



Definition of “fully approved” spend in the context of the Community Governance Review.

Strategic Planning Committee Nov 2023

Executive Summary:

1. It has been agreed by the majority of councils impacted by the Community Governance Review (CGR) that CIL funds for “fully approved” projects will be transferred to the successor council after April 2025 to allow for the project to be completed.
2. “Fully approved” in this context means that the project is in Calne Without Parish Council’s Strategic Plan (the Strategic Plan), all stakeholders have signed it off, the costs are fixed, the scope agreed, the contractual obligations clear, financial impacts on the successor council clear and agreed and it has been approved by a full meeting of Calne Without Parish Council (CWPC).
3. The successor council must approve the part of the project that they will be delivering themselves at a full council meeting. The only exception is for highways related projects which will be fully delivered by Wiltshire Council where LHFIG approval is required. The successor council will be responsible for delivering the project benefits.
4. Highways related projects must be costed and approved by LHFIG, with an agreed parish contribution, prior to approval.
5. All projects for which CIL money is to be transferred must be formally approved by CWPC by 1st Jan 2025 unless there are budgetary impacts on successor councils when they must be approved by 1st Nov 2024. For the avoidance of doubt this also includes projects to be delivered by the new Derry Hill and Studley council.

Background:

Criteria for the transfer of assets from CWPC to successor councils were drawn up and approved by all but one parish as part of the CGR process.

The CIL fund distribution criteria says:

Funds committed to projects that have been fully approved by Calne Without Parish Council, but not yet completed, shall be transferred to, and held by the successor council responsible for completing the project, or Wiltshire Council, as appropriate. Such projects, along with the funding required, are clearly identified in Calne Without Parish Council’s Strategic Plan which will continue to be updated on a regular basis.

Remaining CIL funds shall be transferred to the successor council in which the development, from which the funding was derived, is located.

70/30 split of unallocated CIL money, for those developments (Low Lane, Cherhill view) that sit on a Border, 70% would go to the parish where the development sits and 30% would go to

the adjacent parish where the development is currently in. Where there is a development that is wholly in a parish, (A4 kitchens site, Calstone Fisheries) then that money stays within that originating parish”.

At first sight this may appear to be clear, but a definition of “fully approved by Calne Without Parish Council” needs to be created.

CWPC’s Strategic Plan:

1. The Strategic Plan is contained within CWPC’s Strategy. This is usually reviewed and updated twice a year in line with priority and budgetary changes and the progress of projects.
2. The intent of the CGR asset transfer process is to ensure that funds required to complete projects documented in the Strategic Plan are transferred to the successor councils in whose jurisdiction the projects will deliver benefits.
3. Projects in the Strategic Plan are not considered to be approved by CWPC just because they appear within it. They are ideas to be further scoped, with detailed budgets, objectives, timescales, and measures of success to be created prior to approval by CWPC.
4. Projects are documented in the Strategic Plan when they are just ideas and may not come to fruition. For example, a new road scheme may be in the Strategic Plan, but it may be vetoed by Wiltshire Council’s Highways Department at a later stage.
5. Projects in the Strategic Plan often have rough high-level cost estimates rather than detailed cost breakdowns.
6. It is therefore clear that just by being in the Strategic Plan it doesn’t mean that a project is “fully approved”.

“Fully Approved” Definition:

To be fully approved a project must have past the following checks:

- a. The full scope of the project must have been approved by CWPC at a full council meeting (see notes 8 & 9 below for the latest dates at which this approval must be given). This includes approval to spend the allocated budget and the project must be scheduled to be completed by March 2027 at the latest (see point 3 below).
- b. All of the following points should normally happen before approval by CWPC (point a. above) but for the avoidance of doubt they are explicitly mentioned here.
- c. All key stakeholders must have also approved the project’s scope, objectives, and deliverables – see examples later.
- d. Any local consultation required must have been successfully completed, with the feedback incorporated are necessary.
- e. The successor council must have signed-off that they support the project and commit to support its implementation and become accountable for delivering its projected benefits. (see note 11 below)
- f. Firm cost breakdowns for the implementation must be available.
- g. An implementation plan approved by all of the key stakeholders must be available.
- h. Any third-party contractual obligations must have been identified and accounted for in the plan.
- i. Any long-term commitments, financial or otherwise, must be clearly defined. This includes costs that the successor parish will incur in future, such as insurance, maintenance, health and safety checks etc. See notes 8 and 9 below.

