

OVERVIEW AND SCRUTINY BOARD

A meeting of the Overview and Scrutiny Board was held on 15 July 2008.

PRESENT: Councillor Brunton (Chair), Councillors Clark (as substitute for Councillor Cole), Cox, Dryden, C Hobson, J Hobson, Khan, McPartland (as substitute for Councillor J A Walker) Majid (as substitute for Councillor Ismail), Mawston, Purvis, Sanderson and Williams.

OFFICIALS: J Bennington, E Chicken, P Clark, J Farrar, P Slocombe and T White.

**** PRESENT BY INVITATION:** Mayor (Ray Mallon)
Deputy Mayor (Councillor Kerr)
Councillor Elder (originator of the request to Call-In the decision).

**** PRESENT AS AN OBSERVER:** Councillors Budd, Lowes, McTigue, N J Walker and Rehman.

**** APOLOGIES FOR ABSENCE** were submitted on behalf of Councillors Cole, Ismail and J A Walker.

**** DECLARATIONS OF INTEREST**

No declarations of interest were made at this point of the meeting.

UNALLOCATED RESOURCES

A report of the Senior Scrutiny Officer had previously been circulated regarding the meeting, which had been arranged in accordance with the Council's Call-In procedure. The Call-In related to the decision made at a meeting of the Executive held on 24 June 2008 in respect of Unallocated Resources.

The main components of the report of the Senior Scrutiny Officer included the following: -

a) a copy of the report entitled Unallocated Resources considered at the meeting of the Executive held on 24 June 2008 which set out proposals for the use of unallocated resources (£342,000) in the 2008/2009 revenue budget as follows:-

- £222,000 events
- £70,000 promotion and publicity
- £50,000 staffing;

i) b) the decision of the Executive (24 June 2008) to approve the package of proposals as set out in the report for spending unallocated resources;

b) details of the Call-In procedure;

c) the reasons given to the Authority's Proper Officer, which had initiated the Call-In procedure as follows:-

'By concentrating solely on the town centre, this is an unfair allocation of funding about which there was neither public consultation nor approval by the citizens of Middlesbrough nor the Council in detailed budgetary terms. Moreover, there are both Ward specific and other town wide projects that have already been suggested and which financial input would have directly benefited Middlesbrough Constituents, for example, the workshops in the Southlands Centre, toilet provision in and around the town and support for the Roman Road Post Office.'

The Chair welcomed all to the meeting and following introductions explained the procedure to be followed at the meeting.

The Mayor addressed the Board and set the context upon which the Executive had made its decision.

The Centre Square was regarded as a vital focal point of the Town and a platform upon which to generate further public interest by hosting a wide range of events to support and develop the town centre economy.

Similar developments in the UK had attracted increased numbers of local population and visitors. It was hoped that the Council's proposals would support retail and leisure activities and help to provide more employment opportunities. Increasing such economic vitality was considered key to the success of Middlesbrough not only in the Town Centre but to other areas of Middlesbrough and that to focus the resources on such activity would be more beneficial than to allocate funding on a piecemeal basis across a wide area.

Although the Centre Square was the largest of its type in the UK and had been used for a number of major events such as the Proms in the Park and Mela it was felt that it wasn't been used to its full potential.

During discussions with the four shopping centre managers in Middlesbrough in terms of late night opening hours on a Thursday night the Council's support in this regard by the introduction of late opening hours at MIMA and the Central Library on the same night were recognised.

The Director of Regeneration gave a presentation on a wide range of events, which had been held in the Centre Square, which had assisted in raising the Town's profile. Information was provided on the estimated attendance and extent of Council and external funding in respect of the following events: -

- opening celebrations in Autumn 2006
- BBC Tees Valley Proms in the Park
- Town Meal/Artfair
- Middlesbrough Music Live
- Freedom Parade
- Tees Cycle Event
- Active Middlesbrough Day.

Councillor Elder was afforded the opportunity of asking questions of the Mayor and Officers to which the following responses were given: -

- a) it was confirmed that the sum of £342,000 was part of Middlesbrough Council's revenue budget 2008/2009;
- b) in response to claims that Middlesbrough could not be compared to other local authorities as identified the Mayor reaffirmed that Middlesbrough had been described as a town but had similar centre square facilities to those areas mentioned;
- c) reference was made to the detailed information outlined in the report considered by the Executive which included a list of possible events and a breakdown of the main elements of the proposals in respect of events, promotion and publicity, and staffing;
- d) confirmation was provided that an annual budget had been agreed of £70,000 to publicise the events programme in general and in particular to support a wide ranging, multi-media campaign in the pre-Christmas period;
- e) confirmation was given that the decision had been part of a resource allocation process and not by means of the submission of bids.

Councillor Elder outlined the reasons for invoking the Call-In procedure emphasising the following key issues: -

- i) it was felt that the ideas and the emphasis was on promoting Middlesbrough as a regional centre;
- ii) concerns were expressed as to the extent to which Councillors had the opportunity of considering and influencing the decision making process as part of their role in terms of overseeing public spending;
- iii) it was felt that a proper business plan should have been drawn up with detailed financial information for Members' consideration;
- iv) as part of the background financial information which it was felt should have been provided reference was made to financial reports considered by the Corporate Affairs Committee in June 2008 which had included details of the varying levels of savings achieved by Service Departments and a number of outstanding financial commitments in respect of MIMA;
- v) although reference was made to the increased attendance figures at both MIMA and the Central Library the need to extend the opening hours on a Thursday night was questioned as it was believed that people coming to shop on that night were likely only to focus on such an activity and not Centre Square facilities;
- vi) an indication was given of specific incidences associated with car parking which were considered likely to hinder the success of extended shopping hours in Middlesbrough.

In response to the Mayor and the Director of Regeneration being afforded the opportunity of asking questions of Councillor Elder reference was made to the relevance and accuracy of comments made in relation to the service budgets in particular the Regeneration Service.

Members of the Overview and Scrutiny Board posed questions of all parties the responses from which focussed on the following: -

- a) confirmation was given that the decision taken by the Executive had been in accordance with the Council's agreed policies and strategies;
- b) the setting of the Council's budget had been undertaken in accordance with the agreed budget strategy and consultation process;
- c) the precise figures and possible utilisation of the unallocated resources had not been known when the budget setting report had been considered by the full Council;
- d) confirmation was provided that references to efficiencies with service departments related to the draft statement of accounts 2007/2008 and not the current financial year;
- e) although the number of visitors attending MIMA in respect of the extended opening hours had so far been low it was acknowledged that this was not unusual in such circumstances and that it would take some time to generate an increase;
- f) in response to a concern regarding the likely difficulties experienced of people attending events in the Town Centre in terms of transport costs from areas such as East Middlesbrough reference was made to other similar areas of the Town and the need to take a Town wide perspective and the benefits of increased economic vitality were reiterated.

Members suggested that in such future circumstances the Executive should consider undertaking greater consultation in determining the direction of unallocated resources.

Following closing submissions of the Mayor, Deputy Mayor and Councillor Elder the Board considered the evidence received and voted upon its decision.

ORDERED that the decision taken by the Executive at its meeting held on 24 June 2008 be not referred back on the basis of the evidence presented.