



## CABINET REPORT

<b>Report Title</b>	<b>Response of Cabinet to recommendations made by O &amp; S Panel H on 25 May 2011 concerning lease and other contractual provisions relating to Sixfields Stadium</b>
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### AGENDA STATUS: PUBLIC

<b>Cabinet Meeting Date:</b>	7 <sup>th</sup> March 2012
<b>Key Decision:</b>	No
<b>Listed on Forward Plan:</b>	Yes
<b>Within Policy:</b>	Yes
<b>Policy Document:</b>	No
<b>Directorate:</b>	Planning & Regeneration
<b>Accountable Cabinet Member:</b>	Cllr Tim Hadland
<b>Ward(s)</b>	St James Ward

### 1. Purpose

- 1.1 The purpose of this report is to set out the approach of Cabinet to recommendations made by Overview & Scrutiny Panel H, contained in Appendix 1 of this report, concerning the lease and other contractual provisions relating to Sixfields Stadium.
- 1.2 In doing so Cabinet thanks O & S Panel H for the valuable work done in reviewing the operation of athletics facilities and associated issues at Sixfields Stadium. The Council supports the ambitions of the, of both Northampton Town Football Club (NTFC) and of Rugby and Northampton Athletics Club (R&NAC) in promoting high quality professional and amateur sport in Northampton and wishes to see the continuing success of both organisations. The inclusion of Sixfields Stadium and surrounding land within the Northampton Waterside Enterprise Zone reflects this support and is intended to help provide opportunities to allow improvements to facilities, as part of the wider goals of promoting growth and employment creation.

## **2. Recommendations**

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- 2.1 That Cabinet responds to the recommendations made by O & S Panel H to Cabinet on 25 May 2011, as set out at 6.1.1 to 6.1.8. of Appendix 1 to this report, by adopting the following approaches:
- 2.1.1 That the Corporate Asset Manager should generally require existing provisions within the Lease of land and property at Sixfields (made between this Council and Northampton Town Football Club Limited dated 13 April 2004) to be complied with, in a manner consistent with good estate management practice whilst seeking to maintain a positive and constructive relationship with NTFC.
- 2.1.2 That the Corporate Asset Manager working with the Cabinet Member for Regeneration, Enterprise & Planning should:
- (a) approach NTFC to explore any changes that could be made, by mutual agreement, to the existing Lease to help clarify the responsibilities of NTFC to maintain athletics facilities at Sixfields Stadium (by reference to certain external standards)
  - (b) seek NTFC and R&NAC's mutual co-operation to improve parking arrangements for users of the athletics facilities, whilst noting that under the terms of the Licence between NTFC and R&NAC there are no specific parking rights granted to the latter
  - (c) explore, in partnership with NTFC, whether there may be potential opportunities for local educational bodies, Unity Leisure Trust or other similar bodies to either (i) assist with the management of the existing athletics facilities at Sixfields on behalf of NTFC or (ii) to help attract additional funding to support investment and boost participation in sport at the Stadium.
  - (d) work with NTFC to refine management regimes at the Stadium (recognising any reciprocal obligations that need to be performed by R&NAC), to enable effective, co-ordinated and co-operative use of the infield of the athletics track for both (i) football training and (ii) for athletics field event training and competition and to consider practical arrangements to help prevent accidental damage to track facilities.
- 2.1.3 That Cabinet supports the maximum use of the Stadium by community groups on the six "free of charge" days, reserved annually under the Lease. It instructs the Director of Environment and Culture to work with Unity Leisure Trust and other suitable bodies to promote the effective use of such time allocation by local sporting organisations, with a particular emphasis on use of the stadium by young persons.

- 2.1.4 That Cabinet supports the Panel's aspiration that the athletics facilities at Sixfields Stadium should be of a standard externally assessed as suitable to enable it to host athletics competitions for a wide range of users, particularly schools competitions. Cabinet recognises that the standards and requirements of external sporting bodies may change over time and that compliance with NTFC's Lease provisions and /or NTFC's and R&NAC Licence provisions may not of itself satisfy such requirements for some or all athletics disciplines, at all levels.

### **3. Issues and Choices**

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#### **3.1 Report Background**

