



NORTHAMPTON
BOROUGH COUNCIL

CABINET AGENDA

Wednesday, 4 March 2015

The Jeffrey Room, St. Giles Square, Northampton,
NN1 1DE.

6:00 pm

Members of the Cabinet:

Councillor: David Mackintosh (Leader of the Council)

Councillor: Mary Markham (Deputy Leader)

Councillors: Alan Bottwood, Tim Hadland, Mike Hallam, Brandon Eldred.

Chief Executive David Kennedy

If you have any enquiries about this agenda please contact
democraticservices@northampton.gov.uk or 01604 837722

PORTFOLIOS OF CABINET MEMBERS

CABINET MEMBER	TITLE
Councillor D Mackintosh	Leader
Councillor M Markham	Deputy Leader Housing
Councillor A Bottwood	Finance
Councillor T Hadland	Regeneration, Enterprise and Planning
Councillor M Hallam	Environment
Councillor B Eldred	Community Engagement

SPEAKING AT CABINET MEETINGS

Persons (other than Members) wishing to address Cabinet must register their intention to do so by 12 noon on the day of the meeting and may speak on any item on that meeting's agenda.

Registration can be by:

Telephone: (01604) 837722
(Fax 01604 838729)

In writing: Democratic Services Manager
The Guildhall, St Giles Square, Northampton NN1 1DE
For the attention of the Democratic Services Officer

By e-mail to democraticservices@northampton.gov.uk

Only thirty minutes in total will be allowed for addresses, so that if speakers each take three minutes no more than ten speakers will be heard. Each speaker will be allowed to speak for a maximum of three minutes at each meeting. Speakers will normally be heard in the order in which they registered to speak. However, the Chair of Cabinet may decide to depart from that order in the interest of hearing a greater diversity of views on an item, or hearing views on a greater number of items. The Chair of Cabinet may also decide to allow a greater number of addresses and a greater time slot subject still to the maximum three minutes per address for such addresses for items of special public interest.

Members who wish to address Cabinet shall notify the Chair prior to the commencement of the meeting and may speak on any item on that meeting's agenda. A maximum of thirty minutes in total will be allowed for addresses by Members unless the Chair exercises discretion to allow longer. The time these addresses take will not count towards the thirty minute period referred to above so as to prejudice any other persons who have registered their wish to speak.

KEY DECISIONS

 denotes the issue is a 'Key' decision:

- Any decision in relation to the Executive function* which results in the Council incurring expenditure which is, or the making of saving which are significant having regard to the Council's budget for the service or function to which the decision relates. For these purpose the minimum financial threshold will be £250,000;
- Where decisions are not likely to involve significant expenditure or savings but nevertheless are likely to be significant in terms of their effects on communities in two or more wards or electoral divisions; and
- For the purpose of interpretation a decision, which is ancillary or incidental to a Key decision, which had been previously taken by or on behalf of the Council shall not of itself be further deemed to be significant for the purpose of the definition.

NORTHAMPTON BOROUGH COUNCIL

CABINET

Your attendance is requested at a meeting to be held:
in The Jeffrey Room, St. Giles Square, Northampton, NN1 1DE.
on Wednesday, 4 March 2015
at 6:00 pm.

D Kennedy
Chief Executive

AGENDA

1. APOLOGIES

2. MINUTES

(Copy herewith)

3. INTENTION TO HOLD PART OF THE MEETING IN PRIVATE

4. DEPUTATIONS/PUBLIC ADDRESSES

5. DECLARATIONS OF INTEREST


6. ISSUES ARISING FROM OVERVIEW AND SCRUTINY COMMITTEES

None

**7. CABINET RESPONSE TO THE OVERVIEW & SCRUTINY REPORT -
RECOMMENDATIONS - MANAGEMENT AND REGULATION OF PRIVATE
SECTOR HOUSING (INCLUDING HIMOS)**

Report of the Chief Executive (Copy herewith)

8. THE NORTHAMPTON CULTURAL QUARTER

 Report of Director of Customers and Communities (Copy herewith)

**9. GREYFRIARS SITE DEVELOPMENT - PROGRESS REPORT AND
PROPOSED WAY FORWARD**

Report of Director of Regeneration, Enterprise and Planning (Copy herewith)

10. NORTHAMPTON WATERSIDE ENTERPRISE ZONE (NWEZ)

Report of Director of Regeneration, Enterprise and Planning (Copy herewith)

11. STRATEGIC ACQUISITION OF LAND AND BUILDINGS

 Report of Director of Regeneration, Enterprise and Planning (Copy herewith)

12. EXCLUSION OF PUBLIC AND PRESS

THE CHAIR TO MOVE:

“THAT THE PUBLIC AND PRESS BE EXCLUDED FROM THE REMAINDER OF THE MEETING ON THE GROUNDS THAT THERE IS LIKELY TO BE DISCLOSURE TO THEM OF SUCH CATEGORIES OF EXEMPT INFORMATION AS DEFINED BY SECTION 100(1) OF THE LOCAL GOVERNMENT ACT 1972 AS LISTED AGAINST SUCH ITEMS OF BUSINESS BY REFERENCE TO THE APPROPRIATE PARAGRAPH OF SCHEDULE 12A TO SUCH ACT.”

SUPPLEMENTARY AGENDA

**Exempted Under Schedule
12A of L.Govt Act 1972
Para No:-**

NORTHAMPTON BOROUGH COUNCIL

CABINET

Wednesday, 18 February 2015

PRESENT: Councillor Mackintosh (Chair); Councillor Markham (Deputy Chair);
Councillors Bottwood, Eldred, Hadland and Hallam

1. APOLOGIES

Apologies were received from Councillor Markham.

2. INTENTION TO HOLD PART OF THE MEETING IN PRIVATE

There were no items to be heard in private.

3. DEPUTATIONS/PUBLIC ADDRESSES

Doctor Dickie addressed Cabinet in respect of Item 9 – Corporate Plan 2015 and commented that as a member of the ‘Friends of Northampton Castle’ consideration need to be given to whether the plans of the administration could be a reality and deliverable. She asked for the Council to continue to work with English Heritage to share heritage funding and to invest in the heritage and culture of the Town.

The Leader commented that he shared some of the frustrations aired by Doctor Dickie and that they would continue to work with the Friends of Northampton Castle.

4. DECLARATIONS OF INTEREST

None.

5. ROBUSTNESS OF BUDGET ESTIMATES AND ADEQUACY OF RESERVES REPORT

Councillor Bottwood, as the relevant Cabinet Member, submitted a report and elaborated thereon. It was noted that the report was a statutory requirement under Section 25 of the Local Government Act 2003.

RESOLVED:

That it be recommended to Council to carefully consider the content of the report with regards to the General Fund and Housing Revenue Account prior to recommending the approval of the Council’s Medium Term Financial Plan 2015/20, the Revenue Budget for 2015/16, Capital Programme 2015/20 and Treasury Management Strategy 2015/16.

6. GENERAL FUND, REVENUE AND CAPITAL BUDGETS 2015-16

The Leader commented that a further recommendation and commented that Northampton Borough Council would be introducing new guidance to those who have recently suffered a bereavement and were in the process of selling an empty property. The Council had listened to the feedback from members of the public and understood the financial pressures that any immediate demand for payment could cause. As a result the Council were keen to work within current Council Tax Regulations to provide support to those under financial stress during this period. This support would provide clear guidance on the options available during the period before the sale of a property and would be available in time for the start of the new financial year.

Councillor Bottwood, as the relevant Cabinet Member, submitted a report and commented that since 2011 there had been unprecedented funding reductions to local government and significant changes made as a result with improved management positions and that the Council were now faced with better prospects than when they were elected. It was also noted that they had been able to put £2 million into reserves.

The Leader commented that vast improvements had been made since 2011 such as sharing back office services through LGSS. He further noted that he had met with the Prime Minister and the Secretary of State for Communities and Local Government whilst they were visiting Northampton today to discuss the success of the Cosworth and other developments in the Enterprise Zone.

