

NORTHAMPTON BOROUGH COUNCIL

CABINET

Wednesday, 6 February 2019

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

1. APOLOGIES

Apologies were received from Councillor Hill and from Councillor Eldred who left after item 9.

2. MINUTES

The minutes of the meeting held on 16th January 2019 were agreed and signed by the Leader.

3. INTENTION TO HOLD PART OF THE MEETING IN PRIVATE IF NECESSARY

There was no intention to hold any part of the meeting in private.

4. DEPUTATIONS/PUBLIC ADDRESSES

Ann Timson addressed Cabinet on Item 8 – *Housing Regeneration Policy* – and expressed concern that demolishing and rebuilding houses could have a negative impact on residents. For example, some had invested in their homes, and some may not be able to move back without re-mortgaging. She pointed out that long-term residents had often built good relationships with neighbours, which were critical to their welfare. She asked three questions:

- Who had made the recommendations?
- Which areas were earmarked for demolition?
- Was it possible to build first and then demolish?

Mark Darbon, Chief Executive of Northampton Saints addressed Cabinet on Item 9 – *Loan Request*. He stated that Northampton Saints had a clear vision to be the number one club in Europe within 3-5 years. The Club was in a relatively strong position, but times were tough. The sport was very competitive, with small margins. The plan was to grow commercial revenues, both rugby-related and using the facilities for other events such as conferences and parties. Success of Northampton Saints was economically good for the town as a whole. There has been a good relationship between the Club and the Council and £1.2 million of the £5.5 million borrowed for the Barwell Stand had already been paid down.

Ian Flaxman addressed Cabinet on Item 10 – *Fernie Fields – Request for Capital Grant* – and advised that his son Mark works with Sport4Fitness, based at Fernie Fields Sports and Social Club, delivering activities for those with special needs. An annual Fun Day has been run for the last 4 years in conjunction with the Community Foundation, NBC and local businesses – growing from 80 to 400 people. Many children participate in the weekly disability sports club, where activities are tailored to their needs, and parents are able to meet others dealing with similar life challenges. Other events are also run, working with local charities such as Northampton Rotary Club. It would not be possible to provide these activities without Fernie Fields. However, more facilities are needed – including a pavilion to provide a year-round base and accessible toilets. Funding has been secured from a range

of organisations and NBC was requested to complete the funding and support the community to deliver these facilities.

5. DECLARATIONS OF INTEREST

There were none.

6. ISSUES ARISING FROM OVERVIEW AND SCRUTINY COMMITTEES

There were no issues arising from Overview and Scrutiny Committees.

7. REDUCING THE USE AND COST OF TEMPORARY ACCOMMODATION

This item was deferred to a future meeting, to allow further work to be carried out.

9. LOAN REQUEST

This item was brought forward to allow Councillor Eldred to participate before leaving.

Councillor Eldred as the relevant Cabinet Member submitted a report and stated that discussions had been ongoing with Northampton Rugby Football Club for a number of months to ensure the resulting deal was good for both the Council and the Club. The Club have been doing excellent work with the community, benefitting and enhancing the town as a whole – for example, by increased use of shops, restaurants and accommodation. Due diligence has been done by officers and lessons learned from previous experience. Assets owned by the Club would provide security for the loan.

Councillor Stone addressed Cabinet. As a member of the Audit Committee she was aware of the Council's new governance arrangements and the question of whether lessons had been learned in relation to loans. She considered that the Council was in danger of becoming too risk averse, and therefore welcomed this opportunity and its discussion in public. She considered that the work of Northampton Saints was excellent and generated income.

Councillor Eldred pointed out that the extra revenue generated for the Council would benefit both Northampton Saints and the town generally.

The Leader re-iterated the importance of discussing this item publicly.

RESOLVED:

1. Cabinet considered the request for a loan facility from Northampton Rugby Football Club Ltd and how the funds will assist with capital investment improvements to the ground facilities.
2. Cabinet approved the request for a £1.500M loan to the Northampton Rugby Football Club Ltd, in doing so also delegated to the Chief Executive, in conjunction with the Chief Finance Officer authority and powers to recover assets and funds to the appropriate value, should the Northampton Rugby Football Club Ltd default by more than two payments on either the existing loan or this new loan.
3. Cabinet delegated to the Chief Executive, Borough Secretary and Chief Finance Officer in consultation with the Cabinet member for Finance to agree terms and enter into a facility agreement and appropriate security with Northampton Rugby Football Club Ltd (the Club) subject to
 - them being satisfied that full due diligence has been conducted and the risk issues identified in the Link Report have been adequately addressed and

mitigated

- sufficient security has been provided to protect the loan of public funds.

4. Cabinet approved the appointment of external legal advisors to assist as necessary.

Councillor Eldred left the meeting.

8. HOUSING REGENERATION POLICY

Councillor Hibbert as the relevant Cabinet Member submitted a report and referred to the 18-stage process (page 13) which residents would be supported through in the event of demolition or major reconfiguration of housing. He also referred to the options of homeowners detailed on pages 23-24, which included a shared ownership option or tenancy agreement. The anxiety and concerns of the tenants were well understood and addressed by providing a single point of contact with a Northampton Partnership Homes (NPH) officer.

