



CABINET – 24 MARCH 2020

MELTON MOWBRAY DISTRIBUTOR ROAD

**REPORT OF THE CHIEF EXECUTIVE, DIRECTOR OF CORPORATE
RESOURCES AND DIRECTOR OF ENVIRONMENT AND
TRANSPORT**

PART A

Purpose of the Report

1. The purpose of this report is to advise the Cabinet of the current position on delivery of the southern section of the Melton Mowbray Distributor Road (MMDR). A supplementary report will be circulated to members.

Recommendations

2. The Cabinet is asked to have regard to the information in this and the subsequent supplementary report and consider the Council's response to Melton Borough Council and Homes England concerning the southern section of the Melton Mowbray Distributor Road.

Reason for Recommendations

3. To agree the position to be adopted by the County Council.

Timetable for Decisions (including Scrutiny)

4. Subject to the decision of the Cabinet, officers will respond to the Ministry of Housing, Communities and Local Government on the grant offer made by 31 May 2020

Policy Framework and Previous Decisions

5. The report to the Cabinet on 22 November 2019 advised of a successful Housing Infrastructure Fund (HIF) bid for the southern section of the MMDR and discussions with MBC regarding a risk-sharing agreement for the remaining funding of the road and related infrastructure.

Resource Implications

6. The level of transport investment required to support growth across Melton is substantial. As an example, the County Council's commitment (and potential financial exposure) to deliver the scale of infrastructure required to support growth in Melton is currently estimated to require around £160m gross investment - roughly £100m for roads and £60m for schools. The local burden is reduced due to the funding awarded from the Local Authority Majors Fund (£49m for the northern and eastern sections) and the HIF bid (£15m for the southern section). It is then expected that most of the remaining costs will be recouped in later years through developer contributions. Nonetheless, it will require significant forward funding from the County Council leading to significant risks to the Authority.

Circulation under Local Issues Alert Procedures

7. This report has been circulated to members representing electoral divisions in the Melton area: Mr. J. T. Orson CC, Mr A. E. Pearson CC, Mrs P. Posnett MBE CC, and Mr J. B. Rhodes CC.

Officers to Contact

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PART B

Background

8. The known infrastructure costs to build the whole of the MMDR (northern/eastern and southern sections) and provide appropriate schools are in the region of £160m.
9. The successful HIF bid towards delivery of the southern section of the MMDR has secured £15m, but this still leaves an estimated balance of around £100m to be identified.
10. The offer of HIF funding from the Government (MHCLG/Homes England) for the southern section of the MMDR requires the County Council as the bidder to meet a range of pre and post contract conditions. The County Council has to provide a detailed programme and strategy to secure planning permission for the housing applications as well as a procurement strategy for the delivery of housing and the road.
11. The County Council has to be in a position where it can accept those conditions in the context of significant financial risk.

Equality and Human Rights Implications

12. The MMDR Southern section was identified in the Melton Local Plan as essential for the delivery of the planned growth in the district. The Plan itself was subject to an Equality and Human Rights Impact Assessment. Any future scheme will be subject to further assessment in line with the County Council's policy and procedures, more detailed assessments of specific proposals will be undertaken as they come forward through the planning process.

Environmental Implications

13. An environmental impacts study was carried out as part of the HIF bid development process to inform the WebTAG assessment. In accordance with relevant regulatory requirements, more detailed assessments of the specific proposals will be undertaken as they come forward through the planning process.

Background Papers

Report to the Cabinet – 22 November 2019 – Melton Mowbray Local Plan Delivery Partnership – HIF Bid Update

<http://politics.leics.gov.uk/ieListDocuments.aspx?CId=135&MId=5608&Ver=4>

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