RESOLVED:

1. That the feedback from consultation with the public, organisations and the Overview and Scrutiny and Audit Committees (detailed at Appendices 1, 2, and 3 of the report) be considered and welcomed.
2. That the changes to the proposed budget (detailed at paragraph 3.57), in light of the consultation responses, equalities issues, technical adjustments and the Final Formula Funding Settlement be agreed.
3. That a General Fund Revenue Budget for 2015/16 of £29.1m (excluding parishes) be recommended to the Council (detailed in paragraph 3.47 and **Appendices 4, 5 and 6**) for its own purposes be agreed..
4. That the Council be recommended not to increase the Council Tax for its own purposes that is, excluding County, Police, and Parish Precepts for 2015/16.
5. That it be recommended to Council to approve the General Fund Capital Programme for 2015-16, including future year commitments, and proposed financing as set out in **Appendix 7**.
6. That the Council be recommended to confirm the outcomes of the Reserves Strategy Review. Aiming for a minimum level of unallocated general fund balances of at least £4.9m for 2015/16 having regard to the outcome of the financial risk assessment and also note the position on earmarked reserves (**Appendix 8**).
7. That authority be delegated to the Chief Finance Officer in consultation with the Cabinet Member for Finance, and where appropriate the relevant Director and Cabinet Member to:
 - Transfer monies to/from earmarked reserves should that become necessary during the financial year.
 - Establish criteria linked to return on investment & payback for the use of the new Invest to Save Earmarked Reserve.
 - Update prudential indicators in both the Prudential Indicators Report and Treasury Strategy Report, for Council for any budget changes that impact on these.

8. That the key medium term financial issues as set out in Appendix 9 be noted.
9. That the draft Fees and Charges set out in Appendix 10 be noted.
10. That authority be delegated to the Chief Finance Officer to make any technical changes necessary to the papers for the Council meeting of 23 February 2015, including changes relating to Parish Precepts and Council Tax levels associated with those changes.
11. That it be recommended that Council delegate authority to the Chief Executive and Chief Finance Officer to implement all budget options and restructures.
12. That a supplementary estimate for forward funding from the New Homes Bonus Reserve for the Enterprise Zone as set out in paragraph 3.55 be noted.
13. That it be agreed that Council would establish a clear Policy for those cases where there has been a bereavement and would be liable for Council Tax on an empty property. The establishment of this Policy would be delegated to the Chief Finance Officer, in conjunction with the Cabinet Member for Finance, and would come into effect from 1st April 2015.

7. HOUSING REVENUE ACCOUNT - RENT SETTING, REVENUE AND CAPITAL BUDGETS 2015-16

Councillor Bottwood, as the relevant Cabinet Member, submitted a report and elaborated thereon. He explained that there had been significant changes, specifically with regards to transfer of the Housing Stock to Northampton Partnership Homes. It was further noted that they now had the facilities to build 100 new council homes.

RESOLVED:

1. That it be recommended to Council to approve:
 - a) An average rent increase of 2.2% per dwelling, in line with the Government's national rent policy, to take effect from 6th April 2015.
 - b) The HRA budget for 2015/16 of £54.6m expenditure including options detailed in Appendix 1 of the report.
 - c) The proposed service charges listed in Appendix 4 of the report.
 - d) The HRA capital programme for 2015/16, including future year commitments, and proposed financing as set out in Appendix 3 of the report.
 - e) That Cabinet be authorised, once the capital programme has been set, to approve new capital schemes and variations to existing schemes during 2015/16, subject to the funding being available and the schemes being in accordance with the objectives and priorities of the Council.
 - f) The Total Fees proposed for NPH to deliver the services in scope for 2015/16 detailed in Appendix 5 of the report.
2. That the issues and risks detailed in the Chief Finance Officer's statement on the robustness of estimates and the adequacy of the reserves be acknowledged.
3. That Council be recommended to confirm the reserves strategy of protecting balances wherever possible to allow the option of supporting future years' budgets, aiming for a minimum level of unallocated Housing Revenue Account balances of at least £5m for 2015/16 having regard to the outcome of the financial risk assessment and remaining at

this level over the medium term.

4. That authority be delegated to the Chief Finance Officer to make any technical changes necessary to the papers for the Council meeting of 23rd February 2015.
5. That Council be recommended to delegate authority to the Chief Executive and Chief Finance Officer to implement any retained HRA budget options and restructures.
6. That authority be delegated to the Chief Finance Officer in consultation with the Cabinet Member for Finance, and where appropriate the relevant Director and Cabinet Member to:
 - transfer monies to/from earmarked reserves should that become necessary during the financial year.
 - transfer monies to /from HRA working balances between the Council and NPH for cash flow purposes should that become necessary during the financial year.
 - update the budget tables and appendices, prior to Council should any further changes be necessary.
 - update prudential indicators in both the Prudential Indicators report and Treasury Strategy report, for Council for any budget changes that impact on these.
7. That the technical funding virement between HRA Revenue contributions and the HRA Repairs and Maintenance budgets for 2014/2015 as per paragraph 3.4.1 of the report be approved.

8. TREASURY MANAGEMENT STRATEGY - 2015/16

Councillor Bottwood, as the relevant Cabinet Member, submitted a report and elaborated thereon and noted that the Council remained in firm control of their finances.

RESOLVED:

1. That Council be recommended to approve the Treasury Management Strategy for 2015-16 at Appendix A of this report: incorporating:
 - (ii) The Capital Financing and Borrowing Strategy for 2015-16 including:
 - The Council's policy on the making of Minimum Revenue Provision (MRP) for the repayment of debt, as required by the Local Authorities (Capital Finance & Accounting) (England) (Amendment) Regulations 2008.
 - The Affordable Borrowing Limit for 2015-16 as required by the Local Government Act 2003.
 - (ii) The Investment Strategy for 2015-16 as required by the CLG revised Guidance on Local Government Investments issued in 2010.
2. That authority be delegated to the Council's Chief Finance Officer, in liaison with the Cabinet member for Finance, to make any temporary changes needed to the Council's borrowing and investment strategy to enable the authority to meet its obligations.

9. CORPORATE PLAN 2015

The Leader submitted a report and elaborated thereon.

RESOLVED:

1. That the refresh of the Corporate Plan be recommended to Full Council;
2. That authority be to the Chief Executive, in consultation with the Leader, the authority to amend as necessary, the:
 - i) Corporate Plan 2015 Update for presenting to Full Council on 23 February 2015 in line with the budget decisions, service plans and any other consequent changes;
 - ii) An associated set of corporate measures to underpin the Plan by 31 March 2015 to be developed alongside the service planning process.

Appendices



CABINET REPORT

Report Title	Cabinet Response to Management and Regulation of Private Sector Housing (including HIMOs) Task and Finish Group
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AGENDA STATUS: PUBLIC

Cabinet Meeting Date:	4 th March 2015
Key Decision:	No
Within Policy:	Yes
Policy Document:	No
Directorate:	Chief Executive - Housing and Wellbeing Service
Accountable Cabinet Member:	Cllr Markham
Ward(s)	All

1. Purpose

1.1 The purpose of the report is to respond to recommendations set out in the Overview and Scrutiny document presented to Cabinet at 10th September 2014.

2. Recommendations

2.1 That the recommendations included in the Overview and Scrutiny for the Management and Regulation of Private Sector Housing (including HIMOs) are accepted.

2.1.2 That the Task and Finish Group are formally congratulated for their commitment to best practice regulation and management of private sector housing, the high quality and comprehensive report produced and thanked for their time and effort given to produce it.

3 Issues and Choices

3.1 Report Background

The Overview and Scrutiny Committee, at its work programming event in March 2013, agreed to include a review of investigating the regulation and management of private lettings, both by landlords and agencies. These were issues that had been identified by the Cabinet Member for Housing as one of her key priorities. The Overview and Scrutiny Committee commissioned Scrutiny Panel 2 to undertake the review. An in-depth review commenced in July 2013 and concluded in June 2014.

