

# Nottingham City Council Delegated Decision



**Nottingham**  
**City Council**

<b>Reference Number:</b>	<b>3950</b>
<b>Author:</b>	<b>Robert Dixon</b>
<b>Department:</b>	<b>Development and Growth</b>
<b>Contact:</b>	<b>Robert Dixon</b> <b>(Job Title: Head of Business Growth and International Strategy, Email: robert.dixon@nottinghamcity.gov.uk, Phone: 64907)</b>
<b>Subject:</b>	<b>N2EG Energy grants extension - Accelerating Reduction in Carbon (ARC)</b>
<b>Total Value:</b>	<b>£809,250 (Type: Revenue)</b>
<b>Decision Being Taken:</b>	<b>To grant approval to apply for and receive £809,250 of grant funding from the Ministry of Housing, Communities and Local Government (MHCLG) to extend the previously approved N2EG energy grant scheme to deliver energy grants to businesses, and authorise the Director of Economic Development to enter into grant agreements to deliver the project.</b>
<b>Reasons for the Decision(s)</b>	<p>The project is EU/European Regional Development Fund (ERDF) funded. The value of the scheme is £1.618m.</p> <p>This is an extension of the previously agreed N2EG energy grants scheme, Leaders Key Decision 2905. This is an ERDF funded project, that gives grants to businesses to install energy efficiency projects. This saves the business money and reduces CO2 emissions. The match comes from private sector contribution, as the funding provides 35% grants, and the 65% private sector contribution counts as the match for the project.</p> <p>The current projects ends December 2020, and this extension is scheduled to start January 2021, allowing a seamless project continuation, approved by MHCLG.</p>

<b>Other Options Considered:</b>	<p>1. Not applying. Rejected. The funding is available from the EU only until Dec 2022, and not applying would mean that businesses in Nottingham would not be able to benefit from the grants.</p> <p>2. Applying for more or less funding. This project is about the same level of grant funding and departmental spend as the current N2EG energy grants project. This allows for an energy efficiency audit to be conducted by Nottingham City Council energy services team, and the grant management in Economic Development. Higher value would increase financial risk. Lower value would mean not sufficient grant income to cover salary costs.</p>
<b>Background Papers:</b>	None
<b>Published Works:</b>	Leaders Key Decision 2905 - Low Carbon Grants for Businesses ERDF project
<b>Affected Wards:</b>	Citywide
<b>Colleague / Councillor Interests:</b>	None
<b>Consultations:</b>	Those not consulted are not directly affected by the decision.
<b>Crime and Disorder Implications:</b>	None. Extension of previous project.
<b>Equality:</b>	Please login to the system to view the EIA document: ARC N2EG EIA v1.docx
<b>Decision Type:</b>	Portfolio Holder
<b>Subject to Call In:</b>	Yes
<b>Call In Expiry date:</b>	12/08/2020
<b>Advice Sought:</b>	Legal, Finance, Equality and Diversity

**Legal Advice:**

This reports seeks authority to accept grant funding from MCHLG and to distribute the funding to SMEs. The City Council must ensure it complies with the terms of the funding agreements with both MCHLG and ERDF. The City Council should put in place grant agreements for the SMEs which include provisions enabling the City Council to comply with the grant funding agreement with MCHLG and ERDF including monitoring and reporting. It should also include a condition enabling the City Council to clawback funding from the grant recipients where the City Council has to repay any grant. In addition it should be noted that the percentage which can be retained by the City Council is dependent on delivery of the carbon measures so if the targets are not achieved the amount to be recovered by the City Council will be reduced. Advice provided by Andrew James (Team Leader Contracts and Commercial) on 31/07/2020.

**Finance Advice:**

The N2EG Energy project requires the authority to receive and administer grant to SMEs as a contribution to acquiring and installing carbon efficient measures. The scheme is fully funded by the ERDF. The value of the scheme is £1.618m which includes the grant funding for SMEs and funding to cover NCC staff time and overheads that are required to administer the project.

The value of the amount that can be retained by NCC is capped and is also dependent on achieving a certain number of installations. If take up is low or costs supersede the cap, NCC would need to fund the difference. A project manager has been allocated to the scheme and would need to ensure the project is managed sufficiently within the grant terms and conditions to avoid any unfunded costs.

Advice provided by Chanelle Poyser (Commercial Business Partner) on 20/07/2020.

**Equality and Diversity Advice:**

Feedback provided on EIA and sent to author to make amendments. This extension to the current grant scheme could particularly benefit many groups including those that fall under protected characteristics. Although consideration has been given as to how information about this scheme will be communicated, this needs to be monitored to ensure that the promotion of this is inclusive. Also need to ensure that businesses have a fair chance of applying for this grant, so the application process etc needs to be inclusive of all businesses, this will also need to be measured and monitored once funding has been secured.

Advice provided by Nasreen Miah (Equality & employability consultant) on 23/07/2020.

**Signatures**

Sam Webster (PH Finance, Growth and City Centre)
SIGNED and Dated: 03/08/2020
Chris Henning (Corporate Director for Development and Growth)
SIGNED and Dated: 03/08/2020