

Mr Ron Crank
Chief Executive
Coast to Capital LEP
Arun House
Horsham
RH12 2DN

Date: 29 October 2015
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Dear Mr Crank

RE: LEP funding – cash flow re-profiling, Circus Street, Brighton

I am writing in respect of the above project which has been awarded LEP grant funding.

The funding of £2.7m is enabling a mixed-use construction project to proceed, which will create 142 homes and over 200 jobs as part of a wider regeneration project in a prominent area of Brighton.

Brighton & Hove City Council were allocated £1.5m in financial year 2015/16 and £1.2m in 2016/17. The project costs total £104.7m and has a duration of 5 years.

The following profile provided by Brighton & Hove City Council's development partner, Cathedral (Brighton) Ltd details the total spending on the project:

	14/15 (£)	15/16 (£)	16/17 (£)	17/18 (£)	18/19 (£)	TOTAL
LGF		1,500,000	1,200,000			2,700,000
BHCC		157,890	1,969,818	947,430		3,075,138
University of Brighton			1,623,396	1,082,264		2,705,660
Arts Council/SED			322,197			322,197
Cathedral	4,356,251	12,241,615	58,890,062	19,456,488	962,574	95,906,990
Total Expenditure	4,356,251	13,899,505	64,005,473	21,486,182	962,574	104,709,985

As shown in the table above the forecast spend for 2015/16 is £13.9m of which £1.5m is LEP funding. The developer spend in 2015/16 totals £12.2m.

Should the developer spend all of the £2.7m funding in 2015/16, the total spend by the developer would be £11m within that period. Cumulatively, if the LEP contributes the full amount of funding in 2015/16, the developer would have provided match funding to the value of £15.4m.

The revised profile would be as shown in the table below:

	14/15 (£)	15/16 (£)	16/17 (£)	17/18 (£)	18/19 (£)	TOTAL
LGF		2,700,000				2,700,000
BHCC		157,890	1,969,818	947,430		3,075,138
University of Brighton			1,623,396	1,082,264		2,705,660
Arts Council/SED			322,197			322,197
Cathedral	4,356,251	12,241,615	58,890,062	19,456,488	962,574	95,906,990
Total Expenditure	4,356,251	15,099,505	62,805,473	21,486,182	962,574	104,709,985

Brighton & Hove City Council is requesting approval for this revised profile as it has benefits for all parties.

I trust this is acceptable, and I would be grateful for written confirmation.

Yours sincerely



Nick Hibberd
Acting Executive Director Environment, Development & Housing