This review links to the Council's corporate priorities, particularly corporate priority 5 – better homes for the future and corporate priority 2 – invest in safer, cleaner neighbourhoods.

Scrutiny Panel 2 formally informed cabinet that it supports the proposal to implement Additional Licensing for HMOs. The Scrutiny Panel agreed that, at the time of the Review, there are no areas in Northampton that require a Selective Licensing Scheme but the need for Selective Licensing should be kept under constant review.

3.2 The following recommendations were included in the report:

- A Private Sector Landlords Registration (Licensing) Scheme is implemented with the facility for landlords to register (apply to license) on-line.
- A useful guide for individuals that are considering becoming a private sector landlord is published on the Council's website and includes the following headlines:
 - Speak to your mortgage lender
 - Get references from potential tenants
 - Prepare a formal agreement
 - Deposits – properly protected
 - Obtain an energy performance certificate
 - Do you need a property licence?
 - Get all your gas and electric appliances checked
 - Minimise the risk from fire
 - Ensure that your property presents no risks to your tenant's health and safety
 - Don't find yourself in court when something goes wrong
- Northampton Borough Council works with the University of Northampton and private sector landlords to agree a Northampton standard for privately

rented homes. The standard is produced in conjunction with the useful guide (recommendation 2.1.3) and Best Practice Guide (recommendation 2.1.12).

- A Protocol for identifying absent landlords is produced and implemented. Private Sector Landlords are encouraged to join a local or national Landlord Association.
- A Policy for the prosecution of “rogue landlords” is introduced and a funding pot is identified to be allocated to resources to support licensing through a rigorous programme of encouragement, support to landlords, and enforcement, including prosecution of those landlords who do not comply with the requirements of the Scheme.
- Contact is made with the National Landlords’ Association (NLA) regarding utilising its free of charge scheme of on-line training and the use of its free guidance material for tenants and private sector landlords.
- A tri-annual multi-Agency meeting, together with the Landlords Forum, to enable two way discussions and information sharing, is introduced.
- Planning Services and Housing Services work collaboratively regarding the private rental sector, to ensure that private lettings make a positive contribution to neighbourhoods.
- A check be made to ensure that letting agents are renting properties through the correct procedure and that letting agents are included in Additional Licensing.
- Arrangements be put in place for Licence fees to be paid through a direct debit scheme, similar to that in place for the payment of Council Tax.
- The Scrutiny Panel highlights the need for a Best Practice Guide for Private Sector landlords and tenants and has produced a list of key issues that the Guide should include, as detailed below, for Cabinet’s consideration:
 - Issues to consider pre tenancy
 - Means of managing a property
 - Setting up a tenancy and different legal agreements
 - Deposits
 - Rents
 - Housing benefit
 - Landlord and tenant responsibilities
 - An agreement between Letting Agents and Landlords that the Letting Agent is permitted to undertake repairs on behalf of the Landlord
 - Other housing options
 - Empty homes

- Housing standards and Safety conditions
 - Housing health and safety rating system
 - Safety checks
 - Energy efficiency, recycling and sustainability
 - Equalities Statement
 - Useful contacts, such as [HMRC](#) and [Gov.UK](#)
- The Best Practice Guide for Private Sector landlords and tenants is easily accessible on the Council's website with paper copies available in the Council's One Stop Shop. On request, the Best Practice Guide should be made available in other languages and formats.
 - A copy of the Best Practice Guide is sent to the Association of Residential Letting Agents (ARLA) and the National Landlords' Association (NLA).

3.3 Choices (Options)

All recommendations are happily accepted by the Private Sector Housing Service and it is now working to deploy these and subject to resources and the advice of the new Head of Service for Housing and Wellbeing they are planned to be fully deployed in 2015/16. Landlords can currently pay for licences in instalments and there is currently an online application form which can be downloaded for completion. Working between Planning and Housing Services has commenced and the University has adopted the Council's licensing scheme as its landlord's eligibility standard.

4. Implications (including financial implications)

4.1 Policy

Northampton Borough Council is committed to raising standards within the Private Rented Sector and will adopt all powers necessary and undertake the required actions appropriate, to improve standards and ensure that the sector develops meeting needs and is safe.

4.2 Resources and Risk

Northampton Borough Council is committed to ensuring that Private Rented Housing Services are adequately and effectively resourced. The Housing and Wellbeing Service has undertaken a restructure in which Private Sector Housing resources are reinforced providing a new post of Private Sector Housing Manager and other officers targeted at combatting poor housing

standards. This team is in the process of consolidation with recruitment taking place in the next couple of months.

4.3 Legal

4.3.1 The development of the service is made in close consultation and with the support of the Council's Legal Service. Discussions are underway in embedding legal support into the new Housing Enforcement Team so expertise is developed for better enforcement knowledge and practice and more certain outcomes.

4.4 Equality and Health

4.4.1 The implementation of the Additional Licensing of HIMO's Scheme was accompanied by a stakeholder plan to take account of equality issues.

4.5 Consultees (Internal and External)

4.5.1 Consultation has been undertaken for additional licensing and is being developed with landlords and other stakeholders moving forwards.

4.6 How the Proposals deliver Priority Outcomes

4.6.1 Private Sector Housing is a key Council Priority and this report indicates the current action and progress in respect of meeting this priority.

4.7 Other Implications

4.7.1 None

5. Background Papers

5.1 None

Paul Bryon
Interim Private Sector Housing Manager
3rd February 2015

Appendices

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NORTHAMPTON
BOROUGH COUNCIL

CABINET REPORT

Report Title

The Northampton Cultural Quarter

AGENDA STATUS PUBLIC

Cabinet Meeting Date:	4 March 2015
Key Decision:	Yes
Within Policy:	Yes
Policy Document:	No
Directorate:	Customers and Communities
Accountable Cabinet Member:	Cllr Brandon Eldred
Ward(s)	Castle

1. Purpose

- 1.1 To advise of progress with the development of the Cultural Quarter since its designation in January 2013.
- 1.2 To seek necessary approvals/delegations to ensure progress with key projects within the Cultural Quarter can continue to be made.

2. Recommendations

That Cabinet:

- 2.1 Affirms its continuing support for the development of the Cultural Quarter and notes progress that has been made with key projects.
- 2.2 Welcomes the Local Growth Fund announcement from South-East Midlands Local Enterprise Partnership (SEMLEP) that Northampton Borough Council's Vulcan Works project will be awarded funding in 2016/17.

- 2.3 Subject to formal confirmation of the Local Growth Fund award from SEMLEP, as per paragraph 2.2 above, agrees that up to the full value of the said award may be borrowed via Northamptonshire Enterprise Partnership (NEP), from the Public Works Loan Board, to allow the Vulcan Works project to immediately progress to its construction phase and notes that the loan is to be repaid when SEMLEP's Local Growth Fund award becomes available in 2016/17.
- 2.4 Agrees that the council makes a cash contribution to the Vulcan Works project of £650,000 from resources available to the 2016/17 capital programme.
- 2.5 Delegates to the Director of Customers and Communities, in consultation with the Cabinet Member for Community Engagement, authority to award a contract for detail design work for the refurbishment and expansion of Northampton Museum and Art Gallery and to award other contracts as necessary for completion of the proposed works.
- 2.6 Affirms its support for the Museum of Leathercraft and makes a commitment to finding a suitable location for it within the Cultural Quarter.

