

From: [Sharon Levell](#)
To: [Fisher James](#)
Cc: [Parish Clerk](#)
Subject: Melbourn , New Road (SGB)
Date: 20 December 2022 14:26:05

Dear James

I acknowledge you have been waiting for a reply in relation to the proposed SGB contribution and apologise for the delay.

As mentioned, we have taken legal advice regarding the wording of the S106 in relation to payment of VAT on a commuted sum and suggestion of future indexation.

Whilst the quotation received by Melbourn Parish Council includes VAT, we are advised that obligations in accordance with Clause 12 of the Section 106 shall be exclusive of any valued added tax.

We are further advised that the purpose of indexation is to protect the value of a contribution sum against the effects of future inflation to ensure that the sum ultimately paid will be worth the same as on the date on which the contribution was originally agreed, not to add indexation years hence from the date of payment.

The quotation provided by MPC sourced from Herts & Cambs Ground Maintenance Ltd is £4,303 plus VAT per annum. An alternative local contractor has quoted a substantially lower price for these maintenance works and the independent report commissioned in May 2021 also came in at a lesser midpoint figure.

We appreciate your involvement to try to bring matters to a conclusion and the assistance of David Hamilton to clarify aspirations and cutting regimes for the area.

To progress matters without further delay, Hopkins Homes are prepared to increase the SGB Maintenance Contribution proposed previously in May 2021 of £37,587.13 to a without prejudice figure of £50,000.00 on the basis that this matter is concluded early in the New Year.

This figure has been calculated based on the annual quotation from HCGM plus adjustment for inflation and being mindful that contribution monies can be held in an interest bearing account for use during the 10 year maintenance period.

Our landscape contractors have replacement trees on order, as advised previously, they had been waiting for the optimum time for planting which is after the first frosts. As soon as I have a date for the replacement planting which I envisage will be in January 2023, I will let you know so we can arrange for a further inspection should you consider this necessary.

We trust this increased figure is acceptable with a view to progressing the transfer early in the New Year.

We look forward to hearing from you.

Kind regards,

Sharon
