



Democratic Services
One Angel Square
Northampton
NN1 1ED

Scrutiny Management Committee
Minutes of the meeting held on 2 July 2018
Venue: Room 15, County Hall
(Meeting held in public)

PRESENT:-

Councillor Andre Gonzalez De Savage (Chair)

Councillor Wendy Brackenbury
Councillor Chris Smith-Haynes
Councillor Mick Scrimshaw

Councillor Chris Stanbra
Councillor Michael Tye

Also in attendance for all or part of the meeting

Councillor Michael Clarke	Cabinet Member for Finance
Councillor Julie Davenport	Northamptonshire County Council
Councillor Gareth Eales	Northamptonshire County Council
Councillor Dr Andrew Mercer	Cabinet Member for Performance, Transformation & Local Government Reform
Councillor Gill Mercer	Northamptonshire County Council
Councillor Dennis Meredith	Northamptonshire County Council
Councillor Bob Scott	Labour Group Leader, Northamptonshire County Council
James Edmunds	Democratic Services Assistant Manager
Paul Hanson	Democratic Services Manager
Rob Scott	Head of Property Strategy & Estates

There were 2 members of the public in attendance.

The meeting commenced at 10.00am.

Min ref:

10/18 Apologies for Non-Attendance

Apologies for non-attendance were received from Councillor Chauhan.

11/18 Notification of requests from members of the public to address the meeting

Item 14/18 – Mr James Ashton

12/18 Declarations of Members' Interests

None declared.

13/18 Chair's Announcements

The Chair welcomed all those present to the meeting. He went on to advise that the Centre for Public Scrutiny (CfPS) 'health check' of Northamptonshire County Council's Overview & Scrutiny Function – which the Scrutiny Management Committee (SMC) had discussed on 30th May 2018 – was going ahead. CfPS was currently preparing to start gathering information and councillors should be contacted directly about participating in this. Further information could be provided to SMC members after the current meeting if required.

14/18 Call-in: Corporate Headquarters Accommodation Strategy

The Democratic Services Assistant Manager presented the report (copies of which had previously been circulated), outlining the process for dealing with call-ins set out in the Council's constitution; the grounds for call-in given in this case, which were proportionality, due consultation and a realistic evaluation of all alternatives; and the possible resolutions that the Committee should aim to reach when considering a call-in.

The Chair invited Councillor Stanbra, as the originator of the call-in request, to set out the grounds for making it. Councillor Stanbra made the following points:

- There was reason to believe that the decision to sell County Hall was not proportionate. It aimed to save up to £380,459 per year but this would be reduced to £215,584 by the need to retain the existing data centre. This sum was relatively small in Northamptonshire County Council (NCC)'s current financial position. It would be reduced even further by the cost of relocating various current functions from County Hall. If NCC needed to use more space at One Angel Square it would also reduce the space that could be rented out. Overall, he considered that the sale of County Hall would produce little or no financial return.
- The decision had not been subject to due consultation. There had been no consultation with Overview & Scrutiny (O&S) and no external consultation. The Cabinet report referred to discussions with Heritage England but he considered that this did not represent consultation. There was no evidence of consultation with experts about the rate of return that could be expected from a listed building. There were a range of other relevant local and national bodies that should have been consulted on the proposal.
- The alternative options set out in the Cabinet report were very limited. There was no mention of the potential to use County Hall for heritage purposes or as a hotel or leisure facility. It might also be possible to use it as offices, let it to another organisation such as Northampton Borough Council or obtain planning permission to redevelop the site, which would increase its value.

SMC considered Councillor Stanbra's comments. In response to questions from members Councillor Stanbra noted that he had estimated the potential costs of relocating current functions from County Hall. The point was that there would be additional costs.

The Chair invited Councillor Clarke, as the portfolio holder, to address the Committee and he made the following points:

- Some councillors had expressed unhappiness about the decision to sell County Hall at the Cabinet meeting on 12th June 2018. SMC was required to consider whether the decision-making process had operated correctly. He thought that it had been flawless.
- The list of possible consultees suggested by Councillor Stanbra did not alter the fact that NCC owned County Hall and could decide its future. The Cabinet report provided an effective basis for this decision.