3. Issues and Choices

3.1 Report Background

The Cultural Quarter

- 3.1.1 In January 2013, Cabinet agreed to designate Guildhall Road and Derngate as the town's Cultural Quarter.
- 3.1.2 The Cultural Quarter was established to provide one of a number of major driving forces for regeneration of Northampton and to provide an opportunity to celebrate both the town's rich history and to showcase its unique contemporary offer.
- 3.1.3 With the support of a wide range of key partners, a vision is being shaped for the Cultural Quarter that relates to both place and people - the physical infrastructure, such as buildings, public realm and open spaces and the visitors, workers, performers, residents, artists, investors and students who will interact within it.
- 3.1.4 The vision is to create an attractive, cosmopolitan cultural environment focused around the town's four key arts venues, offering a range of entertainment and events, good food and drink, residential opportunities and workspaces for artists, designers and creative businesses.
- 3.1.5 Raising the profile of Northampton as a great place to live, visit, work, study and invest, the Cultural Quarter is already starting to enhance the town's reputation as a first class cultural venue, a place with a diverse and extensive offer, a great atmosphere and a tangible energy.

Vulcan Works

- 3.1.6 Located at 34 - 38 Guildhall Road, the Vulcan Works occupies a prominent position in the Cultural Quarter, adjacent to the Northampton Museum and Art Gallery and opposite the Royal and Derngate Theatres.
- 3.1.7 It is a key site within the Northampton Waterside Enterprise Zone.
- 3.1.8 Redevelopment of the Vulcan Works will entail refurbishing the buildings on the former factory site and replacing several semi derelict buildings in the immediate vicinity with a new building to create managed workspaces to support local creative businesses. The new build will be physically linked to the former factory which is a Grade II listed property, bringing it back to productive use.
- 3.1.9 Redevelopment of the Vulcan Works will directly assist about 100 businesses and, in its first 10 years, create and sustain over 400 jobs. It will provide workshop, office and studio units, offered on affordable and flexible terms to creative SMEs, meeting demand and needs identified in the council's options appraisal.
- 3.1.10 In June 2014, Cabinet delegated to the Director of Customers and Communities, in consultation with the Leader of the Council, authority to:
- Award tenders for consultancy, construction and other goods and services, required for the successful redevelopment of the Vulcan Works.
 - Do all that is reasonably necessary to progress the redevelopment of the Vulcan Works through to completion.
- 3.1.11 In October 2014, Cabinet agreed to the purchase of 4 – 6 Angel Street from Northamptonshire County Council, an acquisition key to the Vulcan Work's progression.
- 3.1.12 The construction phase of the Vulcan Works project is expected to take about eighteen months, commencing in spring this year and opening for business in autumn 2016.
- 3.1.13 Planning permission for development of the Vulcan Works was granted in January 2015.

The Northampton Museum and Art Gallery

- 3.1.14 Northampton Museum and Art Gallery (NMAG) is a highly respected regional museum, best known for its world class shoe collection. Located in Northampton's Cultural Quarter, at the top of Guildhall Road, it already plays a significant role in the cultural life of the town and county, but has the potential to play an even greater one.
- 3.1.15 Its proposed refurbishment and expansion is one of the most significant development opportunities identified for the cultural quarter.
- 3.1.16 The NMAG proposals will enable the museum to be:

- A leading regional museum focused on history, art and shoes
- At the heart of the Cultural Quarter, enriching the lives of Northampton's residents, attracting visitors from further afield and contributing to the town's economy
- Home to the National Shoe Collection
- Nationally respected as an innovative museum that other organisations and institutions wish to collaborate with
- Internationally respected for its shoe collection, resource centre and research facilities
- Economically sustainable, commercially minded with strong links with local industry and commerce
- Engaged in powerful partnerships with key partners such as the University of Northampton and the Royal and Derngate Theatres

3.1.17 In September 2014, Cabinet gave the go ahead to the refurbishment and expansion of NMAG. To make the expansion possible, the purchase of the Gaol Block of County Hall, from Northamptonshire County Council, was approved.

3.1.18 Outline plans have been developed and the NMAG project is now ready for a contract to be awarded for detail design work to be undertaken.

3.1.19 Other projects listed or on site within the Cultural Quarter include:

- Guildhall Road improvement scheme, providing smart new pavement, convenient parking areas and pleasant space for visitors to eat and drink in the open air.
- Acquisition and development of County Hall's Guildhall Road block.
- Boutique hotel development, bringing 11/13 Guildhall Road back into productive use and providing a more appropriate use for 15 Guildhall Road.
- Construction of a new budget hotel underway and due to complete in less than a year.

Museum of Leathercraft

3.1.20 Northampton is home to the Museum of Leathercraft (MoL) and the council has enjoyed a close and positive relationship with it for many years.

3.1.21 MoL has forged strong links with NMAG and Abington Park Museum, as well as other key partners such as the Leather Conservation Centre and the University of Northampton's School of Leather.

3.1.22 It is recognised that these collaborations have the potential to make a major contribution to the Cultural Quarter and it is therefore important that the council gives priority to assisting MoL to find a suitable home in the Cultural Quarter in three or four years' time, once other major projects are complete.

3.1.23 More developments are also in the pipeline for the Cultural Quarter and will be announced in the coming months.

3.2 Choices (Options)

- 3.2.1 The Redevelopment of the Vulcan Works will make a significant contribution to the council's ambitions for the cultural regeneration of Northampton. It will also have an important impact on business growth and job creation in the town.
- 3.2.2 If Cabinet chooses not to continue to support the Vulcan Works project these benefits to Northampton may not be realised. The disused Vulcan Works site could remain undeveloped and be a blot on the Cultural Quarter streetscape for years to come and opportunities for business growth and job creation in the Enterprise Zone may be lost.
- 3.2.3 However, in continuing to progress the redevelopment of the Vulcan Works, Cabinet must be aware of the many challenges that will need to be overcome to achieve success.
- 3.2.4 Major challenges to be overcome will include the need to:
- Tackle a range of complex construction issues associated with the redevelopment of a disused factory site, demolition of derelict buildings and listed building status.
 - Meet the requirement for the redeveloped site to be self-financing/sustaining into the future.
- 3.2.5 Cabinet could choose not to refurbish and extend NMAG, forgoing anticipated benefits but freeing up substantial capital for other projects. However, should Cabinet choose this option, Cabinet Members should be aware that there would be difficulties associated with utilising funding realised from the sale of Sekhemka on non-museum projects.

4. Implications (including financial implications)

4.1 Policy

- 4.1.1 The Central Area Action Plan provides the planning framework that the proposed Northampton Cultural Quarter flows from.
- 4.1.2 It is intended that the Northampton Cultural Quarter vision will appropriately inform the regeneration strategy for the town centre and wider Northampton and will be given due consideration by the council in respect of planning policy and planning decisions.

4.2 Resources and Risk

Vulcan Works

- 4.2.1 The total cost of redeveloping the Vulcan Works is estimated to be £10.8m (excluding VAT), including £3.3m in land, buildings and other assets already in the council's ownership.

- 4.2.2 The total £10.8m cost of the Vulcan Works redevelopment is proposed to be added to the Capital Programme with expenditure expected in 2015/16 and 2016/17.
- 4.2.3 The bulk of the funding – £6.3m – is expected to come from South East Midlands Local Enterprise Partnership's (SEMLEP's) Local Growth Fund allocation for 2016/17.
- 4.2.4 It will be necessary for the council to make a cash contribution of £650,000 which will be managed within the existing capital resources of the Council.
- 4.2.5 To enable the construction phase to begin immediately, it is proposed that up to £6.3m is borrowed via Northamptonshire Enterprise Partnership (NEP), from the Public Works Loan Board (PWLB) as NEP have access to preferential borrowing rates more advantageous than the council is able to access directly. The loan will be repaid when SEMLEP's Local Growth Fund allocation becomes available in 2016/17.
- 4.2.6 NEP has initially agreed to support a loan from PWLB to the council of £3m, in accordance with spending projections for the Vulcan Works project during 2015/16. If, as project detail is further developed, the spending profile changes, requiring increased spending in 2015/16, a further application will need to be made via NEP to the PWLB or an alternative short term borrowing option will need to be identified.
- 4.2.7 £486,000 in total has been approved by the Enterprise Zone (EZ) Board. £200,000 of this funding has already been drawn down from the EZ reserve, in accordance with the council's reserves draw down process, to fund business case development and detailed design work.

