

SHEFFIELD CITY COUNCIL

OFFICER EXECUTIVE DECISION RECORD (Non Key)

The following decision was taken on 27 July 2018 by the Executive Director, Place.

Date notified to all members: Thursday 2 August 2018

Officer Non-Key decisions are not subject to call-in.

1. **TITLE**

HNIP Funding - Repayment of Grant

2. **DECISION TAKEN**

That due to e.on withdrawing from the HNIP project and the project not progressing, the grant be returned to BEIS in its entirety.

3. **Reasons For Decision**

In March 2018 e.on informed the Council that their Business & Continuity Solutions Board had recommended they do not progress with the DEN connection. This decision needed to be ratified by the e.on UK Board.

Since the UK Board's decision was to be made after the final grant drawdown date the decision was taken to drawdown the grant so as not to lose this opportunity. The grant was drawn down and put into a holding account with the condition that it would not be released until negotiations with e.on had concluded and approval from the Executive Director, Place to proceed via the Cabinet delegated decision.

BEIS fully appreciated that the Council was still in negotiations with e.on and gave the Council flexibility to conclude negotiations. BEIS confirmed that if the Council was unable to reach an agreement with e.on the grant would be returned with no conditions attached.

4. **Alternatives Considered And Rejected**

Working with Veolia, the Council developed a package of works for the City Centre DEN which the funding could have been used for, however these were deemed by BEIS to have not yet reached the level of maturity required to be eligible for HNIP funding; and that proposed 50/50 match funding approach did not align with the HNIP funding gap approach and possibly state aid rules.

E.on declined the opportunity to submit a revised proposal.

5. **Documents used in making decision:**

Cabinet report 20 September 2017

6.1 **Any conflict of interest declared by any Executive Member who is consulted**

by the Officer when making the decision

None

6.2 **Any dispensation granted by the Head of Paid Service**

N/A

7. **Respective Director Responsible for Implementation**

Executive Director, Place