

# Nottingham City Council Delegated Decision



**Nottingham**  
**City Council**

Reference Number:	2806
Author:	David Powell
Department:	Development
Contact:	David Powell (Job Title: Senior Estates Surveyor, Email: david.powell@nottinghamcity.gov.uk, Phone: 01158763914)
Subject:	Southglade Food Park Phase 2 ERDF Project - Grant Funding
Total Value:	£317,151.27 (Type: Capital)
Decision Being Taken:	<ol style="list-style-type: none"><li>1. To authorise an increase in allocation of the Council's budget for this project for match funding.</li><li>2. To authorise repayment of grant overpayments.</li><li>3. To authorise the change to in-house management and to the funding agreement.</li></ol>
Reasons for the Decision(s)	An EU state aid ruling made during the development of the project meant that an external operator had to manage the site. However, before the project was finished, the EU developed a mechanism (Article 56 General Block Exemption Regulation Aid for Local Infrastructure) to avoid the need for this. The site could therefore be managed in-house, the same as Phase 1. As a result the Council will receive additional revenue over the lifetime of the project against what was originally anticipated. This has to be offset against the original grant thus reducing the ERDF grant and increasing match funding. It is however anticipated that the Council will benefit from increased income by not appointing an external operator.
Other Options Considered:	To refuse approval of the additional funding. This has been rejected as it would be in breach of the original ERDF agreement and could result in the Council having to pay claw back provisions.
Background Papers:	None

**Published Works:**

**Executive Board (Southglade Food Park Phase 2) reports and associated minutes 20/11/2012 and 21/05/2013  
Leaders Key Decision 0972 - 20/08/2013  
Portfolio Holder's Decisions 1172 - 05/12/2013 and 1525 - 19/06/2014**

**Affected Wards:**

**Bulwell Forest**

**Colleague / Councillor Interests:**

**None**

**Any Information Exempt from publication:**

**Yes**

**Exempt Information:**

**Description of what is exempt:**

**An appendix and financial advice containing commercially sensitive financial information relating to the contract cost and value of the land.**

**An appendix (or appendices) to this decision is exempt from publication under the following paragraph(s) of Schedule 12A of the Local Government Act 1972**

**3 - Information relating to the financial or business affairs of any particular person (including the authority holding that information).**

**The public interest in maintaining the exemption outweighs the public interest in disclosing the information because the documents contain commercially sensitive financial information relating to the contract cost and value of the land.**

**Documents exempt from publication:**

**Southglade Food Park Phase 2 ERDF Project - Exempt Appendix.docx, 170328 - Southglade Food Park - Finance Comments.docx**

**Consultations:**

**Date: 28/03/2017**

**Other: Jem Woolley, European Officer, Economic Development Chris Henning, Strategic Director for Economic Development**

Southglade Food Park Phase 2 has been successful in attracting EU funding to develop a derelict and contaminated site and attract businesses and jobs to the city. The need for additional support has come about as a consequence of changing the management model of the project from a proposed external operator to in-house. This has increased the potential income generation of the project and therefore had an effect on the maximum ERDF grant available. We understand this change will be beneficial to the City Council in the medium to long-term both financially and for operational control and we support this fully.

The decision will also allow the formal closure of the monitoring of the project by DCLG and a final settlement of the ERDF funding package, with no further risks foreseen.

Those not consulted are not directly affected by the decision.

Crime and Disorder Implications:

The development will provide employment in the area and will take into account all security needs on the site

Equality:

EIA not required. Reasons: This decision does not relate to a new or changing service. EIAs were previously provided for the original decisions to approve funding: Executive Board (Southglade Food Park Phase 2) 20/11/2012 and 21/05/2013 Leaders Key Decision 0972 - 20/08/2013 Portfolio Holder's Decisions 1172 - 05/12/2013 and 1525 - 19/06/2014.

Decision Type:

Portfolio Holder

Subject to Call In:

Yes

Call In Expiry date:

18/04/2017

Advice Sought:

Legal, Finance

Legal Advice:

The decisions sought give rise to no material legal concerns. Advice provided by Brian Lewis Stewart (Solicitor) on 14/03/2017.

Finance Advice:

This advice is exempt from publication and is contained within an exempt appendix. Advice provided by Thomas Straw (Senior Accountant - Capital Programmes) on 28/03/2017.

Signatures

Jon Collins (Leader & PH Strategic Regeneration)

SIGNED and Dated: 06/04/2017

David Bishop (Deputy CE, CD for Development and Growth)

SIGNED and Dated: 31/03/2017