Northampton Museum and Art Gallery

- 4.2.8 The total cost of the proposed extension of NMAG has been assessed at circa £7m (excluding VAT). The scheme will be incorporated into the Council's Capital Programme when detailed costs are understood.
- 4.2.9 A further report to Cabinet in due course will seek to approve the scheme within the Capital Programme.
- 4.2.10 The council has a capital receipt of £7.7m and a revenue receipt of £0.54m from the sale of the statue of Sekhemka, which has been ring-fenced for improvements to the museum service.
- 4.2.11 It is anticipated that the proposed extension will increase the operating costs for NMAG by up to 50%. It is anticipated that these additional costs will be met from reallocations within the council's museum service budget, changes to the way museum volunteers are utilised, external funding, commercial receipts, trading activities, rental income and sponsorship.

4.3 Legal

- 4.3.1 There are significant legal implications associated with the redevelopment of the Vulcan Works. Expert legal advice will be sought and acted upon at every stage of the process.
- 4.3.2 There are significant legal implications associated with the refurbishment and extension of NMAG. Expert legal advice will be sought and acted upon at every stage of the process.

4.4 Equality

- 4.4.1 There are no equalities implications directly arising from this report. Redevelopment of the Vulcan Works will be undertaken in full accordance with relevant equalities legislation and the council's equalities policies. The refurbishment and extension of NMAG will be undertaken in full accordance with relevant equalities legislation and the council's equalities policies.

4.5 Consultees (Internal and External)

- 4.5.1 The Cultural Quarter Forum is a key stakeholder consultation vehicle for the wider Cultural Quarter and specific projects such as the redevelopment of the Vulcan Works and the refurbishment and extension of NMAG.
- 4.5.2 Consultation in respect of the redevelopment of the Vulcan Works has been vital to evidencing need and establishing demand.
- 4.5.3 It was also essential to the Local Growth Fund funding application process and was used to inform outline and detailed design development. In advance of the submission of funding applications, both SEMLEP and NEP were consulted through their respective boards, including the EZ board.
- 4.5.4 A consultation exercise was undertaken with business proprietors operating within the vicinity of the Vulcan Works site and the occupiers of adjoining residential property, ahead of the planning application for Vulcan Works, which was approved last month (January 2015).
- 4.5.5 A consultation exercise in respect of the refurbishment and extension of NMAG was undertaken with stakeholders in the museum service and the wider public to seek their views on how funds from the sale of Sekhemka should be utilised. The findings of this consultation were taken full account of in the development of the proposals for NMAG.

4.6 How the work relates to current Priority Outcomes

- 4.6.1 One of the council's priorities is 'Celebrating heritage and culture'. Delivering the proposed vision for the Northampton Cultural Quarter is making a major contribution to this priority.

- 4.6.2 Northampton Alive sets out the council's aspirations for the regeneration of Northampton. The development of the Cultural Quarter is one of Northampton Alive's priority regeneration programmes.
- 4.6.3 The redevelopment of the Vulcan Works and the refurbishment and extension of NMAG are key projects in the Cultural Quarter.
- 4.6.4 Redevelopment of the Vulcan Works will also assist the key priority of economic regeneration of the town through business growth and job creation.

Background Papers

Cabinet Report, 16th January 2013 – The Northampton Cultural Quarter

Cabinet Report, 11th June 2014 – Creation of a Creative Industries Hub

Cabinet Report, 10th September 2014 – Extension of NMAG

Cabinet Report, 8th October 2014 – The Vulcan Works

Julie Seddon, Director of Customers and Communities

Appendices



NORTHAMPTON
BOROUGH COUNCIL

CABINET REPORT

Report Title	GREYFRIARS SITE DEVELOPMENT – PROGRESS REPORT AND PROPOSED WAY FORWARD
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AGENDA STATUS: PUBLIC

Cabinet Meeting Date:	4 TH MARCH 2015
Key Decision:	NO
Within Policy:	Yes
Policy Document:	No
Directorate:	REGENERATION, ENTERPRISE AND PLANNING
Accountable Cabinet Member:	COUNCILLOR T. HADLAND
Ward(s)	Castle

1. Purpose

- 1.1 This report provides a progress update on the Greyfriars site and recommends proposals for bringing the site forward for development.

2. Recommendations

- 2.1 Cabinet is asked to note the current progress being made with the demolition and clearance of the site.
- 2.2 Cabinet is asked to approve the commissioning of a “concept plan” for the Greyfriars site within the timescale outlined in the report, in order to help bring the site forward for development.
- 2.3 Cabinet is asked to agree that plans are commenced for a new improved facility for coaches on the west island site of Greyfriars to act as a small transport hub within the site to complement North Gate and replace the Victoria Street Coach Stop.
- 2.4 That a further report is brought to Cabinet in due course.

3. Issues and Choices

3.1 Report Background

- 3.1.1 Cabinet will be aware that work is currently underway with the Contractors, DSM, to demolish the old Greyfriars bus station building on 15th March 2015 and subsequently clear the site to make it ready for future investment and development.
- 3.1.2 Alongside the demolition and clearance, a parallel process is underway to bring the site forward for development. In August 2014, a large public consultation event was held at the Guildhall to gauge people's ideas and aspirations for the site. 189 people offered just over 300 separate ideas for what they wanted to see on the site. A broad mix of end uses was suggested including: cultural, retail, leisure, transport hub, residential, commercial and community. A Cabinet Report detailing the outcome of this consultation was presented on 8th October 2014.
- 3.1.3 The Council has already had a number of approaches from developers and investors who would be interested in taking the site forward.
- 3.1.4 Cabinet will also be aware that a range of Council led strategies and programmes have been put in place throughout 2014 in the Town Centre to drive higher levels of visitors and expenditure. These include free parking, the Business Incentive Scheme, the opening up of Abington Street and the improvements to the public realm and the Borough Council is working with National Express to relocate evening coach services to the North Gate Bus Station later this year
- 3.1.5 The future development of Project Angel, FOUR Northampton and the University development will also bring around 19,000 potential new customers into the town centre within the next three years.

3.2 Issues

- 3.2.1 It is considered it is now the right time to bring forward the Greyfriars site in the midst of the town centre and which is in the ownership of the Council.
- 3.2.2 There is also a need to respond to and build on the results of the public consultation, which demonstrated that there is wide public support for a mixed use development on the site. As outlined at 3.1.2, the public supported such uses as: cultural, retail, leisure, transport hub, residential, commercial and community.
- 3.2.3 As was stated in 3.1.3 and 3.1.4, there is great potential for further retail/leisure development in Northampton town centre and the Borough Council has ambitions for a modern development which would attract a regional customer base.

3.2.4 One area of work which has recently commenced is a feasibility for a new improved facility for coaches to act as a small transport hub within the site to complement North Gate and replace the Victoria Street Coach Stop, to provide a more accessible and customer friendly point for coaches. It is suggested that the western island site would be the best location. The facilities at Victoria Street such as Bus Shelters and Toilets have been designed so they can be relocated elsewhere in the town.

3.2.5 It is suggested that we procure an overarching “concept plan”, which would provide the evidence base to be able to recommend to NBC the best mix of uses on the site. Another important part would be to properly define the “red line” around the development, so that all areas of opportunity could be included. Appendix 1 provides further information. A possible timetable for the Concept Plan would be:-

4 th March	Cabinet approves the commissioning of a Concept Plan.
End March 2015	NBC commences procurement process by invitation to tender.
End April 2015	Organisation selected to undertake concept planning.
End June 2015	Draft Concept Plan detail.
July 2015	Further Cabinet Report recommends the way forward.

