

## **Executive Scrutiny Committee**

A meeting of Executive Scrutiny Committee was held on Wednesday 22nd April 2026.

**Present:** Cllr Sylvia Walmsley (Chair), Cllr Kevin Faulks (Vice-Chair), Cllr Jim Beall, Cllr Marc Besford, Cllr Carol Clark, Cllr Stephen Dodds, Cllr Lynn Hall, Cllr Shakeel Hussain, Cllr Niall Innes, Cllr Mrs Ann McCoy, Cllr Jack Miller (sub for Cllr Sufi Mubeen), Cllr Tony Riordan and Cllr Marilyn Surtees

**Officers:** Tracey Carter, Iain Robinson, Rachel Haycock, Ged Morton, Julie Butcher, Jonathan Nertney, Judy Trainer, Gary Woods and Laura Kelsey

**Also in attendance:** Cllr John Coulson, Cllr Richard Eglington, Cllr Paul Rowling and Cllr Andrew Sherris

**Apologies:** Cllr Sufi Mubeen

### **ESC/1/26 Evacuation Procedure**

The evacuation procedure was noted.

### **ESC/2/26 Declarations of Interest**

There were no declarations of interest recorded.

### **ESC/3/26 Minutes**

AGREED that the minutes of the meeting on 17 March 2026 be approved as a correct record and signed by the Chair.

### **ESC/4/26 Call in Meeting Procedure**

The Committee noted the meeting procedure.

### **ESC/5/26 Call In - Levelling Up Fund - Yarm Public Realm**

The Head of Democratic Services presented a report setting out the background to the call-in and supporting documents.

The decisions taken at Cabinet on 12 March 2026 in relation to Levelling Up Fund – Yarm Public Realm had been subject to a valid call-in. The call-in applied to the following decisions:

RESOLVED

- 1) The findings of the public engagement undertaken in relation to the Yarm High Street public realm scheme be noted.
- 2) With regard to the £2.35m remaining funds from the allocated budget for Yarm High Street:-

- a) The £950,000 of SBC co-funding be returned to support the Council's MTFP and financial position.
- b) £950,000 of the remaining LUF funding be used to repay the borrowing associated with the additional expenditure at Preston Park Museum.
- c) The remaining £450,000 LUF funding be committed in the Yarm area.
- d) Delegated Authority be given to the Director of Regeneration and Inclusive Growth, in consultation with the Cabinet Member, to produce a shortlist of possible projects that could be achieved with the remaining budget of £450,000 and then engage with the residents and businesses of Yarm for their priorities. The list is to include the costs of each item on the list and to include the consideration of the replacement of the pontoons, to enable residents and businesses to consider the value for money and extent of the works available when providing their priorities.

In addition, Members who had signed the call-in request had been invited to attend the meeting.

The Monitoring Officer presented his report which set out the reasons for the validation of the call-in in relation to the following principles of decision-making:

- Due consultation and the taking of professional advice
- Explanation of options and reasons
- Relevant matters not ignored
- Clarity and explanation of information provided

The following documents had been included with the agenda for the meeting for consideration by Executive Scrutiny Committee:

- Call in Form
- Cabinet Report
- Decision Record
- Report of Monitoring Officer

On behalf of the Councillors who had submitted the call-in request of the Cabinet decision, Councillor John Coulson set out the rationale for the call in which related to:

- Failure to meet the standards of decision-making
- Lack of transparency, proper consultation and openness
- Funding being diverted to address the Council's wider financial pressures
- Lack of alternative options presented
- Pre-determination of the outcome
- Lack of consultation with key partners

The Cabinet Member for Regeneration and Housing (Councillor Richard Eglington) explained why he believed the decision-making principles had been complied with. He explained that the "You Decide" engagement presented a binary choice asking residents to indicate whether they supported the proposed works or not. The design itself was not re-visited as part of the exercise. Furthermore, the LUF funding had been earmarked for public realm works and it was therefore prudent to use that

funding towards works at Preston Park. Where additional comments had been made in the boxes provided, officers had been asked to assess whether any of the suggestions would be realistic to achieve and cost these.

Questions from Committee Members and responses included:

1. 86% of Yarm residents had voted against the proposals and saw a design as part of that consultation. Why weren't residents given alternatives?

The Cabinet Member commented that residents had simply been asked to respond yes or no to the proposal.