- j. The parties in any contractual agreements must be clearly defined in terms of post CGR entities. For example, CWPC must not be mentioned as a contracting party as it will cease to exist post CGR.
- k. A mechanism for tracking the execution of the plan must be in place.

Some examples are:

- i. For road related projects LHFIG and Wiltshire Highways Department must have approved the scope and solution and given clear costings with agreed CWPC contribution towards the total cost. An indicative implementation plan, with dates, must be available.
- ii. For environmental projects, e.g. community orchards, the landowner must have given permission, the local community must be supportive and clear costed implementation plan must be produced showing what will be done where, when and by whom.

Other related points:

1. Once the CWPC's assets have been distributed there will be no opportunities to redistribute money in the event of a project overspend. The successor council must cover any overspend themselves.
2. Large budget contingencies must not be built into projects. A maximum of 10% is permissible for non-highways related projects. Wiltshire Council's Highways Department include a contingency themselves.
3. The Community Infrastructure Levy Regulations 2010 regulation 59(e) specifies that CIL money has to be returned to Wiltshire Council if it is not spent within 5 years of receipt. It is hoped that due to disruptions due to COVID, and uncertainties due to the CGR, Wiltshire Council will be a flexible with this requirement, but this has not been tested. To allow for this hoped for flexibility all projects must be scheduled to be completed within six years of receipt of CIL money – which means March 2026.
4. The receiving parish will be responsible for producing the annual report to Wiltshire Council on the status of CIL spending for the proportion of CIL money that they have received.
5. In the event of a project being cancelled, or the scope being significantly changed, the allocated CIL money must be redistributed in line with the "70/30 split of unallocated CIL" procedure outlined above.
6. If there is an underspend of more than 10% once the project is completed this surplus CIL money must be redistributed in line with the "70/30 split of unallocated CIL" procedure outlined above.
7. CIL money is spent in date order of receipt. It is therefore highly likely that any unallocated CIL will come from the more recent developments. That is Low Lane £121.5k (Calne / Compton Bassett), K4 Kitchens £1.3k (Derry Hill & Studley) and Salmons Leap £3.5k (Cherhill). Other arrangements may be made for CIL money received more recently from Chilvester Hill (Calne/Bremhill) to be agreed.
8. CWPC will cease to exist in name as of May 2025. There will also be parish council elections in May 2025 meaning that in the pre-election period of roughly six weeks before the elections there are some restrictions on what parish councils can and cannot do. Before May 2025 CWPC's assets must be distributed and reconciled. To avoid last minute changes all project approvals must be made by 1st January 2025 at the latest. If, however, a project could potentially have an impact on the successor councils 2025/26 budget it must be approved by CWPC by 1st November 2024. This will allow time for the successor council to be informed of the budgetary requirement and incorporate it into their plans. For example, if it is proposed to deliver cycle racks or play equipment to a successor parish, they will need to understand the maintenance, insurance and safety inspection requirements, and costs, by 1st November

2024 at the latest. With highways related projects, however, there may be no impact on the budget of the successor parish and therefore the later date can be used.

9. Any projects presented to CWPC for approval after 1st Nov 2024 which are subsequently found to have budgetary implications on the successor parish will not be approved.
10. The projects that fit into this category must not depend on future phases to deliver the committed benefits. The successor council may not be in a position to support potential future phases.
11. Successor councils must formally approve the project, agree with the budget to be transferred and agree to be accountable to deliver the benefits promised. This is important as responsibility for delivering the project will be with the successor council. The original CWPC project owner may agree with the successor council to run the project on their behalf, but it must be noted that in parallel to the CGR changes all seats in all impacted councils will be contested in elections at the same time and therefore the councillor with responsibility for the project may not be in office during the implementation phase.

I would like to propose that this definition of “fully approved”, along with the covering notes, are approved and implemented by CWPC in relation to the transfer of CIL funds as part of the CGR process.

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