

Nottingham City Council Delegated Decision



Nottingham
City Council

Reference Number:	3480
Author:	Robert Dixon
Department:	Development and Growth
Contact:	Robert Dixon (Job Title: Head of Business Growth and International Strategy, Email: robert.dixon@nottinghamcity.gov.uk, Phone: 64907)
Subject:	Creative Quarter Loan Fund
Total Value:	£90,000 (Type: Revenue)
Decision Being Taken:	<p>1) To approve the extension of the creative quarter loan fund for a further 2 years which is run in partnership by Nottingham City Council and First Enterprise Business Agency (FEBA). (Previous DDMs 2530 and 0654).</p> <p>2) To grant dispensation from Contract Procedure 5.1.1 in accordance with Financial Regulation 3.29 to extend the contract to manage the loan fund with FEBA.</p> <p>3) To approve the additional funds of £90,000 against Council Funds held in the CQLF account, to fund the CQLF management fee for 2018/19 and 2019/20 financial year.</p>
Reasons for the Decision(s)	The loan fund has been successful since it was first established, e.g.making 44 loans to local companies with a positive return to the Council. The extension of the loan fund will enable this region to continue to grow and expand leading it to successfully achieve its economic objectives. There are sufficient funds available in the CQLF to be deployed, so no further financial commitment is required by NCC. The payment of £90,000 is to FEBA who NCC have contracted to manage the fund.
Other Options Considered:	Do not extend the contract. Rejected. Based on current performance and needs of the Creative Quarter, if the contract wasn't extended, businesses which would potentially be attracted to establish themselves in the Creative Quarter may struggle to obtain sufficient finance.
Background Papers:	None

Published Works: Delegated decisions 0654 and 2530

Affected Wards: Bridge, St Ann's

Colleague / Councillor Interests: None

Dispensation from Financial Regulations: Yes

Consultations:
Date: 19/07/2017
Other: Chief Executive of Creative Quarter, Stephen Barker CQ board is: Councillor Jon Collins, Nick McDonald, Craig Chettle Barbara Matthews, Stephen Barker, Cherry Underwood, Mark Chivers, Glen Crocker, Barry Hayman,

The Creative Quarter Board was consulted.

Those not consulted are not directly affected by the decision.

Crime and Disorder Implications: This decision has no direct or known crime and disorder implications.

Equality: EIA not required. Reasons: This decision doesn't affect policy.

Decision Type: Portfolio Holder

Subject to Call In: Yes

Call In Expiry date: 09/04/2019

Advice Sought:

Legal, Finance

Legal Advice:

This report does not raise any significant legal issues. It is understood from discussions with the report author that the City Council is unable to use the services of any other party to administer the loan fund except for its fund partner and on that basis the dispensation is agreed.

Advice provided by Andrew James (Team Leader Contracts and Commercial) on 31/08/2018.

Finance Advice:

The Creative Quarter Loan Fund (CQLF) is ran in partnership with First Enterprise Business Agency (FEBA) and is also managed by FEBA.

FEBA's management of the loan fund includes supporting potential applicants to develop robust business plans, undertaking due diligence on each application, presenting applicants to the Nottingham Loan Panel (the Council and Creative Quarter Company are represented on the Panel), collecting repayments and dealing with delinquent accounts, and regularly reporting to the Council and Creative Quarter Company.

To continue FEBA's management of the scheme for a further year requires a NCC contribution of £0.045m. The CQLF has been providing loans since 2013, all capital, interest repayments and fees are paid back into the fund for on-lending and on-costs. NCC has sufficient funds within the loan fund to meet the costs of the management fee.

In this instance dispensation from Contract Procedure 5.1.1 in accordance with Financial Regulation 3.29 is also requested to enable continuity of service with FEBA.

Advice provided by Chanelle Poyser (Commercial Business Partner) on 20/08/2018.

Signatures

Graham Chapman (PH for Finance, Resources and Commercial Services)

SIGNED and Dated: 01/04/2019

Chris Henning (Corporate Director for Development and Growth)

SIGNED and Dated: 01/04/2019

Laura Pattman (Strategic Director of Finance) - Dispensation from Financial Regulations

SIGNED and Dated: 04/10/2018

Chief Finance Officer's Comments: