved to refer the decision back to Cabinet for reconsideration, having identified matters relating to the clarity and presentation of the decision-making process that Cabinet was asked to have regard to.

The original Cabinet report and decision record are attached at Appendix 1 and Appendix 2.

Reasons for Recommendation(s)/Decision(s)

1. The decision has been referred back to Cabinet in accordance with the call-in procedure set out in the Council's Constitution.
2. Cabinet is therefore required to reconsider the decision, having regard to the matters identified by the Executive Scrutiny Committee.

Recommendations

Cabinet is invited to:

1. Consider the matters identified by the Executive Scrutiny Committee; and

2. Determine whether to:
 - a. confirm the original decision;
 - b. amend the decision; or
 - c. substitute an alternative decision.

Background to the Original Decision

1. At its meeting on 12 March 2026, Cabinet considered a report relating to the Yarm Levelling Up Fund (LUF) public realm proposals. The report set out the outcome of a public engagement exercise in relation to the proposed High Street scheme, the wider financial context, and a range of options for the future use of the remaining funding.
2. Following consideration, Cabinet resolved to note the outcome of the public engagement, not to proceed with the scheme as originally proposed, and to reallocate the remaining funding. This included retaining a proportion of funding for locally focused schemes, with further development delegated accordingly.

Call In and Executive Scrutiny Consideration

3. The decision was subsequently called in in accordance with the Council's Constitution. The call in raised concerns relating to the presentation and interpretation of the engagement exercise, the extent to which its outcomes were reflected in the decision, and the clarity with which options and alternative approaches were presented.
4. On 22 April 2026, the Executive Scrutiny Committee considered the call in. The Monitoring Officer confirmed that the call in met the constitutional requirements for validity and that the matters raised were capable of scrutiny within the Council's decision making framework. The Committee then resolved to refer the decision back to Cabinet for reconsideration.

Matters for Cabinet to Have Regard To

5. In referring the decision back, the Executive Scrutiny Committee identified matters for Cabinet to have regard to when reconsidering its decision. These matters relate to the clarity and explanation of the decision making process.
6. In summary, they concern:
 - how clearly the engagement exercise was presented and understood;
 - how the purpose and status of that engagement were communicated;
 - how engagement outcomes were interpreted and taken into account;
 - the clarity with which options and alternative approaches were presented;
 - the articulation of reasons for the decision; and
 - the overall completeness and coherence of the information before Cabinet, including the relationship between engagement outcomes, financial considerations, and the decision taken.

Reconsideration of the Decision

7. Cabinet is invited to reconsider the decision following the Executive Scrutiny Committee's resolution to refer the decision back for reconsideration, and having regard to the matters identified by the Committee.

8. Referral of the decision back does not indicate that the original decision was unlawful or improperly taken. The decision remains one taken within the Council's executive arrangements; however, its implementation is paused pending reconsideration.
9. On reconsideration, Cabinet is not required to reach a different outcome. Cabinet retains full discretion to confirm the original decision, amend it, or substitute an alternative decision, provided it is satisfied that the matters raised through scrutiny have been properly considered and that the reasons for the decision reached are clearly articulated.
10. The decision taken following reconsideration will constitute the operative decision for the purposes of the Council's decision-making framework.

Consultation and engagement

11. No additional consultation has been undertaken as part of this report. Cabinet is asked to reconsider its decision having regard to the matters identified through the call-in and scrutiny process.

Next Steps

12. Following reconsideration, the decision taken by Cabinet at this meeting will be implemented in accordance with the Council's executive arrangements and recorded in the formal decision notice.

Financial Implications

13. The financial implications remain as set out in the original Cabinet report unless Cabinet determines to amend or replace the decision.

Legal Implications

14. The referral of the decision back to Cabinet has been carried out in accordance with the call-in procedure set out in the Council's Constitution. Call-in is a mechanism for scrutiny of the decision-making process and does not of itself imply any unlawfulness or procedural impropriety in the original decision.
15. In reconsidering the decision, Cabinet must have regard to the matters identified by the Executive Scrutiny Committee, take into account relevant considerations, and give clear reasons for the decision reached. Provided these requirements are met, Cabinet remains within its executive powers to confirm, amend, or replace the original decision following reconsideration.

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