

Appendices: 1



NORTHAMPTON
BOROUGH COUNCIL

CABINET REPORT

Report Title	PARTNERSHIP WITH NORTHAMPTON'S MAJOR SPORTS CLUBS
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AGENDA STATUS: PUBLIC

Cabinet Meeting Date:	15 th July 2015
Key Decision:	NO
Within Policy:	YES
Policy Document:	NO
Directorate:	Chief Executive
Accountable Cabinet Member:	Councillor Markham
Ward(s)	Parklands, St. James

1. Purpose

- 1.1 To update Cabinet on work with Northampton Saints RFC and Northampton Town FC, with associated recommended actions, and to recommend support to Kings Park for development to improve facilities.

2. Recommendations

Cabinet are recommended to:

- 2.1 Delegate to the Chief Executive in consultation with the Leader of the Council the authority to take such actions as may be required to ensure that the Council's position is protected in relation to Northampton Town FC.
- 2.2 Agree the continuation of the Love Saints, Love Northampton promotional partnership to promote Northampton and Northampton Alive in partnership with the Saints as outlined in Appendix A.
- 2.3 Delegate to the Director of Regeneration, Enterprise and Planning in consultation with the Leader of the Council the allocation of £70,000 as part

funding for the expansion of the conference facilities at Kings Park, and associated agreement of grant terms.

3. Issues and Choices

3.1 Report Background

3.1.1 The Cabinet had previously decided to support the major sports clubs in the Borough, and has taken a number of key decisions to support Northampton Town FC and Northampton Saints RFC. This has included loaning funds to both clubs to carry out stadium and related development.

3.1.2 The stadium development at Franklins Gardens is progressing well and is expected to be complete in the autumn.

Northampton Town FC

3.1.3 The stadium development at Sixfields has been the subject of contractual disputes between Northampton Town Football Club and third parties, and between third parties. As a result, whilst works have been carried out within the West Stand and refurbishment works have been carried out elsewhere in the Stadium, the East Stand is currently only partly completed.

3.1.4 The development around Sixfields, which is due to generate a receipt to the council, has been approved by the Planning Committee and the Secretary of State. The progression of the development depends on the meeting of requirements under the land transfer agreement with County Developments (Northampton) Limited, and these are currently the subject of ongoing discussions between CDNL and officers. The Council currently retains its freehold interest in this land.

3.1.5 The Chairman of Northampton Town FC has recently announced that he has agreed heads of terms for the sale of a controlling interest in the Football Club.

Love Saints, Love Northampton

3.1.6 In 2013, the Council entered into a partnership with Northampton Saints RFC to promote Northampton and Northampton Alive through partnership activity which brings together the internationally renowned brand of the Saints and the Love Northampton and Northampton Alive promotional programmes aimed at bringing more visitor trade and also more investment to Northampton.

3.1.7 This programme has enabled the Council to promote local visitor attractions, local businesses, and in particular the leisure and hospitality sectors to visiting fans. Local businesses have joined in including providing incentives to Saints and visiting supporters. It has also enabled the Council to promote development opportunities in the town and to influence those in key decision-making roles in investors to see opportunities in Northampton positively. The Love Saints Love Northampton partnership has been key to developing the

relationships necessary to develop trust and commitment and enable regeneration.

Kings Park Conference and Sports Centre

- 3.1.8 The Kings Park Conference and Sports Centre in Parklands ward provides sports facilities at Benham Sports Centre, and at the Kings Park Tennis Centre, along with the Kings Park Conference Centre, and support the development and learning of all ages but with a particular emphasis on young people through Northamptonshire Association of Youth Clubs which is based there and Action Centres UK. It also hosts the Northampton Trampoline Academy.
- 3.1.9 The Centre provides for a wide range of sporting activities including climbing, trampolining, tennis, and the full range of sports hall activities. It also has significant spectator capacity.
- 3.1.10 Because of the connection between the conference facilities, accommodation, and sports facilities, the Centre can run activity weekends for young people and host other major events of regional and sometime national importance. It has 12 Olympic sized trampolines. The Centre competed to be an Olympic training facility and as a result hosted Team Japan and Team Australia's trampoline gymnasts as a pre-Olympic training base for London 2012.
- 3.1.11 The Centre has a need to extend its conference facilities to enable them to continue to operate at this high level and to seek further income to support its activities. The Centre has a good track record of raising its own funds and has raised over 75% of the funding needed to carry out this extension.

