

# Nottingham City Council Delegated Decision



**Nottingham**  
**City Council**

<b>Reference Number:</b>	2565
<b>Author:</b>	Jane Lumb
<b>Department:</b>	Communities
<b>Contact:</b>	Jane Lumb (Job Title: Head of Energy and Sustainability Policy, Email: jane.lumb@nottinghamcity.gov.uk, Phone: 07710067119)
<b>Subject:</b>	Acceptance of grant from Department for Energy and Climate Change
<b>Total Value:</b>	£100,000 (Type: Revenue)
<b>Decision Being Taken:</b>	To accept a £50,000 grant from Department for Energy and Climate Change (DECC as called at date of offer letter) to carry out feasibility study on required work to bring district heating to the island site development. This must be matched by £50,000 from Nottingham City Council, which would be taken from Energy Services' Energy Development Fund.
<b>Reasons for the Decision(s)</b>	The feasibility study is the next stage in expansion of the district heating network, which is required to meet our energy strategy targets.
<b>Other Options Considered:</b>	The only other option is to refuse. This would mean having to either fund the whole amount, or accept that we will not be able to heat Island Site developments using the district heating network. Expansion of the network is an important part of meeting energy strategy commitments, including fuel poverty and, in the long term, commercial returns. It would impact on the business case for the third line of the incinerator.
<b>Background Papers:</b>	Two documents attached - offer letter and draft Memorandum of Understanding.
<b>Unpublished background papers:</b>	Nottingham City Council HNDU R6 MoU unsigned July2016.pdf, Nottingham City Council HNDU R6 notification letter.pdf
<b>Published Works:</b>	

<b>Affected Wards:</b>	Citywide
<b>Colleague / Councillor Interests:</b>	This relates to Cllr Clark's portfolio, and relates to Enviroenergy's business plan, the business case for the third line of the Eastcroft Incinerator, targets around fuel poverty and renewable energy in the city.
<b>Consultations:</b>	Those not consulted are not directly affected by the decision.
<b>Crime and Disorder Implications:</b>	Not relevant.
<b>Equality:</b>	EIA not required. Reasons: The decision does not relate to new or changing policies, services or functions.
<b>Relates to Council Property Assets:</b>	Yes
<b>Decision Type:</b>	Portfolio Holder
<b>Subject to Call In:</b>	Yes
<b>Call In Expiry date:</b>	25/08/2016
<b>Advice Sought:</b>	Legal, Finance, Procurement, Property
<b>Legal Advice:</b>	This report does not raise any significant legal issues provided the City Council complies with the terms of the grant letter. That may include requirements to undertake competitive tenders or obtain quotes which can be more onerous than the City Council's internal requirements. Advice provided by Andrew James (Team Leader Contracts and Commercial) on 22/07/2016.

**Finance Advice:**

**This decision will result in the Council receiving a one off grant of £50,000 from DECC for feasibility works. The grant conditions require the Council to commit match funding of £50,000 towards the works. The match funding will be met from the existing Energy Development Fund budget.**

**All expenditure should be procured in line with the grant conditions and the Council Financial Regulations, any expenditure not correctly procured may not be eligible for funding and would fall as an additional liability on the Council.**

**This decision will have no impact on the Council's Medium Term Financial Plan.**

**Any capital investment arising from the outcome of this feasibility work will need to be approved by Executive Board and be subject to a full business case. Advice provided by Gary Robbins (Finance Analyst) on 26/07/2016.**

**Procurement Advice:**

**The proposal is for a decision to accept a £50,000 grant from DECC to carry out a feasibility study, with the caveat that NCC matches this amount. As such, this proposal does not cause any significant procurement concerns and the procurement team will support the client to ensure that the expenditure is procured in line with the grant conditions and the Council Financial Regulations.**

**Advice provided by Rosalie Parkin (Category Manager) on 19/07/2016.**

**Property Advice:**

**At the feasibility stage this report does not raise any significant property issues. The City Council do not presently have control of the development of this site and so any subsequent implementation will need to be supported by a clear business case with pre-agreements on any part of the site being developed by the private sector. Advice provided by Peter Carroll (Head of Portfolio Investment & Development) on 05/08/2016.**

**Signatures**

<b>Alan Clark (Councillor) (Portfolio Holder For Energy and Sustainability)</b>
<b>SIGNED and Dated: 17/08/2016</b>
<b>Andrew Vaughan (Corporate Director Commercial and Operations)</b>
<b>SIGNED and Dated: 15/08/2016</b>