

**Report to the City of Nottingham
and Nottinghamshire Economic
Prosperity Committee)**

9th March 2018

Agenda Item: 5

**REPORT OF NOTTINGHAMSHIRE FINANCE OFFICERS ASSOCIATION
(NFOA)**

BUSINESS RATES POOL

Purpose of the Report

1. To clarify the N2 balances
2. To update the monitoring of all approved projects

Background

3. The N2 Reserve

It was proposed that 100% of the surplus from 2016/17 should be returned to individual authorities this year only, at least 50% of which is to support economic development and business growth. Options need to be considered about treatment of future surpluses.

Contributions were:-

2013/14 - £392,000	100% of pool surplus
2014/15 - £1,504,434	50% of pool surplus
2015/16 - £1,057,354	50% of pool surplus
2016/17 - £1,506,617	50% of pool surplus now returned

Total £4,460,405

4. Proposals

In 2017/18, £1,506,617 from 2016/17 pool surplus has been returned to districts and the county, of which 50% is to be earmarked for supporting economic development and business growth in each District Council. A breakdown of this can be seen in below:

Authority	Share of N2 contribution £000
Ashfield	192
Bassetlaw	233
Broxtowe	17
Gedling	105
Mansfield	260
Newark & Sherwood	38
Rushcliffe	30
Notts CC	632
Sub TOTAL	1,507

The £1,506,617 was returned as follows:-

Leaving total contributions made at **£2,953,788**

5. All current programmed commitments under the EPC should be reviewed by all to determine whether projects are no longer progressing and if funding may be released. Regular reporting is requested.

Total commitments, as approved by the Economic Prosperity Committee, are detailed in Appendix A.

6. Nicola McCoy-Brown (NCC) is the budget holder for the N2 reserve. The EPC agrees the allocation of funds and the Economic Development Team manage the payment process, monitor the schemes and have reported progress to the EPC. Details in Appendix B.

Recommendations

7. To note the amounts returned to each contributing local authority.
8. To review projects listed in Appendix A to return any allocations no longer required
9. To consider proposals to use the remaining balances for economic development purposes

For any enquiries about this Note please contact: Laura.McCreedy@nottsc.gov.uk.

Appendix A: N2 Business Rates Pool – ED Team Prepared for EPC report

Item		Amount approved	Meeting/Date Approved	Comment	Updated Value Spend and Commitment
A	Devolution / Combined Authority Development	£135,000	Feb-16	On hold. Potential use in the development of the joint committee. Subject to a City contribution, being outside of the Pool arrangements.	£135,000
B	Timewise	£30,000	Chief Executives Forum	Flexible hiring and working practices	£30,000
C	Nottinghamshire Pre Fund Development (NPDF)	£1,000,000	May 2016/Jan 2017	Allocated	£1,153,960
D	Town Centre Programme Support	£500,000	May 2016/Jan 2017	The N2TC programme is now progressing and these resources are being utilised in support of the programme's development and delivery	£346,040
E	One Public Estate	£30,000	May-16	To explore the business case for a joint development company	£30,000
F	Reserve for future allocation	£327,000	May-16	While approved at that time, it may be re-allocated	£327,000
G	Innovation Centres	£300,000	Sep-16	£75k per centre	£300,000
H				Balance unallocated	£631,788
TOTAL APPROVED COMMITMENTS		£2,322,000		REVISED VALUES	£2,953,788

Appendix B

Projects Approved – brief descriptions, manager, approval, allocated, spend

Devolution/Combined Authority

Approved EPC Feb 2016

£135,000

On hold

Responsible Officer: Adrian Smith

Timewise

Approved at the Chief Executives Forum

Flexible hiring and working practises – Ashfield District

Allocated £30,000 spent **£24,000 to date**

Balance £30000 will be spent

Responsible Officer: Nicola McCoy-Brown/Rob Mitchell -Ashfield

Pre development Fund

Approved EPC May 2016 and updated Jan 2017

£1m fully allocated

Topped up £1.5K from town centre allocation

Schemes listed-

Ashfield	£156,750
Bassetlaw	£134,800
Broxtowe	£140,000
Gedling	£130,000
Mansfield	£102,000
N&S	£125,000
NCC	£134,960
Rushcliffe	£101,000
Joint	£129,450

Total **£1,153,960**

There are also 4 reserve projects

The following table confirms the spend as at the end of February 2018 in accordance with the original allocations.

LA	Allocation	Total Being Processed	Total Reimbursed to Date	To be Claimed
Ashfield	£186,750	£0	£41,750.00	£145,000.00
Bassetlaw	£164,800	£95,680	£0	£69,120.00
Broxtowe	£140,000	£70,000	£0	£140,000.00
Gedling	£150,000	£0	£23,956.80	£126,043.20
Mansfield	£102,000	£34,802	£0	£102,000.00
N&S	£125,000	£0	£0	£125,000.00
NCC	£184,410	£0	£0	£184,410.00
Rushcliffe	£101,000	£0	£27,005.25	£73,994.75
Total	£1,153,960	£200,482	£92,712.05	£965,567.95

All projects are due to be completed and claims made by 6th July 2018 apart from Broxtowe BC; their final claim for one project will be made by 6th January 2019.
Responsible Officers: Geoff George and Oliver Whitaker

Innovation Centres

Approved by EPC Sept 2016
£300,000 which is 4 centres x £75,000 each.

Turbine innovation centre – NCC - *Contribution to turbine innovation centre works*
Business lounge and Improvements to meeting room facilities complete, all funds spent

Retford enterprise Centre Phase 2 – BDC - *Contribution to the Retford enterprise centre phase 2*. Completed in November and is 40% let. No claims made yet

Mansfield I-centre – MDC - *The Upgrade and replacement of skylights and ventilation system, roof drainage and internal refurbishment and upgrade at the Mansfield i- Centre*. Works still outstanding, as the works relate to roof drainage and roof leaking milder weather is required before the works can be completed. This is expected to be done in the spring. No claims made yet

Newark Beacon – NSDC - *Internal Space re-configuration, internal Upgrades and car parking Adjustments at Newark Beacon Innovation Centre*. Office re-configuration complete, other works still outstanding. No claims made yet.

Responsible Officer: Phil Berrill

Balance uncommitted

Original EPC approval value £327,000
Additional Business rates pool contributions £631,788 as yet not approved by EPC.