3.2 Issues

Northampton Town Football Club

- 3.2.1 The current position with regard to Northampton Town FC has been reported at length in the local media. Announcements made by the Chairman of the NTFC state that he is in the process of selling a controlling interest in the Football Club to a consortium.
- 3.2.2 The Council has requested a meeting with appropriate representatives of the consortium and assurances received that a meeting will take place imminently. However at the time of writing this report the date and time of the meeting had not been agreed. A further update will be provided if possible at the Cabinet meeting.
- 3.2.3 The sale of a controlling interest in NTFC does not change the position with regards to the liability of NTFC to repay the loans advanced to them by the Council. Any change in control will impact on provisions in the facility agreements and officers will take the appropriate actions to protect public funds. Officers are taking steps to ensure that this is understood by all parties.
- 3.2.4 The works to the East Stand at Sixfields have yet to be completed and comments by the Chairman of the Football Club in the local media suggest

that if the consortium buys the Club then their intention would be to review the position with regard to these works. Officers have yet to discuss this with the consortium.

- 3.2.5 Clearly this is a rapidly developing position in which steps will be required to be taken through discussions with the consortium and NTFC and their representatives. It is therefore proposed that Cabinet delegates to the Chief Executive in consultation with the Leader of the Council the authority to take such actions as may be required to ensure that the Council's position is protected in relation to Northampton Town FC.

Love Saints, Love Northampton

- 3.2.6 Discussions have taken place between officers and the Saints to establish the proposed programme for 2015/16 and this is attached in Appendix A. The programme puts greater emphasis on those elements of the partnership which have most impact on attracting visitors, promoting local business, and developing investor and developer relationships.
- 3.2.7 The brand of the Saints is a major asset to Northampton and it is positive that the Saints wish to see their brand used to also promote opportunities for the town.
- 3.2.8 It is proposed that Cabinet agrees the continuation of the Love Saints, Love Northampton promotional partnership to promote Northampton and Northampton Alive in partnership with the Saints as outlined in Appendix A.

Kings Park Sports and Conference Centre

- 3.2.9 Kings Park have raised £230,000 towards the development of enhanced conference facilities at a total cost of £300,000. This involves the conversion of underutilised leisure space, and will enable the centre to provide better facilities both for youth weekends and general learning and also for commercial hire to develop income to support the work of the Centre overall. The Centre states that:

3.2.10 *“There is now an urgent need to provide a large conference hall to meet the growing numbers wishing to attend leadership training conferences. Our bedroom capacity is now 196 guests and our conference halls will accommodate 120 and 40. Many groups are now wishing to bring larger numbers and are looking for a higher standard of facilities such as air conditioning and I.T. equipment.*

3.2.11 *Our proposal is to open up the redundant squash courts which would create a conference hall 21.1 metres by 11.6 metres to seat at least 200 in comfort. The addition of a third venue would enable us to take larger groups and up to 3 groups at the same time thus maximising the use of the bedrooms. The proposal also includes adding a conservatory entrance and a covered link to the conference centre.*

3.2.12 *The total cost of the new facilities and refurbishing is £300,000.*

3.2.13 *Towards this £80,000 has now been raised from donors plus a further £100,000 from The Bernard Sunley Charitable Foundation and £50,000 pledged from Kirby Laing Foundation. Leaving a further £70,000 yet to raise.*

3.2.14 *In addition to providing facilities for 20,000 people, mainly in positions of leadership from over 300 different charitable organisations each year, the purpose of expanding King's Park has been to increase the annual surplus of the conference centre to pay for 4 Youth Club Area Development Workers. These workers have been funded in the past few years by the County Council and have done a wonderful job in starting 185 new youth clubs and are currently working with over 400 in total county wide.*

3.2.15 *At the official opening of King's Park in June 1990, Her Majesty Queen Elizabeth, the Queen Mother said 'I can think of no more important task than the training of voluntary youth leaders who in their turn can influence for good the lives of tens of thousands of young men and women, for the future of this country lies very much in their hands.'* “

3.2.16 The business plan for the Centre shows a surplus, which can be used to develop the work of the Centre. The Conference Hall will also be available for some additional sports activities when not used for conferences, including fencing and archery.

