

# Agenda

## General scrutiny committee

Date: **Friday 29 November 2019**

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Time: **10.15 am**

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Place: **Council Chamber, The Shire Hall, St Peter's Square,  
Hereford, HR1 2HX**

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Notes: Please note the time, date and venue of the meeting.

For any further information please contact:

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If you would like help to understand this document, or would like it in another format, please call Tim Brown, Governance Services on 01432 260239 or e-mail [tbrown@herefordshire.gov.uk](mailto:tbrown@herefordshire.gov.uk) in advance of the meeting.

# **Agenda for the meeting of the General scrutiny committee**

## **Membership**

**Chairperson**            **Councillor Jonathan Lester**  
**Vice-Chairperson**   **Councillor Tracy Bowes**

**Councillor Barry Durkin**  
**Councillor Jennie Hewitt**  
**Councillor Bernard Hunt**  
**Councillor Paul Symonds**  
**Councillor William Wilding**

## Agenda

**1. APOLOGIES FOR ABSENCE**

To receive apologies for absence.

**2. NAMED SUBSTITUTES**

To receive details of members nominated to attend the meeting in place of a member of the committee.

**3. DECLARATIONS OF INTEREST**

To receive declarations of interests in respect of Schedule 1, Schedule 2 or Other Interests from members of the committee in respect of items on the agenda.

**4. MINUTES**

To receive the minutes of the meeting held on 22 October 2019.

9 - 20

**5. QUESTIONS FROM MEMBERS OF THE PUBLIC**

To receive any written questions from members of the public.

Details of the scheme and related guidance are available here:

[https://www.herefordshire.gov.uk/info/200148/your\\_council/61/get\\_involved](https://www.herefordshire.gov.uk/info/200148/your_council/61/get_involved)

Please submit questions to [councillorservices@herefordshire.gov.uk](mailto:councillorservices@herefordshire.gov.uk)

The deadline for the receipt of questions is Monday 25 November 2019 at 5.00 pm.

Accepted questions will be published as a supplement prior to the meeting.

**6. QUESTIONS FROM MEMBERS OF THE COUNCIL**

To receive any written questions from members of the council.

Deadline for receipt of questions is 5:00 pm on Monday 25 November 2019.

Accepted questions will be published as a supplement prior to the meeting.

Please submit questions to [councillorservices@herefordshire.gov.uk](mailto:councillorservices@herefordshire.gov.uk)

**7. 2020/21 BUDGET AND CORPORATE PLAN PROPOSALS**

To seek the views of the general scrutiny committee on the budget proposals for 2020/21 and on the draft corporate plan.

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**8. WORK PROGRAMME**

To review the committee's work programme.

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**9. DATE OF NEXT MEETING**

The next scheduled meeting is 20 January 2020.



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- Attend all Council, Cabinet, committee and sub-committee meetings unless the business to be transacted would disclose 'confidential' or 'exempt' information.
- Inspect agenda and public reports at least five clear days before the date of the meeting.
- Inspect minutes of the Council and all committees and sub-committees and written statements of decisions taken by the Cabinet or individual Cabinet Members for up to six years following a meeting.
- Inspect background papers used in the preparation of public reports for a period of up to four years from the date of the meeting. (A list of the background papers to a report is given at the end of each report). A background paper is a document on which the officer has relied in writing the report and which otherwise is not available to the public.
- Access to a public register stating the names, addresses and wards of all Councillors with details of the membership of Cabinet and of all committees and sub-committees.
- Have a reasonable number of copies of agenda and reports (relating to items to be considered in public) made available to the public attending meetings of the Council, Cabinet, committees and sub-committees.
- Have access to a list specifying those powers on which the Council have delegated decision making to their officers identifying the officers concerned by title.
- Copy any of the documents mentioned above to which you have a right of access, subject to a reasonable charge (20p per sheet subject to a maximum of £5.00 per agenda plus a nominal fee of £1.50 for postage).
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Please do not allow any items of clothing, etc. to obstruct any of the exits.