3.2.6 A full tender specification will be written to attract a nationally significant company. Recommended expertise includes:

- Strong commercial experience of retail or leisure led developments;
- Strong credibility in the sector including experience of concept and master planning;
- Experience of working with mixed retail/leisure developers in a town centre environment;
- Ability to analyse and present complex metrics in a persuasive way;
- Good networks and the ability to effect introductions with senior retail managers;
- Experience of the funding and investment market to be able to recommend financial strategies;
- Ability to write a development brief.

3.3 Choices (Options)

3.3.1 **Do nothing:** not recommended, because the Greyfriars site would remain empty and derelict and Northampton would not benefit from development,

future business rates or additional retail spend. The reputation of the town centre would suffer a detrimental impact.

3.3.2 **Commission a full masterplan:** not recommended because this could produce too much of a prescriptive approach in terms of physical massing of buildings, when what is needed is a more flexible approach regarding the future mix of uses.

3.3.3 **Commission a concept plan:** recommended. This would produce a range of options based on evidence to permit NBC to be able to shape the best and most economically sustainable mix for the site.

4 IMPLICATIONS (INCLUDING FINANCIAL IMPLICATIONS)

4.3 Policy

4.3.1 Recommendations within this report are within current policies.

4.3.2 The development of Greyfriars is part of the 2012-2015 Corporate Plan and forms part of the “Northampton Alive” strategy and suite of projects.

4.4 Resources and risk

4.4.1 Suitable financial arrangements will need to be put in place to be able to commission and pay for the concept plan. Cost estimates are being sourced and these would be managed within existing budgets. With the exception of the initial survey work being commenced as stated at para 4.6, there will be no requirement to pay for any actual development to be undertaken in advance of the concept plan being approved at a future Cabinet.

4.5 Legal

4.5.1 There will need to be appropriate procurement, tendering and contracting arrangements put in place.

4.6 Equality and Health

4.6.1 This report is a progression from the earlier public consultation and the imminent demolition and clearance of the Greyfriars site.

4.6.2 Any option chosen from the concept plan will support the Council’s objective to promote equality and health. For example, the early feasibility work being carried out regarding transport (para 4.6 refers) will have a direct impact on public transport accessibility to the Town Centre for disabled and other vulnerable groups.

4.7 Consultation

4.7.2 As stated above, the results from the public consultation event in August 2014 are being taken into account, the recommendation in this report to commission a concept plan to provide the best mix of uses for the site. Alongside this, our work with commercial organisations who we met at BCSC has provided us with a wide range of experts in the retail/leisure field who have been advising us on appropriate ways forward.

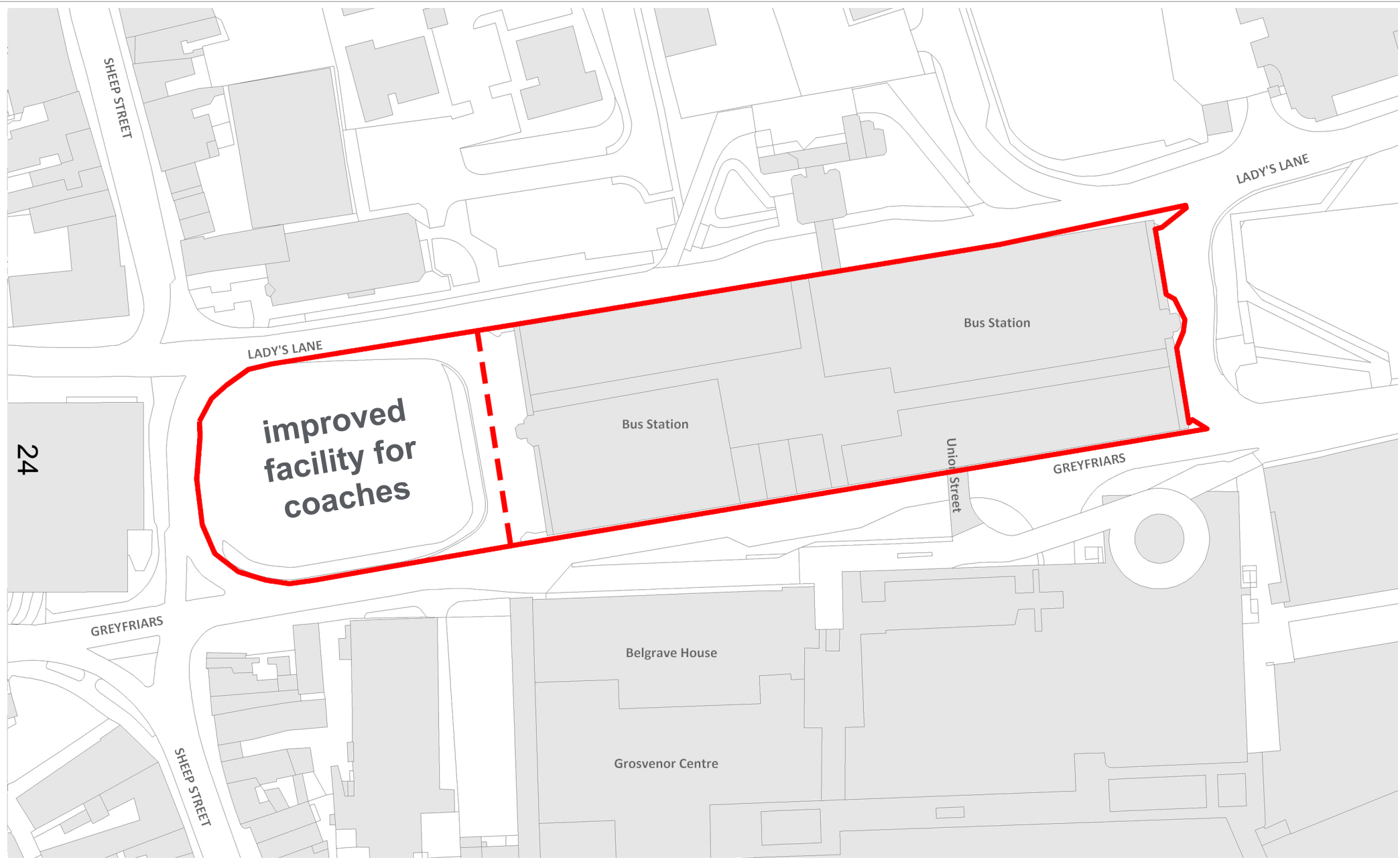
4.8 How the proposals deliver priority outcomes

4.8.2 Northampton Alive: A vibrant town.

5 BACKGROUND PAPERS

5.1 Appendix A shows the proposed site plan of the new improved coach facilities.

Steve Boyes
Director of Regeneration, Enterprise and Planning
Tel: 01604 837827



Name: **M Burgess**
 Date: **23rd February 2015**
 Scale: **1:1250 @ A4**
 Dept: **Planning**
 Project:

Title

Greyfriars - improved facility for coaches

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Appendices



NORTHAMPTON
BOROUGH COUNCIL

CABINET REPORT

Report Title	Northampton Waterside Enterprise Zone (NWEZ)
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AGENDA STATUS: PUBLIC

Cabinet Meeting Date:	4 March 2015
Key Decision:	No
Within Policy:	Yes
Policy Document:	No
Directorate:	Regeneration, Enterprise and Planning
Accountable Cabinet Member:	Cllr Tim Hadland
Ward(s)	Various

1. Purpose

- 1.1 To update Cabinet on progress made to date in the Northampton Waterside Enterprise Zone.
- 1.2 To recommend approval of capital investment to bring forward Enterprise Zone Infrastructure works.

2. Recommendations

- 2.1 Cabinet notes the progress made to date.
- 2.2 Cabinet approves additional budget of £428,971 to bring forward prioritised infrastructure works within the EZ. This is following a request made to the South East Midlands Local Enterprise Partnership EZ Board. This expenditure is forward funded by NBC from the New Homes Bonus Reserve and is to be repaid through uplift in business rates.