3.2.17 It is proposed that Cabinet delegates to the Director of Regeneration, Enterprise and Planning in consultation with the Leader of the Council the allocation of £70,000 as part funding for the expansion of the conference facilities at Kings Park, and associated agreement of grant terms

3.2.18 The funding for this proposal will come from a combination of underspend in the capital programme and section 106 finance at the discretion of the Director.

3.3 Choices (Options)

3.3.1 In relation to Northampton Town FC, the Council is in a contractual relationship with NTFC and related parties and must operate within that framework as advised above.

3.3.2 In relation to the Love Saints, Love Northampton partnership the Council could reduce its support to this partnership but it would lose the benefits of this relationship in terms of visitors, business and development.

3.3.3 In relation to Kings Park Sports and Conference Centre, the Council could decide not to support this financially, which could cause delay or non-completion of the Centre's proposal, losing the outcomes mentioned above.

4. Implications (including financial implications)

4.1 Policy

4.1.1 There are no new policy implications

4.2 Resources and Risk

- 4.2.1 The funding for Love Saints Love Northampton will be met from funding set aside for economic development and business support and will be £100,000 for 2015/16.
- 4.2.2 The funding for Kings Park Sports and Conference Centre will be £70,000 to be met from funds within the capital programme or Section 106 funds.
- 4.2.3 The costs of necessary discussions with Northampton Town FC will be met from existing budgets or contingency reserves. These cannot currently be estimated. There are currently no other financial implications.
- 4.2.4 The situation at Northampton Town Football Club may present risks to the Council and the handling of these, as they arise, will be in line with the agreed contractual arrangements between the parties involved.

4.3 Legal

- 4.3.1 As above, matters relating to Northampton Town Football Club will be managed in line with the existing contractual arrangements and with all necessary legal advice.

4.4 Equality and Health

- 4.4.1 The development at Kings Park will increase opportunities particularly for young people.

4.5 Consultees (Internal and External)

- 4.5.1 Appropriate officers and the Leader of the Council have been consulted in preparing this report.

4.6 How the Proposals deliver Priority Outcomes

- 4.6.1 This report furthers the Council's commitment to work with and support major sports clubs within the Borough

4.7 Other Implications

- 4.7.1 Nothing additional to report.

5. Background Papers

- 5.1 Kings Park Sports and Conference Centre Octagon Proposal 30th March 2015

David Kennedy, Chief Executive, extension 7726

APPENDIX A: PARTNERSHIP AGREEMENT

DATED: 2015

PARTIES:

- (1) **NORTHAMPTON BOROUGH COUNCIL** of Guildhall, Northampton NN1 1DE (“NBC”)
- (2) **NORTHAMPTON RUGBY FOOTBALL CLUB LTD** (Company number: 3139409) of Franklin’s Gardens, Weedon Road, Northampton, NN5 5BG (“the Club”).

WHEREAS:

- (A) NBC wishes to have the support and co-operation of the Club in order; a) to attract supporters of opposing clubs to visit and stay in Northampton around the Club’s Home Games; b) to promote Northampton to the Club’s supporters who live outside Northampton; and c) to promote Northampton and its Enterprise Zone generally.
- (B) The Club has agreed to grant NBC the Rights set out below on the terms and conditions set out in this Agreement.

IT IS AGREED AS FOLLOWS:

1. DEFINITIONS

1.1. In this Agreement the following terms shall have the meanings set out below:

“**Club Logo**” means the logo attached at schedule 1 or such other logo as may be substituted therefore by the Club.

“**Composite Logo**” means the logo attached as Schedule 3 or such other logo as substituted therefor by the parties to this Agreement.”

“**Force Majeure**” means fire, flood, unavoidable accident, breakdown of equipment, riot, Act of God, enactment of an Act of Parliament, a cause or event arising attributable to war or any other event outside the reasonable control of the parties.

“**Ground**” means the Club’s ground situated at Franklin’s Gardens or at any other stadium substituted by the Club therefore, including but not limited to all bars, hospitality suites, surrounding areas and car parks directly controlled by the Club.

“**Home Game**” means any competitive rugby game played by the first team of the Club at the Ground.

“**Rights**” means the rights set out in clause 4 of this Agreement.

“**Promotion Fees**” means the fees payable by NBC as described in clause 3.1 (as may be adjusted in accordance with the remainder of clause 3).

