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Date: 19th June 2020

Dear John,

Melton Mowbray Distributor Road

Thank you for your recent letter of 15th June 2020.

As you will be aware our Cabinet considered and approved the Melton South Sustainable Neighbourhood Masterplan on 17th June. This is the culmination of some very intensive work embarked upon in April to support the County Council's needs in relation to the Housing Infrastructure Fund and associated timescales.

The approved Masterplan has been developed at pace through consultation with yourselves and the developers and its evolution has been an iterative process. At the Cabinet meeting itself, officers proposed some additional minor amendments to the published document to further strengthen its contents and impact. Specifically these related to providing greater clarity regarding the evolution of the plan (within section 4), as well as to further emphasise the importance of securing the required developer contributions to support infrastructure (section 12.15). These amendments are being made under associated delegated powers and subject to normal call-in procedures, an updated version will be provided to the County Council shortly for final consideration.

We maintain that the finalised Masterplan provides a strong framework to guide the future development of the Melton South Sustainable Neighbourhood. We are confident it includes all the necessary infrastructure provisions and means for their funding, but also a wealth of information to provide clear and strong guidance towards developing a high quality development with a strong 'sense of place'. Our confidence in the document is based upon not only the professional competence of our officers but also the feedback received through our independent review (attached for your info) and conversations held with Homes England directly.

We have met your requested timescales and believe we have done everything which could reasonably be expected to provide the necessary assurance that the development will secure the required contributions. We therefore hope this will allow you to accept the Housing Infrastructure Fund for the southern section of the MMDR. In particular section

12 explains how infrastructure cost will be met in full, and recovered where necessary, and sets out the framework for delivery of key items such as schools, including phasing.

This is of course a continuation of our commitment and effort to support infrastructure costs. You will be aware of the numerous occasions we have secured full contributions on the County Council's behalf; including the following examples:

- The large development in Melton north, including the County Council's own at Sysonby Farm (approximately 700 houses combined)
- Taylor Wimpey on Melton Spinney Rd
- 100 houses at Lake Terrace
- New proposals by Bellway on Leicester Rd: particularly significant as it is part of this Masterplan area.

For these examples alone this amounts to £9million towards the funding of the MMDR, over £ 7.75million for education infrastructure, alongside over £1.75 million towards other County Council services. Any examples where full contributions have not been secured due to the 'planning balance' of competing interests are truly exceptional, and are significantly outnumbered by examples where we have rejected approaches from developers to seek concessions. At our most recent meeting the Planning Committee rejected a viability case for a site in Asfordby and the full complement of contributions in that case remains intact.

In relation to viability more generally, viability testing was carried out throughout the Local Plan process, and as recently as July 2019, through a jointly funded exercise with yourselves; which provided positive assurance. We acknowledge that promoters of the western portion of the sustainable neighbourhood have questioned viability, however they have not evidenced or substantiated their view at any stage during the last few months and their position is not understood or accepted.

Clearly the situation continues to evolve, not least due to the current circumstances, and undertaking a further viability assessment with yourselves and the developers would be a reasonable next step. Homes England has offered to support this process.

Notwithstanding the above, our high degree of confidence in relation to the Masterplan's viability is based upon:

- The principal developers have not expressed fundamental opposition to it on viability grounds.
- Other developers have agreed the same infrastructure contributions elsewhere in the town and are progressing through s106 and on site (including those examples already mentioned above).
- The aforementioned jointly-funded viability assessment last year which provided positive results and whilst the Masterplan has developed latterly, the essential content and inputs remain the same.

Finally, I would like to touch upon plans to deliver a Masterplan for the northern sustainable neighbourhood. These are now the focus of our attention and we are working in the first instance with the stakeholders to pick up the significant preparatory work that

has progressed to date. We will develop a roadmap so as to accelerate this into an equally credible and deliverable Masterplan. I would expect my colleagues to be in a position to share the timescales for this roadmap with your team shortly.

In summary, we believe we have continued to do everything possible to support you in our shared goal of delivering sustainable growth and infrastructure in Melton. We would be happy for you to share this letter with your Cabinet on 23rd June and would hope that it enables you to accept the Housing Infrastructure Fund in support of the southern section. As a Council we remain committed to working closely with you on this project and we would be happy to discuss any further ways we can ensure a positive outcome.

Yours sincerely,

A handwritten signature in blue ink, consisting of a series of loops and a long horizontal stroke extending to the right.

Edd de Coverly
Chief Executive

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