

South Coast Furnishing Company Ltd.
C/O Peter Friend
HNF Property
36 Sydenham Road
Croydon
CR0 2EF

30 January 2019

**BRIXTON TOWNSCAPE HERITAGE INITIATIVE
GRANT OFFER FOR
RELIANCE ARCADE, 455 BRIXTON ROAD SW9 8JP**

Under the Brixton Townscape Heritage Initiative (THI), Lambeth Council and the Heritage Lottery Fund have made funds available for a limited time towards the repair of certain historic buildings within the Brixton Conservation Area. Your application for a grant towards the cost of repairs/refurbishment at **Reliance Arcade, 455 Brixton Road SW9 8HH** has now been considered, and I am pleased to confirm that the contributing bodies are willing to offer you a grant.

This offer is for a grant of up to **£598,356.27** towards the cost of eligible work estimated at **£831,941.75** (see *Appendix 1*). The grantee's contribution to the eligible work is estimated to be £255,762.07. If the actual cost of the works is less than the tendered cost on which the grant calculation is based, then a proportionate reduction will be made in the grant. If the cost of the eligible work increases, there is no obligation for the Council to increase the grant offered.

The offer is subject to the conditions set out within this letter and the accompanying Grant Agreement and these should be carefully considered before the offer of grant is accepted. If any of the conditions are not complied with, the grant may be withdrawn or recovered.

Grant will be paid to the property owner in arrears for agreed grant-eligible work which has been completed to the satisfaction of the Council. The final payment will only be made when all the eligible work has been completed and the Council has received a copy of the practical completion certificate from the applicant's architect and final account from the contractor.

Following completion of the grant-aided works you must ensure that the property is adequately insured and that the property and all grant-aided works are maintained in a state of good repair and condition and that:

- a) All glazing (internal and external including to facades, atrium roofs, Georgian house windows, upper level storage areas and shopfronts) shall be kept clean and washed regularly
- b) The building, internally and externally, is to be kept free of graffiti, stickers or other fly-posting. Suitable cleaning products and implements are to be provided on site for the use of tenants or arcade management to ensure any incidences of these can be removed without delay
- c) Any external shutters are maintained in good working order, kept clean and free of graffiti and fly-posting
- d) Any painted elements (e.g. windows to the Georgian house) shall be re-painted at least every 8 years, or sooner if required
- e) The building façades shall be kept free of clutter, including estate agent's boards, wires and cabling and adverts (including for businesses within the arcade, unless these are in locations approved by the Council as part of the Grant Project)
- f) Any stonework, including the Electric Lane faience façade, shall be kept clean and not painted
- g) Gutters shall be regularly cleaned and downpipes kept clear and any vegetation removed from the building promptly before it causes any damage to brickwork etc.
- h) The grant-aided works are not to be removed, altered, or otherwise changed without the consent of the Council, such consent not to be unreasonably withheld.

The grant is not transferable and is offered solely to the grant recipient. It is the sole responsibility of the grant recipient to ensure that all terms and conditions are satisfied. No variations to the terms and conditions of this grant offer will be effective unless the council agrees them in writing.

The offer of grant must be accepted in writing within **two weeks** of the date of this letter, unless otherwise agreed in writing by the council.

The grant-aided works must commence within **two months** of the date of this letter, unless otherwise agreed in writing by the council.

The grant-aided works must be completed, and copies of final receipted accounts received by the council within **one year** of the date of this letter, unless otherwise agreed in writing by the council.

If the offer of grant is acceptable on the terms and conditions stated, I look forward to receiving confirmation of your acceptance in writing **no later than 24th February 2017**.

Signed on behalf of Lambeth Council on _____ (insert date) by:

Officer name _____

Officer signature _____

GRANT ACCEPTANCE

I/we hereby confirm that I/we _____ am/are authorised to sign this grant acceptance on behalf of South Coast Furnishing Company Ltd., the registered freeholder of the property at **Reliance Arcade, 455 Brixton Road SW9 8HH** which is subject to this grant offer.

I/we hereby confirm that I/we have read and fully understand the attached Grant Offer letter dated **5 February 2019** and the terms and conditions of the grant as set out in the letter.

I/we agree to accept the grant offered and to comply with all the terms and conditions of the grant as contained in the Grant Offer letter and the Grant Agreement.

I/we hereby confirm that I/we understand that I/we am/are responsible for making all payments to the appointed contractors for the grant-aided works and have access to sufficient funds to do so as and when required by the contractor.

I/we understand that the grant portion of the eligible costs will only be reimbursed in stages upon proof of expenditure and satisfactory inspection of the works completed. I/we understand that whilst the Council will make every effort to reimburse me/us before the next contractor's payment is due, this may not always be possible.

I/we understand that the grant amount offered in this letter will be proportionately reduced if the costs of the eligible works reduces.

I/we hereby confirm that I/we have signed below on _____ [insert date] to confirm acceptance of the grant offered and the terms and conditions contained in this Grant Offer letter and the Grant Agreement.

