

NORTHAMPTON BOROUGH COUNCIL
OVERVIEW & SCRUTINY COMMITTEE

Wednesday, 12 July 2017

COUNCILLORS PRESENT: Councillor Jamie Lane (Chair); Councillor Graham Walker (Deputy Chair); Councillors Brian Sargeant, Tony Ansell, Jane Birch (substitute for Councillor Gowen), Vicky Culbard, Janice Duffy, Matt Golby (substitute for Councillor Alan Bottwood); Dennis Meredith, Cathrine Russell, Sam Kilby-Shaw and Brian Oldham (substitute for Councillor Christopher Malpas), Zoe Smith

CALL-IN AUTHORS: Councillors Danielle Stone and Julie Davenport

INTERNAL WITNESSES Councillor Jonathan Nunn, Leader of the Council
Councillor Tim Hadland, Cabinet Member, Regeneration, Planning and Enterprise
Ian Gray, Interim Director, Regeneration, Planning and Enterprise
Paul Walker, Head of Economic Development
John Dale, Head of Economic Development
Chris Randall, Strategic Finance Business Partner

OBSERVING Councillor Alan Bottwood
Councillor Stephen Hibbert
Councillor Anna King
David Kennedy
Gary Youens

PUBLIC Mick Ford
Jess Thompson
Paul Dyball

OFFICERS Francis Fernandes, Borough Secretary
Tracy Tiff, Scrutiny Officer

1. APOLOGIES

Apologies for absence were received from Councillor Christopher Malpas (Councillor Bottwood substituted) and Alan Bottwood (Councillor Golby substituted) and Councillor Elizabeth Gowen (Councillor Birch substituted).

2. DEPUTATIONS/PUBLIC ADDRESSES

There were none.

3. DECLARATIONS OF INTEREST (INCLUDING WHIPPING)

There were none.

4. CALL IN OF CABINET DECISION OF 21 JUNE 2017: ITEM 8: DELAPRE ABBEY RESTORATION PROJECT

Upon the advice of the Borough Solicitor and Monitoring Officer, this Call-In request had been through the appropriate channels and it was confirmed that procedure had been followed. The Call-In Authors, Councillors Danielle Stone and Julie Davenport, would be invited to expand upon their reasons for concern, following which the Overview and Scrutiny Committee would question the Call-In Authors.

Councillor Jonathan, Leader of the Council, Councillor Tim Hadland, Cabinet member for Regeneration, Planning and Enterprise, would be invited to give evidence and respond to the Overview and Scrutiny Committee's questions. The Cabinet Members would be asked to give their reasons for their recommendations or advice. A questions and answer session would follow.

The Call-In Authors would then be given the opportunity to add any points of clarification before any resolution or recommendation be moved.

The Chair would then sum up the findings regarding the Cabinet decision. If there were still concerns, the Chair would lead in determination of the recommendation with reasons for consideration by Cabinet. At the conclusion of the debate and following responses to all matters raised, the Chair will ask the Committee to vote to determine whether or not it would uphold the decision of Cabinet.

Councillor Danielle Stone, Call-In Author, and Councillor Julie Davenport addressed the Committee and expanded upon their reasons for Call-In: -

Key points:-

Councillor Stone commented:

- The Call In had been raised regarding how the decision had been made for the additional capital expenditure of £490,000 and queried how this figure had been arrived at. There is a need for good governance and good management in decision making. The Call In Authors felt that there had been inadequate management control and queried what management controls are in place.
- The Call In Authors were concerned why costs were climbing for the restoration of the Abbey and queried why the project had been overspent.
- There is a need for proper checks to ensure the Project is value for money. Councillor Stone referred to the Committee to the Call In that detailed the recent history of the additional capital costs approved by Cabinet. There had been an additional £2 million allocated to the project.
- Councillor Stone queried whether the Delapre Abbey Preservation Trust (DAPT)'s business case had been revised, and if so how many times? She went on to query what consultation had been undertaken.
- Concern was raised regarding the health and safety requirements; Councillor Stone commented that health and safety should be present in all project plans. She

queried whether the initial safety audit was adequate. Councillor Stone referred to the Consultants that had been engaged to produce the Funding Plan for the Project. Its cost had been around £20,000. None of the strategies proposed by the Consultants had been implemented.

- The project is still in Phase 1 but this further expenditure relates to Phase 2.
- Councillor Stone asked for responses to the following questions:
 - Whether there had been revisions to the Business Plan
 - Information regarding income generation vs bookings and the percentage of profit expected
 - How the spend had been scrutinised
 - How the Risk Register for the Project is being monitored
 - What input the accountants have had regarding the accounts for the Project and whether it is value for money

Councillor Davenport commented:

- The Labour Group is not against the restoration of Delapre Abbey but the call in is in respect of the management of the Project. The Project could have been better managed.
- The public want to know why DAPT have not raised any funds so far and why the Borough Council is having to fund it. Why is the Council not loaning money to DAPT.
- The Call In Authors have not had sight of the Business Plan, Implementation Plan or other Plans
- Councillor Davenport queried what consultation had taken place.
- Councillor Davenport queried why the additional sum of £490,000 had not been foreseen back in February 2017
- Councillor Davenport advised of the poor condition of the Lodge and this was included within Phase 1 of the Project. The Apple Store had not been refurbished either.
- The car park had hosted a number of events already but the condition of the Lodge lets the Project down.
- The public needs an explanation how this money is spent.

