**Contractor banned after failing to complete football stadium**

Property developer Howard Lawrence Grossman has been banned from running a company for ten years after he failed to complete a football stadium

Howard Grossman from Bushey, Hertfordshire, had his disqualification undertaking accepted by the Secretary of State. Effective from 19 February, he is banned from directly or indirectly becoming involved, without the permission of the court, in the promotion, formation or management of a company.

1ST Land Limited was incorporated in August 2013 to act as the contractor for Northampton Town Football Club who wished to redevelop the Sixfields Stadium.

Howard Grossman was appointed as the sole director of the company and between December 2013 and July 2014, 1ST Land received a balance of at least £6m from Northampton FC to go towards the costs of redeveloping the stadium. The football club in-turn received the funds from the local authority – Northampton Borough Council.

However, by January 2015, 1ST Land entered into administration following the petition of a creditor before entering into Creditors Voluntarily Liquidation in December 2015.

Due to the high-profile nature of the administration and the significant amount of money involved, in co-operation with Northamptonshire Police the Insolvency Service carried out an investigation in the public’s interest into the collapse of 1ST Land and Howard Grossman’s conduct while a director.

Investigators found that Howard Grossman failed to ensure the company maintained adequate accounting records or deliver a sufficient amount of records to the administrators. As a consequence, it has been not possible to determine the exact nature of more than £5.6m worth of payments made to various parties from 1ST Land’s accounts.

One such payment concerns approximately £2.65m of transfers made to two separate third parties, whether they were made as loans, and under what terms.

Investigators were also unable to establish whether approximately £1.5m was paid to the benefit of Howard Grossman, his family and other connected parties and whether such payments were treated as dividends.

On 29 January 2019, the Secretary of State accepted a 10-year disqualification undertaking from Howard Lawrence Grossman.

Signing the undertaking has meant Howard Grossman did not dispute that he failed to ensure that 1ST Land maintained and/or preserved adequate accounting records, or in the alternative failed to ensure that such accounting records as were maintained were delivered up to the Joint Administrators. He also did not dispute that he breached his fiduciary duties to 1ST Land.

Sue MacLeod, Chief Investigator for the Insolvency Service, said: “Howard Grossman, like all directors, had specific duties as a company director but he blatantly disregarded them. The company’s insufficiencies when it came to record keeping means that we are unable to determine the exact nature of payments worth millions of pounds of tax-payers money, who along with supporters of the football club are the real victims here.

“We have been able to secure a substantial ban for Howard Grossman and if he breaches his disqualification, he risks being sent to prison.”

Northamptonshire Police is continuing their nationwide investigation into the missing Northampton Borough Council loan money and is working with other prosecuting authorities to recover public funds.