

Overview and Scrutiny Committee

Held at:	Council Chamber - Civic Centre, Folkestone
Date	Wednesday, 13 July 2022
Present	Councillors Peter Gane, Michelle Keutenius (Chairman), Connor McConville, Ian Meyers (In place of Terence Mullard), Rebecca Shoob (Vice-Chair) and John Wing
Apologies for Absence	Councillor Terence Mullard and Councillor Patricia Rolfe
Officers Present:	James Clapson (Case Officer (Committee)), Ewan Green (Director of Place) and Jemma West (Committee Service Specialist) and James Clapson (Case Officer (Committee))
Others Present:	Councillor David Monk (Folkestone & Hythe District Council) and Councillor Lesley Whybrow (Leader of the Green Party)

1. **Declarations of Interest**

There were no declarations of interest.

2. **Call-in of decision number 22/015 - High Street Fund**

Decision number 22/015 relating to the Folkestone and Hythe District High Street Fund has been called – in. The report set out the call – in and requests the Overview and Scrutiny Committee to consider it in accordance with the council's constitution.

Councillors Shoob and McConville outlined the reasons for the call-in. It was noted that they, and Councillor Fuller, had triggered the call-in because residents needed confidence in the way decisions were made and grants were awarded. They believed that this decision highlighted some short comings in the process that needed to be addressed, to enable the council to demonstrate rigorous decision making. They also wanted further information about how the decision was made, particularly in relation to the scoring and comments on the evaluation form (found in appendix 3 of the agenda pack), and they wanted to know what was done by officers to establish how the money would be spent.

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In response to Councillor Shoob and Councillor McConville's comments, the Leader responded with the following points:

- The intention of the fund was to promote footfall in the High Street. The application sought to create more business, which would have promoted increased footfall.
- This decision was made following the advice of officers, and it was consistent with other decisions that had been made.
- There was no political angle to the decision, and it was the right judgement based upon the merits of the project.

During consideration of the item, the Committee asked the following questions and made the following statements:

- What was the standard process, and was that process followed in this case?
- Who sat on the Panel?
- What was the justification for the decision considering that the application's score was fairly low?
- The amount exceeded 50% of the total project cost, this which would normally only be granted in exceptional circumstances, what were the exceptional circumstances in this case?
- Was input from Councillor Treloar, the Ward Councillor, considered prior to the decision being made?
- Why were Panel members given such short notice of the Panel meeting?
- When and how were declaration of interests made to the Panel?
- What work was done to review the applicant's background, and assess how the money would be spent?
- Could a substitute attend the Panel meeting if a Cabinet Member or a Ward Councillor was unavailable.
- Did applicants have the opportunity to attend Panel meetings to make representations and answer questions?
- The notice listed who generally took part in the Panel meetings, including the Cabinet Member for the District Economy. Below this it detailed that Councillor Wimble, Cabinet Member for the District Economy, had declared an interest, however it did not say that he did not attend the Panel meeting because of his interest. If this had been made clearer, it could have helped to alleviate some people's concern.
- It appeared that there were three businesses currently in the small premises, the sweet shop, the railway business and The Looker Newspaper; would the funding also support The Looker Newspaper business, this was not mentioned in the application?
- What assurances did the Panel receive regarding the proposed match funding, to give them confidence that project could be completed?
- Were the Panel meetings held in person or virtually?

Mr Green, Director of Place, and the Leader responded to the Committee's questions as follows:

- The Panel was generally convened with the Leader, the Cabinet Member for the District Economy, and a Ward Councillor.

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- Meetings were usually called at short notice to give the applicant a decision as soon as possible. On this occasion the meeting invitation was sent on 10 May, and the meeting took place on 11 May.
- Only officers and the Leader were present at the Panel meeting. Councillor Wimble did not attend as he had declared an interest in the application, and Councillor Treloar had not seen the invitation, but would have been unable to attend due to another engagement.
- Councillor Treloar provided her representation via email after the Panel meeting. This was incorporated in the process before the decision was made.
- When an application is received, officers meet with the applicant and conduct a robust assessment of the background to ensure that the application meets the fund criteria. Officers then complete an evaluation form, which is reviewed at the Panel meeting. Officers attend the Panel meetings to provide supplementary information and answer questions. No other documentation from the application process would normally be brought before the Panel.
- Councillor Wimble's declaration of interest was announced at the start of the Panel meeting.
- The evaluation form had five main, wide ranging, criteria. These were used to score the applications. This scoring matrix was designed to accommodate all types of application, so it was unlikely that an application would score highly in all five criteria.
- The programme had awarded 53 grants so far; 10 of these had been for amounts above 50% of the total cost of the project. The average score was 15 to 16 points, and the average grant size was around £13,000. Some successful applications had scored as low as 10.
- The company making the application was called The Looker Newspaper Ltd, and the newly refurbished building would be used for a sweet shop business and a railway business.
- The funding would bring a building back into use that had been empty for seven years.
- The fund process did not require the applicant to demonstrate how the match funding would be achieved. The grant was safeguarded because it could only be claimed once the works had been completed. The grant was only be released if the work had been carried out in accordance with the application.
- The Panel meetings were held virtually.

Mr Green highlighted some areas which had been identified for improvement following the call-in process:

- The procedure for arranging meetings needed to be improved to give attendees more notice, and to allow a substitute to attend if necessary. Members could also submit their comments via email if they were unable to attend the Panel meeting.
- Although the declaration of interest had been made to officers and had been announced at the beginning of the Panel meeting, the declaration was not recorded on the application form, the evaluation form, or the

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decision notice. Had this been the case it would have improved transparency.

The Leader added that:

- In cases when a Councillor has declared an interest in an application, there would be an additional Councillor on the Panel to offer balance.
- The scoring criteria needed to be amended to better reflect the importance of projects that brought empty shops back into business. This type of project was one of the best ways to increase footfall in the High Streets.

At 19:28 the meeting was adjourned for a short period to enable those calling in the decision to discuss which course of action they wished to propose. The meeting was reconvened at 19:35.

Proposed by Councillor Shoob,
Seconded by Councillor Gane: and

RESOLVED:

1. That the challenge to the decision should be taken no further and the decision may be implemented (Option A in the constitution).
2. That once the improvements to the process had been implemented, a report would be brought back to the Committee for review.

(Voting figures: 6 for, 0 against, 0 abstentions).