The Committee asked questions the Call-In Authors:

- In response to a question about the Call In Authors' biggest fear about the Project, the Call In Authors advised that this was in respect of lack of proper, robust project management.
- In answer to a query, the Call In Authors confirmed that they were not against the Project but there is a need to assure the public that it is a value for money Project.
- The Call In Authors commented that the Trust will be making a profit and therefore why have they not been offered a loan rather than funding.

Councillor Jonathan Nunn, Leader of the Council, provided evidence, key points:

- In response to the three reasons for Call-In, Councillor Nunn advised that a Risk Register for the Project exists. All such information is readily available and can be provided to Councillors if asked for.
- Discussions about the additional budgetary requirements took place with the Heritage Lottery Funding (HLF) and assured that project is financially sustainable.
- Project Management of the Project is sound. Paragraph 3.2.5 (Regulatory and Safety Requirements) of the Cabinet report of 21 June 2017 provides details.
- Since the opening of the Café at Delapre Abbey, car parking has been difficult; it has to have sustainable growth. Councillor Nunn referred the Committee to paragraph 3.2.9 (Delapre Abbey Preservation Trust (DAPT) Requests and emphasised that all of this information is clearly accessible.
- There is a clear, detailed Governance Plan to the Project. The Call In Authors should have asked to have sight of this information.
- Delapre Abbey has hosted a number of events.
- It is a glorious Project, one to be proud of. Groups such as Friends of Delapre Abbey have kept the dream of Delapre alive.
- It was clarified that DAPT is not a private company but a Trust.

Councillor Tim Hadland, Cabinet Member for Regeneration, Planning and Enterprise, addressed the Committee, key points:

- DAPT is a registered Charity. Requirements of HLF funding were that the Abbey must be run by a registered Charity. The Trust will make a surplus that will be reinvested into the Abbey. The Council still owns the Abbey for the community.
- In December 2016 there was authorisation given to an increase in the capital budget of £65,000 for the urgent procurement of the servery for the café.
- Councillor Hadland confirmed he had not received a request for a Councillor to have sight of the Business Plan for the Project. He confirmed such documents are freely available.
- It was confirmed that all expenditure is needed and there had been financial due diligence. The original budget did not cover the additional items; they are now required; all requests for additional monies had been scrutinised. Councillor Hadland provided the example of the water tank, which had been a requirement of the Fire Service; who had put in this requirement. This was found to be an economical solution.
- The Friends of Delapre Abbey had been offered space in the 19th Century Stables to accommodate the tearoom but they had declined it.

The Committee asked questions of the Leader of the Council and the Cabinet Member:

- In answer to a query, it was confirmed that it was not expected that further capital expenditure would be required for Phase 1.
- In response to a query regarding the appropriately designed refuge points, the Committee heard that these were dependent on the detail of the Project and this was not known at the outset of the Project.
- The Cabinet Member advised that it had been decided it would be better to complete the South side and North side rooms of the Abbey at the same time

although the North side rooms are of a lower standard. This makes the Abbey more attractive, rather than refurbishing the rooms in stages.

- The Trust will pay nominal rent.
- There will be an Oversight Board set up and a nominated Northampton Borough Councillor will be a member of DAPT.
- The latter phase of the Project will include the Stable Yard and the Stables; these are of a simpler design.
- Councillor Hadland confirmed that should a Councillor submit a request to have sight of the Business Plan for example, this would be made available.
- In answer to a query what would happen if the Trust was to fail, it was confirmed that responsibility would fall to Northampton Borough Council but a condition of the funding of HLF is that the Abbey is run by a Trust.
- NBC remains responsible for the maintenance and structure of the Abbey.
- In response to a question regarding controls of the Project, the Cabinet Member assured that controls are in place and that they have been audited at the various stages. It is expected Phase 1 will be completed by mid-Autumn 2017.

The Chair invited the Call-In Authors to add points of clarification.

Councillor Danielle Stone and Councillor Davenport advised:

- The Call In Authors were disappointed that no new information had been provided. An additional £2 million had been required that had been requested on three separate occasions demonstrating bad planning. There had also been slippage in the Project.
- The Call In Authors confirmed that they had asked Officers for this information.
- There is a need for good governance of the Project.

There were no further questions of the Call-In Authors.

Findings and Conclusions

During the deliberation session, the Overview and Committee concluded that this was a glorious project for both Northampton and Northamptonshire; a jewel in the crown. The Committee was keen for the Project to go ahead. The concerns of the Call In Authors were acknowledged; however, the information is available and upon a request, Councillors could be furnished with the required information.

From the evidence received it demonstrates that:

- Governance for the Project is in place
- There is a sound Business Case, a Risk Register and there has been due diligence.
- Officers are open to answer any questions that Councillors may have regarding the Project

The Chair asked the Committee to consider whether the Call-In would be upheld or not.

Upon a majority vote it was resolved that it was,

RESOLVED:

That the Call-In be rejected on the grounds that it was unfounded as the Hearing had demonstrated that:

- Governance for the Project is in place
- There is a sound Business Case, a Risk Register and there has been due diligence.
- Officers are open to answer any questions that Councillors may have regarding the Project

The meeting concluded at 7:50pm