

**North Hertfordshire District Council – Overview & Scrutiny Committee
28th September 2022**

Call to Account – Lord Lister Hotel ‘Special Urgency’ Delegated Decision

Report of the former Chairman of Overview & Scrutiny – Councillor David Levett

Introduction

A delegated decision was taken on 13th August 2022 by the Managing Director and the Leader of the Council in relation to the provision of funding to Keystage Housing for homeless accommodation under the ‘Special Urgency’ provisions within the Council Constitution.

Subsequently a number of complaints were received, and articles appeared in the press relating to anti-social behaviour and alleged discrepancies relating to planning provision, thereby calling into question the decision to provide this accommodation at the former Lord Lister Hotel in Hitchin.

Planning matters are not an area in which O&S can be involved, however the process and consequences of the delegated decision to provide funding to Keystage is a matter that O&S can examine.

Under Section 6 of the Council Constitution the Overview & Scrutiny has a number of ways of scrutinising decisions including a ‘Call to Account’ which is specified as:

9. 6.3.9 Members and Officers Giving Account

1. (a) The Overview and Scrutiny Committee may scrutinise and review decisions made or actions taken in connection with the discharge of any Council functions (as set out in the Terms of Reference). As well as reviewing documentation, in fulfilling the Scrutiny role, it may require any member of the Cabinet, the Head of Paid Service and/or any appropriate Officer to attend before it to explain in relation to matters within their remit:

1. (i) any particular decision or series of decisions;
2. (ii) the extent to which the actions taken implement Council policy;
and/or
3. (iii) their performance,

and it is the duty of those persons to attend if so required.

Although this option had not previously been used by this Council, following a question raised at Full Council on this issue I agreed as Chair of O&S to review the matter and report back to Council. The method I chose as being the most appropriate in this case with the amount of concern raised and being the most transparent to the public was to use the above provision for a ‘Call to Account’.

Due to constraints placed on the timing of this report by the planning process and subsequent developments it is only now that I am able to submit this report for consideration by the Overview & Scrutiny Committee.

Call To Account Process

At this point in the report, I wish to make a number of comments relating to the process of bringing the Call to Account to Committee.

1. I wanted the process to be somewhat similar to a Parliamentary Select Committee in that the surroundings were less formal and more of a round table style discussion than the formal layout of the Council Chamber. This was following up on advice from the Peer Review that it is a more conducive way for the Overview and Scrutiny to operate. Unfortunately, I was advised that it would not be possible to do so as there was no provision to be able to record and remote view the meeting other than in the formal surroundings of the Council chamber.
2. My preference was for all of the proceedings to be held in public, given the amount of public interest that prompted the Call to Account in the first place. However many of the documents I had requested be presented to the committee had to be considered in Part 2 to which the public do not have access.
3. "The Council is required by Law to discharge certain overview and scrutiny functions. These functions are an essential component of local democracy. A Scrutiny Committee can contribute to the development of Council policies and also hold the Cabinet to account for its decisions"

Bearing the above in mind the Call to Account did however answer most of the questions raised and a number of lessons were learned by reviewing the process which have been acknowledged and are well documented in the relevant section of the minutes – a copy of which is attached to this report.

Conclusions

The correct process for a delegated 'Special Urgency' was followed. However it was acknowledged that in hindsight it could have followed the normal process, albeit this may have resulted in an 'In Principle' recommendation to Cabinet rather than a fully detailed recommendation.

The arrangement was known to have been one likely to lead to controversy and should have been flagged earlier in the process, particularly to the Managing Director and Leader of the Council.

A number of contractual requirements of the grant to Keystage set out in the 'Special Urgency' had not been met at the time of the 'Call to Account' and had not been followed up, at the time of the call to account for example the requirement for a charge in the Councils interest on the Land Registry entry for the property and this still had not been completed some months later. Subsequently this was found not to be a requirement but a restriction, which had in fact been registered in June 2022.

Recommendations

- (1) That the Overview and Scrutiny Committee refers this report to Council together with the copy of the lessons learnt and the appropriate section of the minutes of the meeting of 28th September 2022.

Councillor David Levett