

Key Decision Details

Decision Name	Proposal for Use of External Grant Underspend
Date of Decision	22 June 2017
Decision maker	Cabinet
Describe the Decision taken	To approve the use of the £1,984,868 BFG underspend as a loan facility which complies with State Aid regulations. To recommend Option 2 in paragraph 4.2 for the use of the revenue generated is followed as a budget proposal in the next budget round. Given the restrictions on the use of the capital grant underspend its use as a loan facility is considered to be the best option in the first instance given that it provides a means of generating a revenue stream that would then be able to provide the resource to administer a small grant scheme at a later date without being an additional drain on HDC resource.
What were the reasons for taking the Decision?	Whilst there may be no legal restrictions on how the income generated is used, it is considered right that the use of the money should continue to observe the principle of support for economic development, and the EZ in particular. 1. All of the revenue stream should be used towards the objective for which the grant was originally allocated, namely to support of delivery of 'growth priorities for the EZ'. 3. None of the income is used to support either the EZ or economic growth priorities but instead considered as a general receipt into Council funds.
What alternative options were considered and rejected?	
Conflict of interest and dispensation	Councillor R Fuller, Councillor D Brown and Councillor A Dickinson declared a disclosable pecuniary interest in the item.
Is the decision a Key Decision?	No

**Was the decision
included in the Forward
Plan**

No

**Was the decision
subject to the urgency
proceedings?**

No

**List the background
papers to any report
considered by the
Decision Taker**

**Person Making this
report**

Mrs Beccy Buddle

**Date upon which the
Decision will come into
force, subject to no
call-in**

04 July 2017

**Accompanying
Documents**

Item 9 - Proposed Use of Building
Foundations for Growth (Capital)
Grant Underspend
Item 9 - Proposed Use of Building
Foundations for Growth (Capital)
Grant Underspend - Appendix 1 Term
Sheet
Item 9 - O&S Comments - Proposed
Use of Grant Underspend