

## BRECKLAND COUNCIL FINANCIAL COMMENTS &amp; APPRAISAL

THIS DOCUMENT PROVIDES THE FINANCIAL IMPLICATIONS  
IN RESPECT OF THE ATTACHED REPORT

**FROM:** Margaret Bailey (Senior Accountant)  
**REPORT:** Thetford Enterprise Park Roundabout  
**REPORT DATE:** 19 January 2017

	£ Year 1 2016-17	£ Year 2 2017-18	£ Year 3 2018-19	£ Year 4 2019-20
<b>Revenue</b>				
<b>Income</b>				
N/A	(-)	(-)	(-)	(-)
<b>Costs</b>				
N/A	-	-	-	-
<b>Total Revenue</b>	-	-	-	-
<b>Capital</b>				
<b>Income</b>				
Business Rates Pool			(450,000)	(-)
<b>Costs</b>				
Payments to NCC under SLA			450,000	
<b>Total Capital</b>	-	-	-	-
<b>Considered By:</b>	Full Council			
<b>Date:</b>	19-01-17			

**Financial Services Comments**

The report requests approval to accept a grant of £450,000 from Norfolk County Council, as administrators of the Business Rates Pool (BRP) to be used towards the TEP access roundabout.

The grant will allow the initial design and planning of the roundabout. The grant conditions require that the BRP represents no more than 22.5% of total funding. £1.98m has been secured from the Local Enterprise partnership (LEP).

The Council will draw down funding under an SLA with NCC. The risk is that funds may be expended and then the project does not proceed exposing the Council to abortive costs and a requirement to reimburse the BRP (from revenue). The potential abortive costs (which would be incurred by the NCC project team) are estimated to be approximately £83,000. No funding will be drawn down until April 2018 by which time costs will have been firmed up and planning permission granted which should de-risk the project and reduce the risk of abortive costs. However, before funding is drawn down, the position on costs etc should be confirmed.

If approval is given to accept this grant, the expenditure will be added to the capital programme but will have a nil effect as it will be shown as fully funded from the BRP.

**Financial Risk**

It is not yet clear whether the final cost of the total project can be covered by the available grant from the LEP and BRP.

This appraisal is valid for 1 month from issue date

If there are changes to the original report it may invalidate this document & must be reviewed by Finance.