3. Issues and Choices

3.1 Report Background

- 3.1.1 Members will be aware that the Council was awarded Enterprise Zone status by the Government in October 2011, with provisions starting in April 2012. We are one of only 24 in the country. The EZ runs along the River Nene from Sixfields in the West over to Avon Nunn Mills in the East. It comprises 120 hectares of land which has the potential to create over 420,000 square metres of high quality commercial and industrial floor space.
- 3.1.2 The EZ has a 25 year masterplan agreed with Government, with set targets on the creation of new jobs and business investment. The initial target agreed with Central Government is for the Enterprise Zone to create at least 908 new jobs by 31 March 2015.
- 3.1.3 The EZ has an established Governance structure, key to managing the implementation of the sites and co-ordination of approvals process. The SEMLEP EZ Board are responsible for the strategic delivery of the Enterprise Zone.
- 3.1.4 The EZ Board has overall responsibility for the delivery of the EZ and includes representatives from Northampton Borough Council (NBC), Northamptonshire County Council (NCC), Department of Communities and Local Government (DCLG), SEMLEP, Northamptonshire Enterprise Partnership (NEP), HCA, University of Northampton and the private sector. The EZ Board reports to the SEMLEP Board and DCLG for monitoring purposes.

3.2 Progress to Date

- 3.2.1 The EZ is making significant progress and a 2014 DCLG report put Northampton Waterside Enterprise Zone in the top quartile (4th out of 24) for overall performance. The latest quarterly monitoring return, submitted to DCLG in January 2015, highlighted the following results:
- Since its establishment, companies in the EZ have created 762 new jobs and is on course to hit the target of 908 jobs by 31 March 2015;
 - Over £112m of private sector investment has been spent across the EZ, with more in the pipeline;
 - Nearly 24,000 square metres new floor space has been developed;
 - The EZ has attracted 12 new enterprises.
- 3.2.2 Progress on March 2015 committed projects has been good. All of the 6 projects that NBC committed to deliver under the early phase of the EZ programme, are either completed or on course to complete. Specifically:

- **Carlsberg (Site 20a)** – completed in March 2013. Development of new bottling plant, which created 67 new jobs, £25m private sector investment and 6,788 square metre new floorspace.
- **St Johns Student Accommodation (Site 19)** – Completed February 2014. Development of 400 high quality apartments. £24m private sector investment and 12,700 square metres new floorspace.
- **Northampton Castle Station (Site 12)** – Completed December 2014 and officially opened January 2015. £20m public sector investment, 2500 square metre new floorspace and 4 new retail enterprises. Final jobs numbers to be confirmed in the final quarter DCLG monitoring return in April 2015.
- **Cosworth (Site 11)** – NBC worked with DCLG, SEMLEP and the company to bring forward the development of a 5,800 square metre advanced manufacturing facility. The Council used its own borrowing powers to provide the land and build the facility, which it then leased back to Cosworth. The investment will create 70 new high skilled jobs and 15 apprenticeships, as well as establishing a new Centre of Excellence for Advanced Manufacturing. The new facility was officially opened by the Prime Minister on 18 February 2015.
- **Innovation Centre (Site 13)** – The University led project was completed in February 2015 and will serve as an incubator for up to 55 new businesses which support the social economy. It represents £8.5m private sector investment and will create up to 180 new jobs and 2,438 square metres new floorspace. The facility will be fully operational by April 2015.
- **St James Mill Road (Site 9/10/11)** – The Council have worked with the HCA to bring forward a Local Infrastructure Fund loan of £1.035m to improve the power supply to the estate. The loan agreement was finalised in January 2015 and works have commenced.

3.2.3 **The second phase of EZ delivery** takes a 5 year look beyond March 2015 and seeks to deliver the following prioritised projects, many of which are already underway:

- **St Peters Waterside (Site 13)** – Working with Kier, Lambert Smith Hampton and potential end occupiers, to develop the site to turn it into the commercial heart of the town. The site is capable of accommodating 20,000 square metres of floorspace and will create around 2,500 new jobs.
- **Castle Station Phases 2 and 3 (Site 12)** – Demolition of the old station is underway and should complete by the summer of 2015. Discussions are currently underway between NBC and Network Rail to bring forward a new multi storey car park in 2015. This will open up the land on which the existing car park is situated. A parallel piece of work is also ongoing between NBC and CBRE to determine the mix of development which would be relevant, appropriate and viable on this site.

- **Sixfields (Site 3e)** – Planning permission has recently been granted for a mixed use development to include single storey retail buildings, car parking, residential development up to 255 units, extension to the West Stand to form a conference centre and up to 100 bedroom hotel, along with landscaping.
- **University of Northampton (Site 21b)** – Remediation, site clearance and new infrastructure works are underway, as is the construction tender process. Detailed Planning permission was granted on 17 February 2015 and the project remains on course for opening in the academic year 2018. The £330m development will consolidate two out of town campuses and bring 14,000 students and 3000 members of staff into the town centre.
- **Vulcan Works (Site 17)** – Comprehensive redevelopment of the vacant Vulcan Ironworks building to create a hub for digital and creative businesses. SEMLEP has approved an allocation of Local Growth Fund for the financial year 2016/17 and NBC has made a separate application via NEP to the Public Works Loan Board in order to commence works in 2015/16. This project will deliver 50 new start-up businesses and create around 100 jobs and is scheduled to open in Summer 2017.
- **Edgar Mobbs Way (Site 7c)** – An agreement has been reached between the landowner, HCA and an end user.
- **St James Mill Road Link Road (Site 11)** – SEMLEP has agreed a contribution of £400k from the Growing Places Fund and £600k from the Local Growth Fund to construct a link road to the South of the St James Mill Road estate. Network Rail has confirmed the decommissioning of the track and NBC in partnership with NCC is working on designs which incorporate wider access issues.
- **First Bus Site (Site 5)** – Agreement has been reached with Churches Shoes for two sites and this investment will create nearly 9,500 square metres of new floorspace and over 300 new jobs in both skilled manufacture and warehousing. A planning application is expected shortly.
- **Albion Place Hotel (Site 18)** – Works have commenced on a new 105 bed Premier Inn, which is expected to complete in Autumn 2015, creating around 50 new jobs and 1,300 square metres of new floorspace.
- **Project Angel (Site 18)** – Construction has commenced on the new NCC headquarters which will consolidate around 2,000 jobs on site and create 27,000 square metres of new floorspace. Completion expected by the end of 2016.

3.3 Financial Model

- 3.3.1. A detailed Financial Model has been developed as an assessment of the estimated Business Rates Uplift income and the estimated infrastructure/development and administration costs that will need to be funded from that income. The Financial Model incorporates the costs of infrastructure necessary to enable the development of projects within the EZ where funding from Business Rates Uplift has been approved and where any funding has been secured.
- 3.3.2 Infrastructure costs can be advance funded from a variety of different sources and it may be possible to recover this (along with any interest incurred) from Business Rates Uplift. So far, £7m has been approved from SEMLEP's Growing Places Fund for St Peter's Black Lion Hill Roadworks for the Cosworth production facility (a total of £6.6m has now been drawn down) and £400k for the St James Mill Road Link. £1.035m loan has been approved from the HCA's Local Infrastructure Fund. As well as this, associated Administration costs and Marketing have also been agreed.
- 3.3.3 The SEMLEP EZ Board requires all individual requests for advance funding to be approved and the 11 December 2014 EZ Board included a list of requests to be incorporated into the Financial Model (see table below).
- 3.3.4 The Financial Model is kept updated on an ongoing basis.

