

# NORTHAMPTON BOROUGH COUNCIL

## CABINET

Wednesday, 11 January 2017

**PRESENT:** Councillor Nunn (Chair); Councillor Larratt (Deputy Chair); Councillors Eldred, Hadland, Hallam, Hibbert and King

### 1. APOLOGIES

There were none

### 2. MINUTES

The minutes of the meeting held on the 14<sup>th</sup> December 2016 were agreed and signed by the Leader.

### 3. INTENTION TO HOLD PART OF THE MEETING IN PRIVATE

The Leader explained that Appendix 1 (private) of Item 11 – *‘Environmental Services Re-provision – Procurement Process’* contained detailed information relating to confidential financial information associated with the current contract price and future cost modelling information relating to the procurement process for the future service and had been exempted under schedule 12A, Part 1, (3) *“Information relating to the financial or business affairs of any particular person (including the authority holding that information)”*.

It was noted that there was no intention to move the meeting into private session, but that the provision had been made should it become necessary.

### 4. DEPUTATIONS/PUBLIC ADDRESSES

Mr Tony Mallard addressed Cabinet on Item 11 – Environmental Services Re-provision – Procurement Process and elaborated thereon. He considered the survey that was conducted as part of the consultation process to have been a box ticking exercise. He and noted that there was a real need for an efficient, clean and tidy environment and expressed the importance of getting the correct contract due to the issues that had arisen with the past contractors.

Councillor Hallam as the relevant Cabinet Member responded to the issues raised by Mr Mallard. He explained that there had been an extensive consultation exercise carried out and that there had been a multi layered approach. He reported that not only had there been an extensive ‘catch all’ survey carried out by MORI but also public facing meetings had been held; he stated that he had and would continue to consult with Residents Associations and Community meetings to engage with as many residents as possible.

### 5. DECLARATIONS OF INTEREST

Councillor Hadland declared a personal non pecuniary interest in Item 9 as a Trustee of the Delpare Abbey Preservation Trust.

Councillor Hallam declared a personal non pecuniary interest in Item 10 – as a private sector Landlord.

## **6. ISSUES ARISING FROM OVERVIEW AND SCRUTINY COMMITTEES**

There were none.

## **7. CABINET RESPONSE TO OVERVIEW & SCRUTINY TOWN CENTRE ECONOMY**

Councillor McCutcheon addressed Cabinet and referred to the fact that currently the Borough Council had no remit for the development and implementation of the education or skills agenda and expressed his support for a Unitary Authority, giving the Borough Council the capacity for control over the schools. He further reported the need for good housing provisions and considered there to be a need for more affordable quality housing.

Councillor Hadland as the relevant Cabinet Member submitted a report and elaborated thereon and concurred with the comments of Councillor McCutcheon in that there was an aspiration for a Unitary Authority. He congratulated the panel on their hard work and noted the positive recommendations that they had made. He referred to the review undertaken by Oxford Economics (2016), which noted Northampton was a 'highly favourable location' and offering a 'favourable quality of life' and noted the need for good infrastructure and networks in place. He further noted the continued development of the Enterprise Zone which was one of the most successful in the Country.

The Leader commented that the Oxford Economics summary had shown many positive aspects of Northampton. It was noted that recommendation 2 be altered to include the implementations within the report.

### **RESOLVED:**

1. That the recommendations included in the Overview and Scrutiny report on Local Economy Health check in accordance with the actions outlined in the report be implemented.
2. That the Scrutiny Panel be formally congratulated on a high quality and comprehensive report and thanked for the time and effort given to producing the report.

## **8. CABINET RESPONSE TO OVERVIEW & SCRUTINY STREET LIGHTS**

Councillor Hadland as the relevant Cabinet Member submitted a report and noted that the issue of Borough Council owned street lighting had been neglected for some time and reported that even though there would be a cost due to the lack of maintenance but that it was considered a necessity.

The Leader commented that Borough Council owned street lighting was a very important issue and noted Councillor Larratts extensive knowledge on the matter and requested that the Deputy Leader Chair the Member/Officer working group, to which he agreed.

### **RESOLVED:**

- 2.1 That the recommendations included in the Overview and Scrutiny report on Northampton Borough Council (NBC) owned street lighting be noted.
- 2.2 That a Member/Officer working group be created to oversee the completion of the asset list, options appraisal and final business case in relation to NBC owned street lighting. Cabinet further agreed that this would be chaired by Councillor Larratt.