- The context for the decision was the need to address NCC's current financial position. However, this was also not directly relevant to SMC's task. It should focus on the decision-making process. He believed that this had operated correctly and the call-in should not be supported.

SMC considered Councillor Clarke's comments and he responded to points raised by members as follows:

- It would have been questioned if NCC had tested the market for a sale of County Hall before taking a decision. The Cabinet needed to agree how to proceed first.
- There would have been no merit in the Cabinet taking an in-principle decision to sell County Hall in the first instance as this would have effectively represented a decision to proceed anyway. The decision taken did include protections such as continued use of the Council Chamber until unitary reorganisation.
- NCC had previously sold the Guildhall Road block of County Hall and this had not been called-in. Neither had the disposal of various other NCC properties, including John Dryden House. The same process had been followed for the decision on County Hall as in these other cases.
- He was not aware that there had been consultation on the proposal with the district / borough councils in the area of a future western-Northamptonshire unitary authority. It was not anticipated that the new unitary authority would use County Hall.

The Head of Property Strategy & Estates also provided additional information in response to questions from members as follows:

- The Cabinet report on this decision had been produced in exactly the same way as others in his previous experience.
- The level of consultation reflected the particular decisions on County Hall that had been presented to the Cabinet.
- The recommendations set out in the report had been informed by a considerable amount of background work. This had taken into account the financial implications of selling County Hall but also that it would not be needed following a unitary reorganisation in the county. An orderly exit from County Hall seemed a logical step.
- The original business case for One Angel Square projected that County Hall would be retained for its current functions. Unitary reorganisation changed this landscape.
- Decisions about a building like County Hall would always involve some variables. Further work would be done following the Cabinet decision, informed by specialist expertise, to quantify these more.

SMC members made the following points:

- Future local government in the county would be smaller and more enabling. It would not be necessary to retain all current properties.
- Some of the arguments for the call-in were quite subjective. In NCC's current situation all income was worthwhile. There were different views about appropriate consultees on this matter. Many decisions taken by the Cabinet were not subject to scrutiny first.
- The fact that previous decisions to dispose of NCC properties had not been called in did not make this call-in more or less valid.

- The outcome of the decision was not proportionate. NCC already had a policy concerning the disposal of capital assets and it was questionable whether this further step was necessary.

The Chair then invited Mr James Ashton to address SMC and he made the following points:

- He had 20 years' experience as a property solicitor as well as having a property development company in Northamptonshire for 10 years.
- He was a former NCC councillor and Cabinet Member. He had led the drafting of the Council's first constitution for the Executive and O&S model of governance.
- Councillor Clarke's comments at the current meeting had focussed just on the report presented to the Cabinet not the overall decision-making process.
- He had attended the Cabinet meeting on 12th June 2018. There had been no meaningful discussion on this matter, which had suggested that the proposal was being accepted without challenge.
- The Cabinet should have given more consideration to particular aspects of the proposal. Gleeds had been used to examine options for County Hall but the approach being taken would require further up-front expenditure by NCC. It was unlikely that County Hall would attract a commercial buyer. The disposal of County Hall would work against Northampton Borough Council's city of culture bid.

The Chair invited other councillors present to comment to the Committee if they wished to do so and the following points were raised:

- The decision did not demonstrate sufficient evaluation of alternative options or sufficient consultation.
- County Hall was a unique building that was part of Northampton's history. Other properties sold by NCC did not have the same status.
- It was unlikely that County Hall would attract commercial buyers as it was listed.
- It would have been appropriate to consult Northampton Borough Council on the proposal, particularly given that it was developing Northampton Museum.
- The Best Value Inspection report had stated that NCC's reports were not robust enough, which was relevant to this case. The Cabinet report gave estimated costs, which would need to be refined. More attention should have been given to the value for money of the proposed approach.
- It was correct to say that the call-in was about the operation of the decision-making process not just the content of the Cabinet report.
- There should not be a one-size-fits-all approach to consultation. Disposing of County Hall, which was built in the 18th Century, was a different matter to disposing of John Dryden House.
- NCC was a custodian of County Hall. It belonged to the community and should be treated in a way that reflected this.
- The Best Value Inspection report had also raised the need for more pre-decision scrutiny on matters of this kind.

