

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:	24 October 2024
Direct Dial: E-mail:	@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 4 (ISH4) Agenda item 4 Funding, part (ii), specifically:

Homes England to explain the certainty of funding in the event of a delay beyond September 2027 and the current 2027/28 financial year and the process and timing of any subsequent agreement to extend the period for the availability of funding either through their delegation powers or if necessary, through referral to HMT and MHCLG.

Please see below for Homes England's submission response in accordance with Deadline 7.

1) The Applicant could make a request to Homes England to extend the HIF funding Availability Period to a later date, triggering a material amendment under the Grant Determination Agreement (GDA). A request to extend the Availability Period within the financial year in which it currently expires (i.e. an extension up to the end of March 2028) is likely to be less challenging to accommodate and have a reasonable prospect of success than a request for an extension into a subsequent financial year (i.e. beyond March 2028) at this point in time. In either case, funding Availability Period extensions are not within Homes England's delegation and would need to be considered and decided by MHCLG and HMT accordingly. If the extension is not granted or only partially covers what the Applicant requires, then the Applicant would need to source alternative funding to cover the portion of HIF grant not claimed and drawn down by the expiry of the Availability Period. The Applicant remains responsible for cost overruns.

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- 2) The GDA contains a mechanism for dealing with material amendments to the project which would include circumstances such as a request for an extension to the funding Availability Period. The material amendment process is as follows:
  - The Applicant (Gloucestershire County Council as grant recipient) would notify Homes England that a material amendment is required under the relevant clause of the GDA.
  - A period of up to 3 months is then triggered for the Applicant to submit its material amendment request with supporting documentation and for Homes England to undertake the necessary reviews and agree a resolution. This timescale applies where the request is within Homes England's delegation.
  - If the material amendment request is outside of Homes England's delegation, as would be the case with any request to extend the funding Availability Period for this project, this may take longer than the 3-month period for resolution described above due to additional governance processes triggered.
    - Following Homes England's assessment of the material amendment submission, a paper detailing the request together with a recommendation would be taken to the HIF Delivery Board for review, and subsequently referred to HMT accordingly for consideration and a decision.
    - Homes England has no direct control over the timescales in relation to decision making that is outside of its delegation. All out of delegation requests are considered on a case-by-case basis.
    - At this point in time the Applicant has not requested a material amendment for an extension to the funding Availability Period and Homes England therefore cannot make any comment on the merits or otherwise of such a request in a hypothetical scenario. Homes England has supported the Applicant through the material amendment process on this project in the past and both Homes England and MHCLG remain committed to delivery of the Scheme.

## Yours faithfully

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

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