- 3.1.1 Between December 2010 and March 2011, Overview & Scrutiny Panel H undertook an investigatory scrutiny, the purpose of which was to "Review the operation of the Lease that Northampton Borough Council has with Northampton Town Football Club, the contractual arrangements between Northampton Town Football Club and the Rugby and Northampton Athletics Club; and make recommendations for improvement to the [Sixfields athletics] facility, if appropriate". An Executive Summary of the findings of the Panel, incorporating their "Conclusions and key findings" and "Recommendations" is at Appendix 1 to this report.
- 3.1.2 The report of the Chair of Scrutiny was presented to cabinet on 25 May 2011. Cabinet noted that report. The Panel's recommendations are set out at 6.1.1 – 6.1.8 of Appendix 1. As a result of the change of administration in May 2011 and organisational changes flowing from this, together with the development of positive strengthened relationships with key sports clubs within the Town during the second half of 2011, a formal Cabinet report in response to the issues raised has necessarily been delayed beyond the usual period.
- 3.1.3 The Panel had considered a range of matters principally related to the contractual and operational relationships between (a) this Council and its tenant of the entire Sixfields Stadium complex - Northampton Town Football Club Limited (NTFC) and (b) between NTFC and its contractual licensee of part of the stadium complex, Rugby and Northampton Athletics Club (R&NAC). It took evidence from those two organisations and from Council officers. An inspection of the Stadium was also made.
- 3.1.4 O & S Scrutiny Panel H recognised the existing contractual position, noting the terms of the original lease and licence - including variations to the latter that had been mutually agreed between NTFC and R&NAC.
- 3.1.5 The primary concern of the Panel was to achieve a sustained improvement in the condition of the athletics facilities/ equipment at the stadium, which would in turn enable use of those facilities for hosting schools, junior and adult competitions across all track and field disciplines. To help achieve this aim the Panel also made a number of recommendations that would, in its view, improve the day-to-day management of the athletics facilities by NTFC and its relationship with R&NAC. The Panel also made a recommendation concerning exploring the potential scope for changing future management arrangements of the athletics facilities at the Stadium, through third party involvement.

3.1.6 During the period since the report of O & S Scrutiny Panel H was presented to Cabinet in May 2011, the Council had been working constructively with NTFC and other sporting organisations in the Town to ensure that there is greater alignment around shared aspirations.

### **3.2 Issues**

3.2.1 The Council supports the continued development of Northampton Town Football Club and recognises the broader work it does in the community, promoting participation in football and education. NTFC has certain specific liabilities under its long lease of the Sixfields Stadium complex, granted in 2004 for a term of 150 years at a peppercorn rental. These importantly include maintenance responsibilities related to the athletics track and related facilities.

3.2.2 The Council similarly supports the success of Rugby and Northampton Athletics Club and acknowledges the valuable work it does with athletes from development stage through to performance level. R&NAC has a 25 year licence agreement granted in 2004 to use athletics facilities at Sixfields Stadium. There are specific rights granted as well as obligations to pay charges for the use of the facilities. These fees are paid to NTFC.

3.2.3 There have been past disputes between NTFC and R&NAC concerning (a) utilisation of the facilities, (b) maintenance of the running track, fixed and moveable equipment and (c) in respect of charges raised by NTFC. The standard of the facilities is presently assessed and certificated by United Kingdom Athletics (UKA). There are different grades of certificate and these are subject to regular change. There is a desire shared by both clubs and by this Council to limit the scope for future disagreements.

### **3.3 Choices (Options)**

3.3.1 The Council could choose not to accept any of the recommendations made. The Lease would still govern the Council's relationship with NTFC. However, issues noted by Scrutiny Panel H may not be addressed and potential opportunities for working with both Clubs to help improve facilities and improve relationships would be missed.

3.3.2 The Council could choose to adopt an approach that takes account of the spirit of the recommendations of scrutiny Panel H. In some instances they are partially aspirational in nature, some are not contractually enforceable and others do involve active co-operation between NTFC and R&NAC themselves - if they are to be implemented as intended by O & S Panel H.

## **4. Implications (including financial implications)**

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### **4.1 Policy**

4.1.1 There are none specifically

### **4.2 Resources and Risk**

4.2.1 There are none specifically for the Council flowing from the adoption of these recommendations.

### **4.3 Legal**

- 4.3.1 There are limited potential legal implications concerning the adoption of these recommendations. The Council has only an existing contractual relationship with Northampton Town Football Club under a Lease. It has no contractual relationship or direct legal responsibilities to Rugby and Northampton Athletics Club. If there are mutually agreed changes or clarifications made to the existing Lease, a deed of variation may be required to record these changes. The Council has no authority to impose additional or revised terms.

### **4.4 Equality**

- 4.4.1 There are no specific new equality implications in adopting these recommendations. However, the implementation of a number of them may assist in extending the range of persons regularly using the facilities at Sixfields Stadium including young persons and those with disabilities.

### **4.5 Consultees (Internal and External)**

- 4.5.1 O & S Panel H took evidence from and consulted extensively with Northampton Town Football Club and with Rugby and Northampton Athletics Club.

### **4.6 How the Proposals deliver Priority Outcomes**

- 4.6.1 Adoption of the recommendations within this report would not deliver any specifically prioritised corporate objectives. However, the wider promotion of sport and recreation is consistent with elements of the present Corporate Plan.

### **4.7 Other Implications**

- 4.7.1 None specifically

## **5. Background Papers**

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5.1 Asset Management Files

5.2 O & S Scrutiny Panel H report to Cabinet 25 May 2011

**Simon Dougall, Corporate Asset Manager x 8177**