“**NBC Logo**” means either the logos attached at schedule 2 or such other logo as may be substituted therefore by NBC.

“**Term**” means the period 1 July 2015 to 30 June 2016.

“**Year**” means each 12 month period commencing 1 July during the Term.

2. TERM AND RIGHT OF FIRST NEGOTIATION

2.1 This Agreement is exclusive to the parties and shall have effect for the Term, unless terminated earlier in accordance with the provisions of this Agreement.

- 2.2 Provided this Agreement has not been terminated, the parties to this Agreement agree to enter into good faith negotiations during the period 1 February 2016 to 31 March 2016 to negotiate a new agreement on market terms acceptable to both parties. In the event that terms of a new agreement have not been agreed by 1 April 2016 the Club will be free to negotiate and enter into a similar sponsorship agreement with a third party.

3 PROMOTION FEE & PERFORMANCE BONUS

- 3.1 In consideration of the Club undertaking to provide NBC with the Rights set out in this Agreement, NBC agrees, subject to the terms of this Agreement, to pay the Club £100,000 (one hundred thousand pounds) as a Promotion Fee.
- 3.2 The Promotion Fees shall be paid in four equal instalments on 1 August, 1 November, 1 February and 1 April during the Term.

4. RIGHTS

- 4.1 In consideration of the payment of the Promotion Fee, the Club hereby grants to NBC the following Rights during the Term:
- 4.1.1 The right to refer to the Club as a “Partner” and/or “Love Northampton Ambassador”. NBC shall have the right to use such designation, the Club Logo and/or Club Name and the images of players and staff in their capacity as players and staff of the Club in all advertising, marketing and promotional materials. NBC agrees that such advertising, marketing and promotional materials shall not be detrimental to the image of the Club in any way. NBC acknowledges that except for any rights conferred on NBC under this Agreement the Club Logo shall remain the exclusive property of the Club.
 - 4.1.2 The right to incorporate an NBC communication into two printed or electronic communications by the Club to its supporter base. All additional third party costs will be the responsibility of NBC provided they have been agreed in advance.
 - 4.1.3 Subject only to permission by the competition organisers, the right to promotional opportunities at European Rugby Champions Cup matches played at the Ground.
 - 4.1.4 The right to a visitor information stand at Home Games.
 - 4.1.5 The right to have the Composite Logo displayed on the Club’s official media backdrop.
 - 4.1.6 The right for the NBC Logo to appear on the front cover of all official Club programmes for each Home Game.
 - 4.1.7 The right to a full page advertisement in each edition of the Club’s programme at each Home Game.
 - 4.1.8 The right to have a 10 second long NBC advertisement displayed on the Club’s Big Screen 6 times at each Home Game.
 - 4.1.9 The right to have a NBC Promotional article displayed on the Club’s internet website and, at NBC’s cost, to establish a hotlink between NBC’s website and the Club’s official website.
 - 4.1.10 The right for NBC to enjoy hospitality for 10 guests in the Directors’ Lounge at two Home Games.
 - 4.1.11 The right to request the involvement of Club directors and players in promotional activity, including but not limited to attending special functions and meeting invited guests. NBC shall give the Club as much notice as possible and the Club shall respond to all requests in good faith but it is acknowledged that the Club shall put playing commitments and player welfare requirements as priority over non-playing appearances.

- 4.1.12 The right to have the Club distribute a NBC promotional leaflet to its supporter base and to visiting clubs for the purpose of encouraging its supporters to visit Northampton on Home Match days.
 - 4.1.13 The right to host a private lunch, dinner or function on non-matchdays for a select party including Saints players and directors at cost only.
 - 4.1.14 The right to promotional opportunities with and through the Club's supporters travelling under the Club's arrangements to matches played at away grounds in the European Rugby Champions Cup competition.
 - 4.1.15 The right to 40 match tickets free of charge at a Home Game of the Club's choice for the use of such guests as approved by the Club.
 - 4.1.16 The right for the Club to manage a Community Spirit of Rugby Award on NBC's behalf and under NBC's brand sponsorship and to enjoy hospitality for a table of 10 guests at the Club's End of Season Player Awards Dinner at which the Award shall be presented.
 - 4.1.17 The right to have up to 4 conference and meeting rooms made available at no hire charge provided that NBC shall meet all catering and other costs incurred by the Club in hosting such functions.
- 4.2 NBC acknowledges that the Club may be contractually obliged to deliver a 'clean stadium' (free of branding) or otherwise be restricted in delivering certain rights from time to time by the organisers of any competition in which the Club may participate and further acknowledges that such contractual obligations shall not constitute a breach of this Agreement.

