

Submission to Cabinet25th June 2018

From Max Hunt CC, the Labour Spokesperson

Item 13: M1 Junction 23/A512 Improvement

There are clear advantages of bringing public, private and contractor interests together to form one programme for interrelated highways schemes and note from the Leader's comment in Leicestershire Matters the importance of ensuring there are no gaps in funding as a result. To that extent I congratulate the officers concerned in attempting to co-ordinate all stakeholders.

The question posed in this paper is whether it was wise to proceed to this stage with nothing more than 'a commitment in principle' from major developers with their own strong legal teams. I must assume that there was a political decision to proceed on that basis. The legal steps set out in mitigation of any collapse in negotiation look fragile and a little desperate.

I also note that the expectation of developer funding last year was £10 million, whereas now the costs have fallen, no doubt due to our officers' skills, the developers will receive the full benefit, reducing down to £8 million

With reference to the concerns expressed in the paper and the significant capital sums involved in this and future schemes, such as the MDR, I strongly recommend that the general matter is referred for a full report to the Corporate Governance (Audit) Committee.

Matters of concern here are:

- The use of planning conditions as an alternative to S106 agreements and potential use of CIL.
- The management of contributions from multiple developers over a period as exemplified by the Melton Distributor Road.
- The gap between public expectations expressed in heads of terms at democratic stage and the final outcome of negotiation. (In this specific case the committee gave their consent in September 2015 but permit was not signed until July 2018).
- The effect of inflation and other contingencies on the final costs.

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