- 2.3 That the Director of Regeneration, Enterprise and Planning, be invited to submit a report to Cabinet to present the findings of the work stream and make recommendations regarding the way forward.
- 2.4 That the Overview and Scrutiny Working Group be formally congratulated on a high quality and comprehensive report and thanked for the time and effort given to producing it.

## **9. UPDATE ON DELAPRE ABBEY**

Councillor Birch commented that whilst the Labour Group supported the Delapre Abbey restoration project, there were a number of concerns specifically relating to the costs, specifically the grant that was being agreed and questioned the risks. She further questioned why the grant, which was coming from an under-spend in Regeneration, Enterprise and Planning could not be spent on converting surplus office spaces into affordable homes.

Councillor Hadland as the relevant Cabinet Member submitted a report and explained that there had been a delay in the successful opening of the Abbey and in response to questions raised by Councillor Birch, it was explained that the previously agreed revenue loan had been allocated from the budget and the conversion to a grant would not have resulted in a surplus of capital as it had been accounted for. He noted that the Council did not want to burden the Trust with a loan and noted that the grant would help to promote the sustainability of the Abbey in the future.

The Leader stated that the success of the restoration project was crucial to the Council and residents which would see the abbey being opened to the public for the first time in 900 years.

### **RESOLVED:**

- 2.1 That the conclusion of the necessary agreements between the Borough Council and the Delapre Abbey Preservation Trust in relation to the restoration of Delapre Abbey be noted.
- 2.2 That a previously agreed revenue loan to Delapre Abbey Preservation Trust of £100,000 be converted into a revenue grant, to be funded from in-year underspends within the Regeneration Enterprise and Planning Directorate in order to assist the Trust in establishing its operations for the opening of the Abbey later this year.

## **10. ESTABLISHMENT OF A SOCIAL LETTINGS AGENCY**

Councillor Stone commented that the establishment of a Social Lettings Agency was a very important venture for the Council and hoped that it would address issues such as rogue letting agents. She further noted that she was encouraged by the proposal to bring empty homes back into use and asked that in the future, the Overview and Scrutiny Committee be updated on the progress made.

Councillor Ashraf thanked officers for their hard work and noted her support for the proposal. She commented that she supported the prospect of empty homes being bought back into use and noted the positive steps that this could have in reducing the number of homeless people. She considered there to be a housing crisis and commented that this would go some way in assisting those who struggled to find suitable accommodation. She asked that a progress report be brought back to Cabinet in the future.

Councillor Hibbert as the relevant Cabinet Member commented that the Social Lettings Agency was a very important scheme for the people of Northampton and commented that

the support for it had been very positive. He congratulated and thanked the Officers for their hard work and stated that they would be using private sector technology to ensure tenants and landlords are satisfied and noted the positive social purpose.

The Leader voiced his support for the Social Lettings Agency and noted that it was universally supported across County. He thanked officers for their work.

#### **RESOLVED:**

1. That the establishment of Guildhall Residential Lettings (an in-house, not-for-profit social lettings agency that would let and manage private rented accommodation, on behalf of owners, in return for a management fee) be approved;
2. That the drawdown of reserves of £56k (from the 'Preventing Repossession reserve') in the current year 2016/17 in order to cover the cost of developing the Social Lettings Agency Business Case and employing a Social Lettings Agency Manager for Quarter 4 of 2016/17. be approved.
3. That the resources identified in the table in Paragraph 4.2.1 of the report be reflected in the final budget for 2017/18 and the Medium Term Financial Plan due to go to Cabinet and Council in February 2017 be agreed.

#### **11. ENVIRONMENTAL SERVICES RE-PROVISION - PROCUREMENT PROCESS**

Councillor B Markham commented that he had some concerns about the 10 year contract with potential to extend for a further 2 years, specifically if the contractors were not fulfilling their obligations throughout the entirety of the contract and whether the Council would be able to discontinue the contract. He further commented that consideration should be given to utilising low emission vehicles to carry out the contract work as there was a need to consider the environmental impact of possible pollution.

Councillor Stone commented that she considered political consent across all the parties to be extremely important and commented that the relevant information had not been shared with the opposition groups. She further commented that she had little confidence in the procurement procedure and noted that she considered there to be too much emphasis on the economics rather than the quality and service to be provided and questioned the lack of delegation to the Finance Team in the procurement process.

Councillor Smith commented that she was pleased that there had been so many responses to the survey undertaken as this showed residents interest and passion and demonstrated residents displeasure with the current contract. She expressed concerns that the Council could be tied into a contract for a long period of time and questioned whether there would be a flexibility in the arrangements with the contractors. She reported that the failings experienced with the current contract had urged the Cabinet to have due regard for the quality of service provided and not just the costs.