Councillor Clarke emphasised that the way in which this decision had been taken reflected points in the Best Value Inspection report about the importance of member-led decision-

making. The Cabinet report had been published in advance of the meeting. He had presented it on the day and it had then been debated: at least two other Cabinet Members as well as other councillors had spoken. The Cabinet had listened, deliberated and then reached a decision. Councillor Dr Mercer endorsed this as another party to the decision. He had raised the need for more pre-decision scrutiny of Cabinet reports in future. However, this was not the matter that SMC needed to resolve at the current meeting.

The Chair emphasised again that SMC was required to focus on whether NCC's decision-making process had operated effectively in this case and not on the merits of the decision taken.

Members questioned whether the Cabinet decision would mean a sale would proceed without further deliberation and whether the matter would be brought back to O&S or the Cabinet before a sale was confirmed. Members also suggested that SMC should highlight to the Cabinet issues that it thought should be taken into account in the implementation of the decision, such as continued public access to County Hall, the continued availability of meeting spaces, potential future heritage use, and the need for thorough consideration of the financial implications of the approach being taken.

In response to questions the Democratic Services Assistant Manager advised that it was possible for SMC to make other comments on this matter alongside a decision on the call-in. It should consider whether doing so might risk appearing to undermine a resolution that the decision-making process had operated correctly. It should also recognise that the decision taken by the Cabinet on 12th June 2018 enabled the sale of County Hall to proceed to completion. SMC could recommend that this matter be the subject of a further report but the Cabinet would not be obliged to agree with this.

Councillor Stanbra emphasised that if SMC had concerns about the decision taken by the Cabinet then the mechanism to deal with this was to refer the decision back for further consideration. He thought the case for doing this had been made. However, other members gave the view that if SMC concluded that the decision-making process had operated effectively it could still be beneficial for it to make additional recommendations about the disposal of County Hall for the Cabinet to consider as the process proceeded.

The Chair invited SMC to reach a conclusion on the matter. On a majority vote it was

RESOLVED that:

(a) The following called-in decisions taken by the Cabinet on 12th June 2018 not be referred back for reconsideration under Part 4E Paragraph 17.8 of the Constitution:

- **That the Cabinet agrees to declare the former County Hall (including Judges Lodgings) surplus to requirements; to allow a staged withdrawal from the accommodation, with the aim of all operations ceasing in line with the implementation of new local government models in Northamptonshire.**
- **That the Cabinet agrees that a sale of the whole of County Hall should be pursued, with full marketing to commence as soon as possible. Any such sale is to protect occupation of parts on a temporary basis while the accommodation is re-provided.**

Councillor Stanbra requested that his vote against the above resolution be recorded.

(b) The Scrutiny Management Committee recommends that further work to implement these decisions takes into account the following points made by the Committee:

- **The importance of continued public access to County Hall**
- **The potential for County Hall to be used as part of a future local cultural and heritage offer**
- **The importance of consulting with Historic England and seeking to find a heritage trust or association to partner with**
- **The importance of continued access to meeting spaces at County Hall for democratic purposes**
- **The need for thorough consideration of the financial implications involved.**

(c) The Scrutiny Management Committee recommends that the Cabinet receives a further report on the implementation of the decisions relating to the sale of County Hall and the points identified by the Committee.

There being no further business the meeting concluded at 11.45am.

This information can be made available in other formats upon request. Please contact James Edmunds, Democratic Services Assistant Manager on Tel. (01604) 366053 E-mail: jedmunds@northamptonshire.gov.uk