

AGENDA ITEM 25

BRIGHTON I360 UPDATE

GREEN GROUP AMENDMENT

That the following amendments be added to the report as shown in ***bold italics***:

That the Committee:

2.1.1 Notes the financial and commercial performance of the i360 to date.

2.1.2 Notes the action so far taken by the i360 to reduce costs, increase visitor numbers and increase revenue generating capacity.

2.1.3 Agrees to defer £570,007.73 of the £1,492,304.25 due on 30 June 2018 until 31 December 2018 on the basis that the i360 will pay the council £922,296.52 to enable the council to pay the PWLB the same amount on the same day.

2.1.4 Agrees not to take default action at this stage in relation to the failure to hit the financial ratios set out in the loan agreement.

2.1.5 Notes that representatives of the council, LEP and i360 Board will meet regularly to discuss a long term restructuring of the loans and that a further report will be brought to PRG Committee on 6 December 2018, ***if it is anticipated that the debtor will default in making December's payment, that the Committee be fully appraised of the options as set out in Section 4 of this report, including that BHCC enforces its security;***

2.1.6 Authorises the Executive Director Economy, Environment & Culture, in consultation with the Executive Director Finance & Resources, to commission a specialist commercial adviser to provide advice and options to the council for a long-term loan restructuring and advise on whether those proposals meet the market economy operator principle.

2.1.7 Authorises the Executive Director Economy, Environment & Culture, in consultation with the Executive Director Finance & Resources, after discussion with the i360 Board, to procure additional support (such as a commercial advisor with specialist experience of visitor attractions) for the

i360 management and Board to help them improve the financial performance of the i360.

2.1.8 Allocates a sum of £50,000 from the Strategic Investment Fund to meet the costs of the recommendations at 2.1.6 and 2.1.7, ***and that these costs are recovered with interest from the Brighton i360 Ltd by adding this sum to their loan repayments.***

Proposed by: Councillor Mac Cafferty

Seconded by: Councillor Littman

Recommendations if carried to read:

2.1.1 Notes the financial and commercial performance of the i360 to date.

2.1.2 Notes the action so far taken by the i360 to reduce costs, increase visitor numbers and increase revenue generating capacity.

2.1.3 Agrees to defer £570,007.73 of the £1,492,304.25 due on 30 June 2018 until 31 December 2018 on the basis that the i360 will pay the council £922,296.52 to enable the council to pay the PWLB the same amount on the same day.

2.1.4 Agrees not to take default action at this stage in relation to the failure to hit the financial ratios set out in the loan agreement.

2.1.5 Notes that representatives of the council, LEP and i360 Board will meet regularly to discuss a long term restructuring of the loans and that a further report will be brought to PRG Committee on 6 December 2018, if it is anticipated that the debtor will default in making December's payment, that the Committee be fully apprised of the options as set out in Section 4 of this report, including that BHCC enforces its security;

2.1.6 Authorises the Executive Director Economy, Environment & Culture, in consultation with the Executive Director Finance & Resources, to commission a specialist commercial adviser to provide advice and options to the council for a long-term loan restructuring and advise on whether those proposals meet the market economy operator principle.

2.1.7 Authorises the Executive Director Economy, Environment & Culture, in consultation with the Executive Director Finance & Resources, after discussion with the i360 Board, to procure additional support (such as a commercial advisor with specialist experience of visitor attractions) for the i360 management and Board to help them improve the financial performance of the

i360.

2.1.8 Allocates a sum of £50,000 from the Strategic Investment Fund to meet the costs of the recommendations at 2.1.6 and 2.1.7, and that these costs are recovered with interest from the Brighton i360 Ltd by adding this sum to their loan repayments.