Councillor Hallam as the relevant Cabinet Members submitted a report and elaborated thereon, he explained that there had been an extensive consultation with residents on what levels of services they would like; he further noted that consultation had been conducted on a level never done before by the Council as they had wanted to engage and involve as many residents as possible. In response to questions asked, he stated that they would examine break clauses in the contract and that the contract would not necessarily be fixed for 10 years, but that there would be a degree of flexibility.

The Leader stated that the result of the consultation had been undertaken across Northampton and that the decision to enter into a new contract had been taken with expert advice having been given. He noted that the Auditors had also been involved in scrutinising the finances of the contract and therefore they hoped to deliver the best service with the best quality and value.

**RESOLVED:**

1. That Cabinet reaffirmed its firm commitment to ensuring the views of local people inform the way environmental services are delivered when new arrangements are put in place in June 2018.
2. That it be noted that consultation with borough residents, community groups and councillors was currently still ongoing and, once completed, would be collated and analysed so that responses could be used to inform bidders of the council's preferences as to the way environmental services would be delivered in the town from June 2018.
3. That the Business Case attached at Appendix A of the report be approved.
4. That environmental services be procured (waste, recycling, grounds maintenance, street cleansing and other ancillary services) as a single lot.
5. That a contract length of up to 10 years, plus extension provisions up to a further 10 years (extension provisions to be subject to future cabinet approval) be agreed.
6. That the Competitive Procedure with Negotiation as its chosen procurement procedure be agreed.
7. That the development of an outcome based services specification be and to negotiation with bidders on strategic aspects of service design so as to encourage innovation, quality, value for money and affordability be agreed
8. That the procurement timetable outlined in the report be approved.
9. That the contract award criteria outlined in the report be approved
10. That the award of the contract be based on the most economically advantageous tender assessed from the point of view of the contracting authority, that the contract award criteria be on the basis of price and quality, that those are equally weighted and that that the weighting be applied to the criteria stays the same at both initial tender stage and final tender stage.
11. That the non-mandatory provision of the council's depots be agreed.
12. That authority be delegated to the Director of Customers and Communities, in consultation with the Cabinet Member for Environment and the Borough Secretary, to take all necessary steps to progress the environmental services procurement process provided such steps are consistent with the recommendations of this Cabinet Report.
13. That further reports be brought to cabinet to advise of progress with the environmental services re-provision procurement process in April, July and September 2017, with a final report being brought to cabinet in December 2017 to seek agreement to award contract.

## **12. UPDATE OF PROGRESS - GREYFRIARS SCHEME**

Councillor B Markham questioned whether consideration had been given to modal shift patterns and whether a park or ride scheme or cycle routes around the Town had been explored.

Councillor Hadland submitted his report and noted that traffic and traffic generation had been considered as part of a wide ranging study. He suggested that Councillor B Markham converse with the County Council for further information on the matter. He further commented that the development would attract people into the Town Centre and increase the night time economy as well as offering leisure facilities and creating vibrancy within the Town Centre. He noted that there had been extensive dialogue with the developers and that it was hoped that groundwork on the site would commence in the early part of 2018.

Councillor Larratt commented that he fully supported the report and agreed with Councillor B Markham that the impact of modal shifts should be examined following the development.

The Leader commented that the development would create a positive and vibrant town offering extensive leisure facilities. He noted that there had been traffic flow issues prior to Christmas but that this was being examined to ensure a smooth traffic flow in and out of the town centre from the development.

### **RESOLVED:**

1. That the progress that has been made to date, the further negotiations with and surveys and traffic modelling to be completed by the developer be noted.
2. That the Director of Regeneration, Enterprise & Planning be invited to submit further reports to Cabinet to approve the proposed legal documents and associated appendices.

## **13. TREASURY MANAGEMENT**

Councillor Chunga commented that he welcomed the report but questioned why the loan to Northampton Town Football Club had not been included in the balance of Third Party Loans.

Councillor Eldred, as the relevant Cabinet Member commented that the loan to NTFC had not been included in the balance as the loan had been cancelled and therefore ceased. He thanked the Treasury Management Team for their work.

Councillor Larratt endorsed the comments made by Councillor Eldred and thanked the finance team for their ongoing work.

### **RESOLVED:**

1. That the Treasury Management Mid-Year Report 2016-17 be noted
2. That the report be recommended to full Council

The meeting concluded at 7.11pm