Do not delay your vacation of the building by stopping or returning to collect coats or other personal belongings.

The Chairperson or an attendee at the meeting must take the signing in sheet so it can be checked when everyone is at the assembly point.

## Guide to General Scrutiny Committee

Scrutiny is a statutory role fulfilled by councillors who are not members of the cabinet.

The role of the scrutiny committees is to help develop policy, to carry out reviews of council and other local services, and to hold decision makers to account for their actions and decisions.

Council has decided that there will be three scrutiny committees. The Committees reflect the balance of political groups on the council.

The General Scrutiny Committee consists of 7 Councillors.

Councillor Tracy Bowes (Vice-Chairperson)	It's Our County
Councillor Barry Durkin	Conservative
Councillor Jennie Hewitt	Herefordshire Independents
Councillor Bernard Hunt	True Independents
Councillor Jonathan Lester (Chairperson)	Conservative
Councillor Paul Symonds	Liberal Democrat
Councillor William Wilding	Herefordshire Independents

The committees have the power:

- (a) to review or scrutinise decisions made, or other action taken, in connection with the discharge of any functions which are the responsibility of the executive,
- (b) to make reports or recommendations to the authority or the executive with respect to the discharge of any functions which are the responsibility of the executive,
- (c) to review or scrutinise decisions made, or other action taken, in connection with the discharge of any functions which are not the responsibility of the executive,
- (d) to make reports or recommendations to council or the cabinet with respect to the discharge of any functions which are not the responsibility of the executive,
- (e) to make reports or recommendations to council or the cabinet on matters which affect the authority's area or the inhabitants of that area
- (f) to review or scrutinise decisions made, or other action taken, in connection with the discharge by the responsible authorities of their crime and disorder functions and to make reports or recommendations to the council with respect to the discharge of those functions. In this regard crime and disorder functions means:
  - (i) a strategy for the reduction of crime and disorder in the area (including anti-social and other behaviour adversely affecting the local environment); and
  - (ii) a strategy for combatting the misuse of drugs, alcohol and other substances in the area; and
  - (iii) a strategy for the reduction of re-offending in the area

- (g) to review and scrutinise any matter relating to the planning, provision and operation of the health service in its area and make reports and recommendations to a responsible person on any matter it has reviewed or scrutinised or to be consulted by a relevant NHS body or health service provider in accordance with the Regulations (2013/218) as amended. In this regard *health service* includes services designed to secure improvement—
- (i) in the physical and mental health of the people of England, and
  - (ii) in the prevention, diagnosis and treatment of physical and mental illness
  - (iii) And any services provided in pursuance of arrangements under section 75 in relation to the exercise of health-related functions of a local authority.
- (h) to review and scrutinise the exercise by risk management authorities of flood risk management functions or coastal erosion risk management functions which may affect the local authority's area.

The specific remit of the general scrutiny committee includes:

- Services within the economy and place directorate and corporate centre
- Corporate performance
- Budget and policy framework matters
- Statutory flood risk management scrutiny powers
- Statutory community safety and policing scrutiny powers

### **Who attends general scrutiny committee meetings?**

Coloured nameplates are used which indicate the role of those attending the committee:

Pale pink	Members of the committee, including the chairman and vice chairman.
Pale Blue	Cabinet Members – They are not members of the committee but attend principally to answer any questions the Committee may have and inform the debate.
Orange	Officers of the council – attend to present reports and give technical advice to the committee
Green	People external to the Council invited to provide information to the committee.
White	Other councillors may also attend as observers but are only entitled to speak at the discretion of the chairman.



