

Wiltshire Council

Cabinet

24 March 2020

Question from Chris Caswell

Agenda Item 13 Future Chippenham Update

To Councillor Philip Whitehead Leader and Cabinet Member for Economic Development

Statement

Like many others, I will not be attending the Cabinet meeting due to the coronavirus situation and government advice. I would still wish to ask the following question:

You and others have frequently stated that the £75 million HIF money will be recovered from developers so that it can be recycled for other purposes. In response to an email question from me about how this will be achieved, you wrote:

"It is the Council's aim to recover the £75 million HIF funding for reinvestment into future developments that benefit Wiltshire communities. We are looking to secure recovery through the best possible mechanism that is legally sound. This is a long-term project and as such it will take time to get the relevant processes and policies in place."

From this it seems clear that the Council does *not know for sure* how this money can be recovered from developers, beyond the normal CIL processes. If so, the public has been misled by the confident statements about cost recovery, which did not include any note of uncertainty.

Question 1

This is an opportunity to make it clear that there is no guarantee of any or all of the £75 million being recovered and recycled. Or will the true situation continue to be concealed?

Response

The Council has been awarded a grant of £75m from the Housing Infrastructure Fund (HIF) for the construction of a connector or distributor road that unlocks land for development. The award of the grant does not secure the funds for the Council to

use. The Council is now engaged in contract negotiations with Homes England to agree the terms and conditions which will govern how the Council can draw down and use the funds. Central to those conditions will be a requirement to demonstrate a specific mechanism, distinct from standard CIL and s106 arrangements, that evidences recovery of the HIF funds over time. This is a grant from government, not a loan, and the Council has to prove first that it is recovering the HIF funds deployed and secondly that it is re-cycling them for the benefit of future development across the County

Question 2

Have the Cabinet read my statement of the many reasons why Item 13 on the agenda, Chippenham HIF Bid, should be postponed? If it is decided to proceed in the face of these concerns, what are the specific reasons to ignore them?

Response

Yes, thank you for submitting your statement. As well as handling the current unexpected and very serious issues presented by the Covid-19 outbreak the Council must also consider strategic matters that seek to generate income and protect the Council's ability to deliver its core services in the long term. The Future Chippenham scheme is one such strategic programme, among others and the Cabinet believe it is a good investment at this time, taking everything else in to account. It is also worth noting that the risks expressed in the paper have mitigations also set out and that these mitigations will only be necessary in the unlikely event of the Council and Homes England failing to agree a contract between them. Once such contract is achieved the Council will be able to draw down and recover much of the funds spent during 2020-21. The reason this work must be done now is that the HIF fund has an end date in early 2024 and it is better to engage with a managed risk for a smaller sum of money in the short term than lose the opportunity to leverage £75m for the benefit of the County in the long term

Question 3

How is it justified to ignore the Local Plan review process in rushing this work ahead in advance of it, ignoring the need to carefully consider it within the context of Council policies and local needs?

Response

The Council has been awarded a grant from HIF for the construction of a connector or distributor road that unlocks land for new developments. The Council made the application, and the government made the award knowing that the land is unallocated. The next step is for the Council to negotiate a contract with Homes

England that will govern the conditions under which the Council will be able to draw down and use the funds. Central to those conditions is the requirement that the Future Chippenham programme secures planning permission first for the road and subsequently for all other development. The Local Plan review process and the planning process is entirely independent from any applicant for any planning permission and this programme will have to make its case like any other and seek to win approval in the proper manner. The Future Chippenham programme does respond to known future housing need and is one option for development that the Local Planning Authority will consider among others that will come before it.

Question 4

How does the Cabinet justify the huge and undemocratic delegation of extraordinary powers to unelected officers and their unknown nominees?

Response

The Council is explicitly and deliberately keeping resources applied to programmes such as Future Chippenham distinct and separate from its role as Local Planning Authority. This separation extends to oversight and governance of the programme in both the political and executive arenas. As mentioned, the risk is limited and managed in the context of successful contract negotiations with Homes England which the Council believes have very strong chances of success.