5. CLUB OBLIGATIONS

The Club represents, warrants and undertakes to NBC:

- 5.1 That it has and will continue to have full authority to enter into this Agreement and to undertake all of the obligations on its part contained herein.
- 5.2 That the Club will endeavour to play its designated home fixtures in the Aviva Premiership and European Rugby Champions Cup pool rounds at the Ground.
- 5.3 That all press releases to the media directly involving NBC shall be agreed in advance by NBC.
- 5.4 That it shall take all responsible steps to ensure that the Club and its officials and players will uphold the good name, image and reputation of NBC and the town of Northampton and shall not make any defamatory or derogatory statements or engage in conduct which is likely to bring into disrepute the name and/or image and/or reputation of either.

6. TERMINATION

- 6.1 Either party may, without prejudice to any other rights or remedies which may arise pursuant to this Agreement or otherwise, terminate this Agreement forthwith by giving written notice to the other party in the event that the other party commits a material breach of this Agreement and, in the case of such breach being capable of remedy, does not remedy such breach within 30 days of being given notice in writing specifying the breach and requiring its remedy.
- 6.2 Either party may terminate this Agreement forthwith by notice in writing to the other if:
 - 6.2.1 The others enter into liquidation or dissolution otherwise than for the purpose of an amalgamation or reconstruction.
 - 6.2.2 The other ceases to carry on business, has a receiver or administrator appointed over all or any part of its assets or undertaking, or enters into any compromise arrangement with its creditors.

7. NOTICE

- 7.1 Any notice to be received under this Agreement shall be in writing and served either by hand or by first class post or by facsimile and shall be deemed served 48 hours after posting if sent by post, on delivery if delivered by hand and on completion of transmission if sent by facsimile.
- 7.2 For the purpose of clause 7.1 the parties' contact details are
 - 7.2.1 Northampton Borough Council, Guildhall, Northampton NN1 1DE for the attention of the Chief Executive or such person as NBC may notify the Club from time to time.
 - 7.2.2 Northampton Rugby Football Club Limited, Franklin's Gardens, Weedon Road, Northampton, NN5 5BG, for the attention of Allan Robson or such other person as the Club may notify NBC from time to time.

8. FORCE MAJEURE

- 8.1 If an event of Force Majeure occurs which is outside the reasonable control of a party, then the party prevented from complying with its obligations shall give immediate notice of the Force Majeure event to the other party in writing setting out the consequences or likely consequence thereof.
- 8.2 In the event that either Party is prevented from complying with any or all of its obligations under this Agreement by a Force Majeure event it shall take all reasonable steps to minimise the consequences of such Force Majeure event.

9. CONFIDENTIALITY

Except as otherwise agreed in writing the parties agree to keep all terms of this Agreement strictly confidential at all times, subject to any disclosure which may be required by the law.

10. ENTIRE AGREEMENT

- 10.1 This Agreement contains the entire agreement of the parties with respect to the subject matter of this Agreement and cancels and supersedes all prior agreements between the parties.
- 10.2 This Agreement shall not be amended, modified or supplemented except in writing signed by duly authorised representatives of the parties.

11. WAIVER

Failure of the either party at any time to demand strict performance by the other of any of the obligations herein shall not be constituted as an ongoing waiver and each party may at any time demand strict and complete performance by the other of its obligations.

12. JURISDICTION

The construction, validity and performance of this Agreement shall be governed in all respects by English law and the parties hereby submit to the exclusive jurisdiction of the English courts with regard to any claim or matter arising in connection with this Agreement.

Signed for and on behalf of
NORTHAMPTON BOROUGH COUNCIL	David Kennedy, Chief Executive

Signed for and on behalf of
NORTHAMPTON RUGBY FOOTBALL CLUB LTD	Allan Robson, Chief Executive

SCHEDULE 1

“CLUB LOGO”

THE CREST



NAME LOGO

**NORTHAMPTON
SAINTS**

THE STICKMAN



SCHEDULE 2

“NBC LOGO”



SCHEDULE 3

“Composite Logo”