The Head of Housing and Wellbeing pointed out that at this stage approval of a policy was being sought, but every regeneration scheme would be subject to the same level of scrutiny and come to Cabinet, following consultation with residents. In answer to Ann Timson's questions he responded as follows:

- Recommendations are made by officers to Cabinet.
- No areas are currently earmarked for demolition. The first feasibility report has not yet been considered, which would be the initial stage of the process. The Council had asked for the policy to be produced in order to explain clearly to residents how decisions would be made.
- It might be possible to build first before demolition on larger sites, or where adjoining land could be acquired. The process was designed to minimise disruption to residents.

Councillor Ashraf addressed Cabinet. As a NPH board member she was impressed by the robust process in place and how NPH had delivered a neighbourhood approach, Spring Borough being a good example. Cost-effective solutions were sought, with regeneration providing outstanding social housing that was fit for purpose. She asked whether any areas such as garage sites had been identified, and looked forward to Labour Councillors being consulted.

The Head of Housing and Wellbeing stated that NPH has reviewed garage sites and identified those with potential for new homes. Work had already commenced on some of these sites.

Councillor Hibbert reiterated that no plans would go forward without full consultation and each would be brought back to cabinet for approval.

RESOLVED:

1. Cabinet approved the Housing Regeneration Policy (attached to this report as Appendix 1).

10. FERNIE FIELDS - REQUEST FOR CAPITAL GRANT

Councillor Larratt as the relevant Cabinet Member submitted a report seeking approval to award £160K Capital Grant to Fernie Fields Sports and Social Club. The Council had been involved in the Club since its creation in 1986 and it had been a privilege to see it grow. Sport4Fitness have done excellent work with disabled young people and carers. There were a significant number of other sports activities, including a bowls club and football. It was a successful and well-run Club.

Councillor Birch addressed Cabinet and expressed concern that the organisation was an unincorporated body with no capacity to enter into contracts. Responsibility would be taken by the trustees; individuals would be put at risk and should be protected. She suggested a limited company or Community Interest Company be formed to protect the trustees.

Councillor Larratt stated that the trustees were aware of the issue, were happy to accept liability and did not consider the risk to be great. This process had been followed before without problems. The Borough Secretary agreed that it was not abnormal. Public money was being put into a trust; individuals had responsibility, but the risk was considered manageable. Councillor King stated that Section 4.2.2 of the report would ensure due process was followed from the Council's side.

The Leader considered that the point was well made, but proposed to accept the recommendations as they stood.

Councillor Hallam stated for the record that he had given money from his Empowering Councillor Fund to Sports4Fitness.

RESOLVED:

1. Cabinet approved the award of up to £160K as a Capital Grant to Fernie Fields Sports and Social Club as included in the approved Capital Budget for 2018-19.
2. Cabinet delegated to the Head of Customer and Communities in consultation with the Borough Secretary to enter into a grant funding agreement with the Trustees of Fernie Fields Sports and Social Club for a grant not exceeding £160k.

11. CORPORATE RISK REGISTER

Councillor Nunn as the relevant Cabinet Member submitted a report. This had already been considered by Corporate Management Board and policy stated that it should come regularly to Cabinet. Risks were identified as potential barriers, constraints or threats to the organisation. Risk management was a key priority for the Council. A number of issues were detailed in section 3.2 of the report.

Councillor Stone addressed Cabinet with two concerns as follows:

#14 – Safeguarding – the risk rating was questioned in view of risks to children in the town such as overcrowded housing, exclusion from school, gangs and cuts by NCC to digital safety. Additionally vulnerable women were at risk on the streets.

#15 – Failure to deliver enough new housing – a national shortage of labour and materials were risk factors impeding the delivery of the vision for more housing.

Councillor Nunn suggested that the inclusion of 'scarcity of experienced tradespeople and of materials' under 'risk causes' addressed Councillor Stone's concern relating to #15, and agreed to consider whether the Local Plan should be included. In respect of #14 the risks recorded were those to NBC rather than to the town, but consideration would be given to any amendments required.

Councillor Russell addressed Cabinet. She had found the new report structure very useful, but wanted to know why the impact of Brexit had been given such a low priority. Having experienced the Unilateral Declaration of Independence (UDI) in Rhodesia in 1965 and Independence in 1980, she did not consider her comments to be politically driven, and advocated planning for the worst, whilst hoping for the best.

Councillor Hallam pointed out that there were opportunities associated with Brexit, as well

as risks.

Councillor Nunn advised that the risk assessment process had been given careful consideration by Corporate Management Board.

The Chief Executive advised that the process was concerned with operational matters affecting the Borough. As a Local Resilience Forum partner significant work had been undertaken, looking at potential risks around this agenda. There had been a planning meeting to mitigate the risks and the Corporate Management Board were considering these. Weekly updates were being received from Government.

Councillor King provided an update in respect of #14 stating that frontline staff had been trained on CSE, together with new taxi drivers; existing drivers were also being trained. A domestic abuse strategy was to be put together.

Councillor Hadland queried the position of #10 on the chart on page 45 of the report, which suggested that impropriety leading to fraud was likely to happen. The Chief Financial Officer pointed out that although the internal fraud risk was low, it also included Revenues and Benefits, where fraud does occur.

RESOLVED:

1. Cabinet reviewed, commented and where appropriate, confirmed the risks contained in the register and the related risk exposures and mitigating actions are relevant.

The meeting concluded at 18.56