



**West
Northamptonshire
Council**

**Councillor Jonathan Nunn
Leader of the Council
West Northamptonshire Council**

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Mr Morgan



Sent by email on 12.08.22

Dear Mr Morgan,

Land adjacent to NTFC ground, Sixfields, Northampton

Thank you for your letter of 5th August on behalf of the NTFC Supporters Trust.

I am sorry the trust is concerned that its letter of 7th April was not formally answered; the Council felt that a meeting was the best way of addressing the issues raised. As you know, that meeting took place on 27th June, with the Trust following that meeting up with a further letter of 7th July.

In any event, I take your current letter to be a summary of the issues of concern to the Trust and will reply to those. If there is anything from the previous correspondence, or indeed otherwise, you feel has been missed please do let me know.

It seems sensible to first outline the position we discussed at the meeting on 27th June. This had two key components:

1. The Council's interest in the Running Track land is (a) the freehold of the whole, subject to a long lease without break clauses held by CDNL; and (b) a sub-lease of around half, as a tenant of CDNL. The remaining part of the site is subject to the NTFC lease, as a tenant to CDNL. The practical effect of all this is that even if the Council disposed of both of its interests in the land to the Trust, the Trust would have no means of implementing its plan without the consent of CDNL (and NTFC in the case of the part covered by its lease). Thus, none of the promised community benefits could be forthcoming unless such consent was secured.
2. Accepting the Trust's offer, if one was made, for the Running Track site would require the Council not to proceed with the £2.05 million offer from CDNL/NTFC. Whilst it has been suggested that the £3.00 million offer from Cildara for the remaining land could then be accepted, as you know the Council has concerns about aspects of that offer. Especially given the changing economic circumstances the Council runs the risk of losing the offer it has

provisionally accepted and securing very much less for the site, to the detriment of all residents. This means that for an offer for the Running Track to be financially interesting it would need to be at a level that reflected the potential loss of value from the overall deal it would stymie. For the avoidance of doubt, what was not said, nor implied, was that the Trust would need to offer to purchase the whole or a large part of the area under offer from NTFC/CDNL.

Turning to the points specifically seeking responses in your recent letter:

On the 'no stand, no land' point, it is correct, and was noted at the meeting, that the Council has moved on this point as the process of negotiation and offers developed. It was not a change that the council sought, but was a change in the terms of the higher CDNL offer. However, the accurate position is set out in the report to Cabinet of 8th March (the 'Report'). In summary, if the stand was not completed in five years the Council would have the right to re-acquire the Running Track site (only) for £1. That was a necessary counterpoint to the increase in the sum offered to £2.05 million.

The requirements for the stand to be completed are reflected in the Heads of Terms appended to the Report, and the further verbal assurances from Bower and Thomas mentioned in 5.12 of the Report and addressed in 6.20. The legal drafting of these provisions has not yet taken place, so there is nothing to disclose in relation to it at this time.

I note the Trust's desire for "unconditional irrevocable personal guarantee from the club's present owners that the East Stand will be finished to an agreed specification and an unequivocal public commitment from the Council to enforce that guarantee in the event of default". As a legal advisor you will appreciate that guarantees are in reality always matters of degree; for example, what if Bower and/or Thomas was to pass away, or to become insolvent? Likewise, the Council as a public authority has a duty to act reasonably so there may be circumstances where it would not be reasonable to enforce a personal guarantee (serious ill health comes to mind, but there will be others). I cannot, therefore, give the assurances sought. However, that does not mean such guarantees are worthless; far from it. Whilst in my view they are unlikely to need to be called on, they would certainly reduce still further the risk of non-completion.

The other point to note here is that NTFC as a legal entity will be legally bound to complete the stand. This is a separate legal commitment from any personal commitments given by Bower and Thomas.

As to the time period, both the Council and, I am sure, Bower and Thomas, are keen to see the stand completed well within five years. However, five years is a reasonable period allowing for potential difficulties in obtaining any planning and other permissions, securing a contractor and materials, and so on. The important point is that there would be a backstop.

On the 'leak' you mention, I would simply affirm that I am not aware of anyone from the Council – Member or officer – sharing information on Goodwill solution's involvement. I am confident no-one associated with the Council would have engaged in the behaviour you say was engaged in in relation to Goodwill Solutions. Whilst I do not recall confidentiality being specifically requested, our default in the many meetings we undertake with a wide variety of organisations and individuals is to treat information shared with respect. Myself and my colleagues have an extremely high opinion of Goodwill Solutions, welcome their involvement in projects and initiatives, and our positive comments about the suggestion of their involvement during the meeting were sincere. The obstacles to those proposals that include Goodwill Solutions are as set out above. Nor would the claims reported to have been made been true; the Council does not import irrelevant considerations into decisions about funding or anything else. The CEO of Goodwill Solutions has confirmed that he has had no such call from the council - Members, Officers or representatives.

I welcome your desire to work constructively with the Council, and reciprocate the intent. In that context I would simply say that the Council had a very difficult set of choices to make in relation to this land, balancing different considerations and seeking to secure the best outcomes for the public whilst always complying with the legal requirements. Sometimes such situations mean that one or more parties interested in an issue end up being disappointed; that may well be the case here. I would ask for your understanding if that turns out to be the case.

Finally, on the issue of decision-making and the principles set out in the Council's Constitution, and specifically the items in clause 1.22 you mention:

- (d): Extensive work was done, including procuring external expert advice, to properly understand the options open to the Council before a decision was taken.
- (e): The decision was taken on the basis of the best interests of the people of West Northamptonshire, specifically their financial interests as reflected in the duty to obtain the best consideration reasonably obtainable for the land. The issue was debated until the last moment, with several delays to allow further consideration, which shows the opposite of bias and pre-determination. Cabinet members did not have conflicts of interest and where members of the wider Council did they properly declared them as required.
- (g): Reasons were given for the Cabinet decision.
- (k): Unusually for a transaction such as this, the Council published openly the full reports and supporting material. This allowed maximum scrutiny and could be regarded as a model of openness and transparency.

I firmly believe, therefore, that the Council has done exactly what its Constitution promises that it will.

I hope this is helpful to the Trust. As you know, I have met the Trust many times before and I remain willing to do so again.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Jonathan Nunn', with a horizontal line underneath.

Councillor Jonathan Nunn
Leader of the Council