HEREFORDSHIRE COUNCIL

**MINUTES of the meeting of General scrutiny committee held at Council Chamber, The Shire Hall, St Peter's Square, Hereford, HR1 2HX on Tuesday 22 October 2019 at 2.00 pm**

**Present:** Councillor Jonathan Lester (Chairman)  
Councillor Tracy Bowes (Vice Chairman)

**Councillors:** Barry Durkin, Jennie Hewitt, Bernard Hunt, Paul Symonds and William Wilding

**In attendance:** Councillors David Hitchiner, Trish Marsh and Roger Phillips

**Officers:** Herefordshire Council: R Ball – Director for Economy and Place, R Allonby – Head of Economic Development.

**Representatives of the Marches Local Enterprise Partnership:** M Thorn MBE Chair of the Marches LEP, G Hamer - Director of the LEP, and K Jones LEP Partnership Manager.

**18. APOLOGIES FOR ABSENCE**

None.

**19. NAMED SUBSTITUTES**

None.

**20. DECLARATIONS OF INTEREST**

None.

**21. MINUTES**

**RESOLVED:** That the minutes of the meeting held on 9 September 2019 be approved as a correct record.

**22. QUESTIONS FROM MEMBERS OF THE PUBLIC**

A copy of the questions and answers is attached at appendix 1.

**23. QUESTIONS FROM MEMBERS OF THE COUNCIL**

None.

**24. MARCHES LOCAL ENTERPRISE PARTNERSHIP UPDATE**

The Committee considered an update on the achievements of the Marches Local Enterprise Partnership (LEP), its revised governance structure, current board membership and priorities outlined in its Strategic Economic Plan (SEP).

The report also provided a briefing on the role and purpose of the Annual Delivery Plan and its priority activities in order for the scrutiny committee to fulfil its function of making

reports or recommendations to council or the cabinet on matters which affect the council's area or the inhabitants of that area.

The Director for Economy and Place introduced the report, noting the LEP's role, and emphasising the importance of the Council's partnership with the LEP and the Council's success in securing funding from the LEP.

The new Chair of the LEP introduced herself to the Committee.

The Partnership Manager then gave a presentation as appended to the agenda papers at appendix 5.

In discussion the LEP representatives responded to questions as follows:

### **Preparations for Brexit**

The Marches Growth Hub had been positioned as the contact point for advice. There was a Brexit tool kit on the Marches Growth Hub website. This contained links to all relevant government advice. A number of events were also being promoted through the growth hub, delivered by the growth hub team supported by partners providing advice.

It was understood additional government funding would be made available shortly for face to face business advice.

In terms of the future role of the LEP itself there was constant communication with the government. The current advice was to continue with the development of the Local Industrial Strategy (LIS). Discussions were ongoing with local authority colleagues on the possible impacts, for example on the farming sector.

The LIS was to help to plan for the future and what could be done to create new jobs and new opportunities. European funding had helped to alleviate challenges over the last 5 years.

There was uncertainty about future economic development funding. The LEP working with partners was monitoring developments and seeking to be in a position to respond to them.

Councillor Phillips commented, in his capacity as independent chair of the LEP European Structural and Investment Fund (ESIF) Committee that the government had indicated that the level of funding allocated under European funding rules would be continued until March 2023. The rural development programme had been key to the local economy and how that funding was replaced would be significant.

### **Support for Clean Growth**

The LEP was keen to encourage and enable businesses to grow in an economically and environmentally sustainable way.

The Marches Energy Strategy referenced green energy, and carbon neutral ways of working, growing specialist battery technology and more environmentally friendly methods of energy production.

### **Alternative Transport Options**

In terms of working to explore options and support different choices there was a Transport Officers Group under the LEP looking at opportunities for sustainable transport. A detailed transport strategy was on the Marches LEP website. Research

funding had been secured to explore joint initiatives that helped transport connectivity between the Marches and mid-Wales.

In terms of capital funding the LEP Board was tasked with identifying projects that would deliver jobs, housing and other growth benefits. Projects such as electric buses could be considered as long as the project helped those objectives. Challenges of bus transport and access to jobs were well known. The LEP was waiting to see if additional funding was to be brought forward.

