



Homes  
England

The Housing and Regeneration Agency

The Planning Inspectorate  
National Infrastructure Planning  
Temple Quay House  
2 The Square  
Bristol BS1 6PN

Your Ref: TRO10063/M510-SP20  
Our Ref: HIF/FF/30053  
Date: 2<sup>nd</sup> September 2024  
Direct Dial: [REDACTED]  
E-mail: [REDACTED]@homesengland.gov.uk

Dear Sirs,

**Planning Act 2008 (as amended) - Application by Gloucestershire County Council for an Order Granting Development Consent for the M5 Junction 10 Improvements Scheme: Project Ref TRO10063**

**Interested Party Reference number: M510-SP20**

I write in response to the Examining Authority's Issue Specific Hearing 3 Agenda item 5 part II, specifically: *"Homes England and the Applicant will be asked to provide an explanation of the Homes England Funding in respect of the amount, the security and the timing of the funding and the contractual milestone trigger points."*  
Please see below for Homes England's post-hearing submission response in accordance with deadline 4.

**1) Amount of funding:**

HIF grant funding towards the cost of the overall HIF project's infrastructure works is a fixed maximum sum, not index linked, of £249,131,000 of which the Applicant has allocated £212.071m to the Scheme which is the subject of the DCO (M5 Junction 10 Improvements, A4019 widening and West Cheltenham Link Road).

**2) Security of funding:**

HIF grant funding has been secured by way of a contractual Grant Determination Agreement (GDA) dated 16 October 2020 between the Applicant (Gloucestershire County Council as Grant Recipient) and Homes England.

Providing there are no contractual breaches of the GDA that cannot be remedied, the funding is secure. If the Grant Recipient requests a change which would take the project outside of the contracted parameters of the GDA this would need to be referred to MHCLG / HMT for consideration and decision making, depending on the nature of the request. Generally, changes that are within the parameters of the GDA fall under Homes England's delegated authority.

The GDA allows for changes to contractual milestones and requirements to be made by mutual agreement, when operating within the parameters of the GDA, which would then need to be formally documented.

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**3) Timing of funding and contractual milestone trigger points:**

Funding is drawn down on a monthly basis, in arrears, in line with the progress of the Scheme's delivery through its design and construction stages. Draw down of the grant is driven by claims for funding being submitted by the grant recipient for costs incurred in delivering the agreed infrastructure works (rather than Milestones triggering the payment of funding).

There are contractual milestones and requirements which must be satisfied in order for the Grant Recipient to be able to draw down funding. The Grant Recipient can make a claim for grant funding providing milestone dates and relevant contractual requirements have been met (appropriate to the stage of the Scheme's progress). If any particular dates and / or requirements are not met, the funding cannot be drawn down until such time as they are met or varied by agreement accordingly.

There are no lump sum stage payments linked to completion of milestones.

The contractual funding Availability Period is to 30 September 2027 by which time all HIF grant funding must be incurred and claimed. The GDA requires construction of the Scheme to be completed by 30 December 2027.

Yours faithfully



Kate Wilson

**Head of, Infrastructure Grants, Project Management  
Homes and Communities Agency (trading as Homes England)**

