

Mr Andrew Hodgson
Director – Strategic Land
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Date: 27th September 2021
Ref: 2/2018/0036/OUT HIF/MV/276
Officer: Andrew Galpin
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By Email

Dear Andrew

Housing Infrastructure Fund (MVF) grant to Dorset Council for the delivery of Gillingham Principal Street, Dorset

On the 13th December 2019, Dorset Council entered into a grant funding agreement with Homes England for the provision of funding for the above scheme. The Principal Street project was awarded £6.31m of HIF marginal viability funding to deliver a stretch of road linking Shaftesbury Road (B3081) and New Road (B3092) road and in turn accelerate the delivery of development within the wider Gillingham Strategic Site Allocation by an estimated seven years. In addition to this investment accelerating the delivery of housing, it will remove the need for developers to pay for this vital piece of infrastructure at the outset of development helping development cash flow in the process and reducing the risk of non-viability.

Dorset Council commenced construction of the Principal Street in August 2021 and is drawing down the Homes England funding in arrears as the construction phase advances. The cost of the project is recoverable from development within the Gillingham Strategic Site Allocation via planning obligations which accompany planning permission for the wider development. Dorset Council's ability to recover the cost of the project is dependent upon the Council satisfying a variety of pre-conditions and delivery milestones including the completion of the HIF Funded Infrastructure Works (the Principal Street) by the 30th March 2022. The Availability Period for HIF Funding stands at 30th September 2022.

Funds recovered from development will be reinvested by Dorset Council in further housing delivery across Dorset.

Should you require further information or detail from me regarding the above, please get in touch.

Yours sincerely



Andrew Galpin

Infrastructure & Delivery Planning Manager