Authorised person _____

Authorised signature _____

Position of authorised person _____

GRANT CALCULATION - RELIANCE ARCADE

Element	Unit	Rate	Item Totals (£)	Section Total (£)	BUILDING REPAIR		ARCHITECTURAL FEATURES		TOTAL GRANT	TOTAL OWNER CONTRIBUTION
					Eligible Cost (£)	60%	Eligible Cost (£)	85%	£	£
SUMMARY										
1 Preliminaries				158,356.00	79,178.00	47,506.80	79,178.00	67,301.30	114,808.10	43,547.90
2 Demolitions				21,974.35	21,974.35	13,184.61	-	-	13,184.61	8,789.74
3 Masonry				16,410.00	16,410.00	9,846.00	-	-	9,846.00	6,564.00
4 Timberwork				10,332.00	10,332.00	6,199.20	-	-	6,199.20	4,132.80
5 Slate Roofing (Georgian House Roof)				3,000.00	3,000.00	1,800.00	-	-	1,800.00	1,200.00
6 Leadwork				23,025.00	23,025.00	13,815.00	-	-	13,815.00	9,210.00
7 Asphalt work				5,990.00	5,990.00	3,594.00	-	-	3,594.00	2,396.00
8 Glazed Rooflights				30,466.00	30,466.00	18,279.60	-	-	18,279.60	12,186.40
9 Rainwater Goods				24,325.00	24,325.00	14,595.00	-	-	14,595.00	9,730.00
10 Doors, Windows and Rooflights				11,126.00	-	-	11,126.00	9,457.10	9,457.10	1,668.90
11 Joinery				28,450.00	-	-	28,450.00	24,182.50	24,182.50	4,267.50
12 Decorative Glass & Metalwork				24,619.00	16,369.00	9,821.40	8,250.00	7,012.50	16,833.90	7,785.10
13 Electrical installation				49,200.00	15,000.00	9,000.00	34,200.00	29,070.00	38,070.00	11,130.00
14 Plumbing & Heating System				7,017.00	7,017.00	4,210.20	-	-	4,210.20	2,806.80
15 Decoration				41,572.00	23,520.00	14,112.00	18,052.00	15,344.20	29,456.20	12,115.80
16 Floor Finishes				-	-	-	-	-	-	-
17 Work To Shop Units 1 & 2				50,555.00	-	-	50,555.00	42,971.75	42,971.75	7,583.25
18 New External Canopy on Brixton Road Elevation				30,000.00	-	-	30,000.00	25,500.00	25,500.00	4,500.00
19 Other Works				12,250.00	5,250.00	3,150.00	7,000.00	5,950.00	9,100.00	3,150.00
CONTRACT SUM				548,667.35	281,856.35	169,113.81	266,811.00	226,789.35	395,903.16	152,764.19
Contingency	@	10%		54,866.73	28,185.63	16,911.38	26,681.10	22,678.94	39,590.32	15,276.42
TOTAL CONSTRUCTION COSTS				603,534.08	310,041.98	186,025.19	293,492.10	249,468.29	435,493.48	168,040.61
PROFESSIONAL FEES & COSTS										
Architects fees	@	12%		72,424.09	37,205.04	22,323.02	35,219.05	29,936.19	52,259.22	20,164.87
QS fees	@	2% (eligible)		14,595.50	6,035.34	3,621.20	6,035.34	5,130.04	8,751.24	5,844.26
Project Design/Health & Safety	@	1% (eligible)		10,465.00	3,017.67	1,810.60	3,017.67	2,565.02	4,375.62	6,089.38
Project Management (for South Coast Furnishing Co. Ltd.)	@	1% (eligible)		10,653.50	3,017.67	1,810.60	3,017.67	2,565.02	4,375.62	6,277.88
Heritage consultants				1,885.50	942.75	565.65	942.75	801.34	1,366.99	518.51
Structural engineer				1,800.00	900.00	540.00	900.00	765.00	1,305.00	495.00
M&E engineer				3,500.00	1,750.00	1,050.00	1,750.00	1,487.50	2,537.50	962.50
Structural surveyor				2,000.00	1,000.00	600.00	1,000.00	850.00	1,450.00	550.00
PPA + planning fees				6,314.00	3,157.00	1,894.20	3,157.00	2,683.45	4,577.65	1,736.35
Building Control fees				1,500.00	750.00	450.00	750.00	637.50	1,087.50	412.50
Valuation fee - BNP Paribas (no VAT)				4,500.00	2,250.00	1,350.00	2,250.00	1,912.50	3,262.50	1,237.50

Party Wall Agreements & Licences			5,000.00	-	-	-	-	-	5,000.00
Scaffolding/Highways Licences			5,000.00	2,500.00	1,500.00	2,500.00	2,125.00	3,625.00	1,375.00
Expenses			2,000.00	-	-	-	-	-	2,000.00
TOTAL PROFESSIONAL FEES & COSTS			141,637.59	62,525.47	37,515.28	60,539.48	51,458.56	88,973.84	52,663.75
VAT	@	20%	148,134.33	74,063.49	44,438.09	70,356.32	59,802.87	104,240.96	43,893.37
Wholly recoverable VAT			- 27,576.53	- 4,119.53	- 2,471.72	- 23,457.00	- 19,938.45	- 22,410.17	- 5,166.36
Pro rata recoverable VAT	@	25.13%	- 11,611.14	- 7,334.57	- 4,400.74	- 4,166.00	- 3,541.10	- 7,941.84	- 3,669.30
TOTAL PROJECT COSTS (of which £831,941.45 are eligible)			854,118.34	435,176.85	261,106.11	396,764.90	337,250.16		
				52.31%	43.64%	47.69%	56.36%		
TOTAL GRANT	@	70.06%	of total project costs					598,356.27	
<i>(inc. £10,000 from the Heritage of London Trust towards item 15.4 B only)</i>									
ESTIMATED OWNER CONTRIBUTION	@	29.94%	of total project costs						255,762.07