4. Request for Advance Funding on the Assumption of Business Rates Uplift

- 4.1 As more projects are brought forward for development (see the comprehensive list at 3.2), then it will be essential to use assumed Business Rates Uplift to advance fund essential infrastructure costs. Without this facility, it is unlikely that current momentum will be maintained and it will not be possible to meet Government targets or NBC economic aspirations.
- 4.2 At the 11 December 2014 EZ Board, the following projects were brought forward for approval to be incorporated into the Financial Model:

Item	£
<u>Survey and Technical Works – Vulcan Works</u> A range of Construction Specialists including Architects, QS, M&E, Surveyors, Engineers, Project Management	280,000
<u>St James Mill Road</u> Early decommissioning of the railway lines	25,000
<u>Feasibilities</u>	50,000

Early development feasibility for LGF	
<u>Green Infrastructure</u>	10,000
Contribution to desktop survey for an EZ Green Infrastructure Strategy	
Additional Administration Costs	26,425
Additional Legal Advice	34,000
Additional Business Rates Cost	3,546
Total	428,971

4.3 It is recommended that Cabinet approves the additional advance funding from assumed uplift in Business Rates.

5. Choices (Options)

5.1 Do Not Approve Additional Advance Funding:

This would have the immediate impact of NBC and partners being unable to bring forward development projects and thus meet future DCLG job targets and NBC's own economic aspirations. Not recommended.

5.2 Approve Additional Advance Funding:

This will allow new projects to be brought forward more quickly. It also provides a new model of public/private sector project development which was utilised to build the Cosworth facility and which has been singled out for praise by the Prime Minister, Secretary of State, DCLG and DCLG Senior Officials. Recommended option.

6. Implications (including Financial Implications)

6.1 Policy

6.1.1 This report is within policy, as the EZ is both an NBC Corporate and a SEMLEP priority.

6.2 Resources and Risk

6.2.1 Financial implications: the financial implications are managed and reviewed on an ongoing basis through the Financial Model.

6.3 Legal

6.3.1 This recommendation is in line with NBC's Memorandum of Understanding with SEMLEP.

6.4 Equality and Health

6.4.1 Successful delivery of the EZ will improve the economic health of Northampton and will provide long term sustained job prospects for residents.

6.5 Consultees

6.5.1 Cllr Tim Hadland (Cabinet Member for Regeneration, Enterprise & Planning), Glenn Hammons (Chief Finance Officer) and Francis Fernandes (Borough Secretary) have been consulted.

6.6 How the Proposals Deliver Priority Outcomes

6.6.1 Delivers against Corporate Plan priority Northampton Alive – A Vibrant Town.

6.7 Other Implications

6.7.1 None

7. Background Papers

7.1 None

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(Ext 8531)

Appendices
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NORTHAMPTON
BOROUGH COUNCIL

CABINET REPORT

Report Title	Strategic Acquisition of Land and Buildings
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AGENDA STATUS: PUBLIC

Cabinet Meeting Date:	4 th March 2015
Key Decision:	Yes
Within Policy:	Yes
Policy Document:	No
Directorate:	Regeneration, Enterprise & Planning
Accountable Cabinet Member:	Regeneration Enterprise and Planning - Cllr Tim Hadland
Ward(s)	Eastfields

1. Purpose

- 1.1 The purpose of this report is to seek the authority of Cabinet to the principle of the acquisition of land and property to facilitate redevelopment for housing.

2. Recommendations

- 2.1 That Cabinet approve the principle of the acquisition by this Council of the freehold interest in the property in Northampton to bring forward additional housing.
- 2.2 That Cabinet delegate to the Director of Regeneration Enterprise and Planning the power to approve suitable terms of the acquisition in consultation with the Cabinet Member for Regeneration Enterprise and Planning subject to full due diligence
- 2.3 That Cabinet approves the inclusion in the Council's Housing Revenue Account (HRA) Capital Programme for 2015/16 of funding up to £750,000 to support the acquisition subject to further investigation, due diligence and production of the business case.

3. Issues and Choices

3.1 Report Background

- 3.1.1 The Council wishes to see a property brought forward for development to support the housing need for additional good quality homes in the Borough and improve the standard of accommodation in the locality. In particular, the opportunities for a scheme of sheltered housing. The opportunities for this would be maximised with the demolition of the existing structure to make way for a development to provide better quality sustainable homes potential for older persons .The development would include off road car parking to the rear of the new updated structure that will serve to enhance the appearance and setting in the locality and ease traffic issues for local residents. If these proposals did not progress the site could be developed for alternative accommodation.
- 3.1.2 Terms have been provisionally agreed between an owner of the suitable property and the Council for a purchase of the property with vacant possession. The purchase terms will reflect the additional worth of the property to the Council as a strategic landowner.

3.1 Issues

- 3.1.1 The property is the subject of a recent planning application for conversion to residential use. The proposal is to convert the existing structure. It has been vacant for some time and has lacked maintenance. It is generally in poor condition and has been subject to some internal alteration which may not meet current regulations. Prior to any potential re-development of the property the Council would need to be demolish the existing structure.
- 3.1.2 The position of the Council, as a neighbouring owner and as strategic housing authority, means that the price able to be agreed may above the market value of the property to other potential buyers. This will be to reflect the strategic importance of the purchase to the Council. The property has not been advertised for sale and this would be an 'off market' purchase that would need to be completed swiftly.

3.3 Choices (Options)

- 3.3.1 The Council could choose not to purchase the property. The opportunity for the Council to re-develop the plot to support wider Council objectives would be lost. The property is situated in a prominent position that is highly visible and might continue, for a number of years, to deteriorate and become even more functionally obsolescent. It may, at appeal, succeed in obtaining planning consent for conversion to residential use that would see the existing structure retained which is likely to provide lesser quality accommodation for potential occupiers. In this situation traffic and other issues may also be exacerbated. It is possible that another private sector developer would seek to acquire the

premises instead, but there can be no certainty of this and in particular of the timing of that.

- 3.3.2 The Council could choose to purchase the property for re-development. This would offer a number of different opportunities for the Council to bring forward positive development to support housing initiatives. The Council would though have to pay in excess of what other parties may have been willing to pay for it, were the present owners to offer it to the general market for sale with vacant possession and suitable planning permission.

4. Implications (including financial implications)

4.1 Policy

- 4.1.1 There are none specifically.

4.2 Resources and Risk

- 4.2.1 **Capital:** The purchase of the property would be included in the 2015/16 Housing Revenue Account (HRA) capital program. If the property were to be directly re-developed by the Council for the delivery of housing needs, then a specific business case would need to be made for that use. If the property were to be disposed of subsequently by this Council, subject to intervening movements in the general property market in Northampton, it is unlikely that the full sum provisionally agreed for the property would be recoverable from another purchaser.

- 4.2.2 **Revenue:** The property generates no income at present. There would be some limited revenue costs in holding the property post acquisition, pre development. The business case for redevelopment will be drawn up, fully costed and put through the Council's HRA Business Plan working in conjunction with Northampton Partnership Homes (NPH), taking into account the any potential impact on the Councils' Asset Management Strategy.

- 4.2.3 **Risk:** The Council could be exposed to net holding costs associated with the vacant property. There may be a need to address potential vandalism issues before demolition is completed. It may not be possible to obtain a planning permission for alternative residential accommodation suggested in this report, although the property is located in a predominantly residential area.

4.3 Legal

- 4.3.1 The Council would need to exercise due diligence in completing any purchase. The acquisition of property at above its market value is within the general powers of competence of the Council, to support its wider objectives.

4.4 Equality

- 4.4.1 There are none specifically. The property is not presently open to the general public and is unoccupied.

4.5 Consultees (Internal and External)

- 4.5.1 The property would remain as it is now for the short term, Ward Councillors, NPH and other consultees would be consulted when more detailed proposals for the re-development of the property were formulated. Local people would be able to comment on any planning application that might be made.

4.6 How the Proposals deliver Priority Outcomes

- 4.6.1 The assembly of property interests within the Borough is consistent with the Council's strategy. It would help to bring forward and support development opportunities, which can enhance economic activity, support growth and provide much needed additional housing within the Borough.

4.7 Other Implications

- 4.7.1 There are none specifically.

5. Background Papers

None

**Adrian Daniell,
Principal Estates Officer,
0300 330 7000**