

GALLAGHER

ESTATES

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Our ref: SC/dj

Your ref:

11th February 2016

Jonathan Warner
Senior Planner
Bedford Borough Council
Borough Hall
Cauldwell Street
Bedford
MK42 9AP

Dear Jonathan

Re: Discharge and Modification to the Section 106 Agreement Pursuant to Permission 99/01645/OUT (as amended by 11/01380/M73)

I refer to your letter dated 25th January regarding our current application to vary the Section 106 obligations. You have asked for further clarification in respect of a number of items which I will address below. However, in the first instance, I think it is worth outlining the full extent of our commitments which extend well beyond the £2.5m shortfall, which we are also agreeing to meet.

To be clear, our stated commitments towards the delivery of the new primary and secondary school campus at the north end of Village 2, are as follows:

1. To accelerate our Village 2 Primary education contribution (£5.013m indexed).
2. To accelerate our Secondary School contribution (£1.34m – indexed)
3. To provide the access road to the site, including services and utilities.
4. To carryout earthworks modelling to the site in order to create a suitable development platform.
5. To meet the existing shortfall of £2.5m.

Therefore in addition to the £2.5m funding shortfall, we are making an offer which means that Gallagher is committing in excess of £10m of infrastructure, and funding in order to enable the primary and secondary schools to be open by September 2017.

In considering the adjustments that are required to the Section 106 Agreement, we therefore need to be mindful of the cash flow burden that this commitment by Gallagher entails.

J.J.G

Gallagher Estates is a division of Gallagher UK Limited.

Having put our commitments in context, I provide the following information as requested.

Part 2 - Education

I do not believe the release of the allocated Village 2 lower school will have any bearing on the provision of education facilities within the Wixams. I say this as the existing Village 2 lower school is simply being relocated elsewhere within Village 2 so that it can be provided as part of a single combined campus arrangement alongside the secondary school.

Therefore the level of education provision elsewhere in the Wixams remains unchanged. I accept that as part of wider discussions around the Section 106 Agreement, we will need to more precisely define the location of the Village 3/ 4 school, this current proposal does reduce the education commitments currently envisaged the Section 106 agreement.

Part 7 Section 1 - Community Facilities

Having considered the wording of the proposed modification, we accept that this could be more accurately worded, as it was never our intention to vary any requirement over and above the requirement to provide the library facility. I would therefore like to confirm that Section 1 is amended as follows:

- a) *Deleting the requirement for the provision of Community Facilities insofar as they relate to the Library Facility to be in accordance with the specification set out in the Wixams Specifications, Maintenance Schedule and;*
- b) *Deleting the requirement for the occupation of dwellings to be restricted by these triggers, set out in Section 3 and Appendix 3 of the Community and Leisure Facilities Strategy insofar as they relate to the Library Facility.*

Part 7 Section 7 – Public Art

I agree with the suggestion that the Public Art obligation is intended to convert from a financial contribution to one where a number of locations are set aside for future provision of Public Art. I therefore agree that Section 7 be amended as follows:

7.1 The Owners covenant to

- 7.1.1** *prepare a site wide Public Art Strategy that identifies the locations for Public Art and the delivery mechanism for this and not to occupy more than 90% of the Dwellings and Sub Area until the relevant sites in that Sub Area have been prepared.*

7.1.2, 7.2 & 7.3 are thereafter deleted.

Part 7 Section 8 – Library Facility

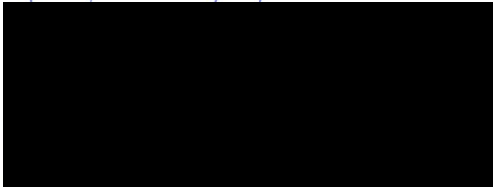
The cost estimate of providing a standalone library facility are estimated by our QS to be £804,249 (see attached estimate as prepared by Wakemans). Accepting that we will need to safeguard the ability for library space to be provided within the multi-use assembly building, we estimate that the cost of providing this use to be £25,000.

Part 12 Employment (Incubator Units)

The estimated cost of deleting the requirement for incubator units is estimated as being £600,925 (again, see attached Wakemans estimate) and the land set aside within the employment area simply revert back to an existing employment use and therefore, there is no net gain in the value of the land, Gallagher simply benefits from not being obliged to construct the units in the first instance.

I hope that this provides you with the information you require in order to finalise your Committee Report but please do feel free to contact me if you have any further queries or questions.

Yours sincerely



SPENCER CLAYE
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