2. Why did the consultation not make it clear to residents that the money would be taken away from Yarm if they voted against the proposals?

The Cabinet Member responded that this was not the case and now that a decision had been made, other options would be looked at. There was never a guarantee that the money would stay in Yarm; this was a Cabinet decision. The consultation simply asked for a yes or no response and had not included information about what would happen to the funding.

3. Did you look at all options as Cabinet Member?

The Cabinet Member responded that he had looked at all options as Cabinet Member. However, only viable options had been included in the Cabinet report.

The Director of Regeneration and Inclusive Growth advised that the Cabinet report provided a series of options with no recommendation from officers. All options were included in the report apart from the option to give the money back.

4. With reference to paragraph 43 of the Cabinet report, what part of the MHCLG's technical guidance did the Cabinet Member not understand when the money was removed from the regeneration fund to support the Council's finances?

The Cabinet Member responded that he did understand the guidance and, in his view, the decision was in line with the guidance.

5. Was there anything in the "yes/no" consultation to indicate what would happen to the funding depending on the outcome, or was this neutral?

The Cabinet Member confirmed that this had been neutral.

6. What Local Authority money had been put into the bigger scheme?

The Cabinet Member advised that the Council had committed £1m as part of a £3m investment. The Preston Park improvements had been met from borrowing, so it was prudent to recover these costs.

7. Were you satisfied that the decisions were taken in accordance with the principles of decision-making set out in the Constitution.

The Cabinet Member confirmed that he believed this to be the case.

8. Would you agree that it is a worrying precedent that if residents don't agree with the first option presented, then funding is taken away and they get nothing?

The Cabinet Member commented the LUF area was benefitting, and the Preston Park element delivered the same ambitions.

9. How do you account for the press releases stating that funding would stay with the people of Yarm?

The Cabinet Member commented that the funding was for the full LUF area and that the press releases were issued after the Cabinet decisions were made.

10. Was Yarm Town Council consulted on the decision to remove funding from Yarm?

The Cabinet Member commented that emails had been sent to the MP and ward Councillors and he had been advised that the Town Council had received a presentation prior to the Cabinet meeting. No one was consulted on the re-allocation of the money as this was a function of Cabinet.

11. Paragraph 28 of the report stated that Yarm Town Council had contributed £100k towards the works at Yarm. Why were they not properly consulted as a contributor and significant stakeholder?

The Cabinet Member advised that the £100k was for works at the Town Hall and these had been completed at this point.

12. How can you do the right thing for the people of Yarm whilst taking money away from them and spending it elsewhere? The whole consultation was flawed and disingenuous. Please explain why proper consultation did not take place with the Town Councillors and local ward Councillors?

The Cabinet Member commented that the Council had committed significant funding for the LUF area and further engagement was planned. He believed that the residents of Yarm had not been short changed but that they were consulted and rejected the proposed scheme. As a result, Cabinet had reallocated the funding.

13. Why were no revised proposals brought forward? Officers gave the impression that residents would have a say on revised proposals.

The Cabinet Member advised that the consultation was a simple yes/ no question and the most prudent options were presented to Cabinet.

14. Will the Cabinet Member confirm that other proposals will be looked at if financially viable?

The Cabinet Member confirmed that this was the case.

15. Does the Cabinet Member consider that the "yes/no" consultation was meaningful and influential or was a no vote anticipated based on previous feedback rendering it pre-determined?

The Cabinet Member advised that a wider response had been anticipated and was influential in seeking views for and against the proposed scheme.

16. Has the MP been notified of the Cabinet decision?

The Cabinet Member advised that notification had not taken place as the decision had been called in.

It was moved by Councillor Jim Beall and seconded by Councillor Ann McCoy:

“That the decision was taken in accordance with decision-making principles as set out in the constitution and no further action be taken.”

On being put to the vote, the motion was declared lost (5 voting in favour; 7 voting against) and it was:

AGREED that the decisions of Cabinet taken on 12 March 2026 in relation to Levelling Up Fund - Yarm Public Realm be referred back to Cabinet for re-consideration, having regard to concerns raised in relation to the following decision-making principles:

- a) Due consultation and the taking of professional advice
- b) Explanation of options and reasons
- c) Relevant matters not ignored
- d) Clarity and explanation of information provided

Chair: .....