### **Support for the Market Towns**

It was acknowledged that to date investment in market towns as key employment centres had been limited. The majority of Phase 1 growth deal funding had been allocated to Hereford, Shrewsbury and Telford. There had been investment in broadband in Herefordshire that benefitted all areas and investment in skills training facilities. Growth deal funding received in 2017 had mostly been allocated to innovation and skills – a key challenge, hence the NMiTE and cyber security centre projects.

There had been help for businesses in rural communities through the European funded Rural Development Programme.

It was noted that Leominster had recently been allocated some £2m for regeneration under the new Heritage Action Zone Fund for Market Towns, designed to support economic growth.

The Strategic Economic Plan recognised that to date there had not been investment in the market towns. The issue had also been raised during the current consultation on the LIS and this would be reflected in the Strategy accordingly.

### **Support for Rural Communities**

It was observed that the consultancy the LEP had employed to develop the SEP and the LIS was Metro Dynamics which promoted its enthusiasm for the future of cities. It was asked whether consideration had been given to employing consultants with a track record on working with isolated rural communities.

In reply it was noted that the Director of Metro Dynamics was local to the Marches and knew the area. A contract had been awarded following a procurement exercise to find an organisation with expertise in developing local industrial strategies.

The importance of a consultancy understanding the local area and the issues and developing appropriate initiatives was recognised.

A member commented that small, clean electric buses would be a major benefit to rural communities.

### **Governance**

The LEP had a detailed accountability and assurance framework setting out all the governance requirements.

The LEP had become a company limited by guarantee. Agendas and minutes were all made public. The LEP had committed to attending local authority meetings to answer any questions. Board members had to complete a register of interests and this too was published. There was a clear policy for recruitment and rotation of the Chair and board members.

## **South Wye Transport Package (SWTP) and Hereford Transport Package (HTP)**

A question was asked about the risk of currently allocated funding being redirected to other projects in the region given the recent decisions taken by Herefordshire Council to pause work on the schemes.

The LEP's position was that a contract was in place for the SWTP. Regular discussions were taking place with the Council. The Board would discuss the matter again at its meeting in November.

There was no LEP funding in the HTP. The LEP supported the project. The Council had correctly advised Midlands Connect on its position. The project was part of a package Midlands Connect would submit to the Department for Transport. The LEP could not speculate on what decisions might be made.

It was asked whether funding under the HTP had to be spent on a road.

The Director for Economy and Place commented that the two transport packages were separate projects. The SWTP included the southern link road and was funded by the LEP. The HTP included the western bypass which had been identified as a regional priority by Midlands Connect. It was subject to funding bids yet to be determined by the government.

The LEP had been advised by Government that the Marches growth deal funding concluded at the end of March 2021. The Board would need to take a decision, possibly early in the New Year, on whether to reallocate the funding if the project was not to proceed.

### **Independence and objectivity**

It was asked how the conflicting interests of directors in terms of their wish to secure funding for their own areas were balanced.

In reply it was stated that the experience was that all partners had tried to make decisions in the best interests of the region. The degree of collaboration and co-operation had been highlighted by government as being an exemplar. All directors understood that they were required to make decisions to deliver the LEP's aims and vision and were accountable accordingly.

It was also observed that LEPs were required to be independent of local authority influence and asked how this was achieved.

In reply it was stated that the LEP had an independent secretariat. It rented private office space. Whilst working closely with local authorities it had no management reporting line to them. The Government had rated the LEP as good in their annual assessment of LEPs.

The potential competition between Harper Adams University and NMITE in higher education in the agritech sector and the LEP's approach to funding in this context was raised.

It was stated that the LEP did not encourage duplication but if there was demand the LEP had no issue with new entrants to the market place. The LEP did have a higher education group that linked to the skills advisory panel. One of the aims of the group was to encourage collaboration and avoid duplication, whilst recognising that every organisation had its own commercial objectives. Some government funding streams, eg the UK Research and Innovation Strength in Places fund, actively encouraged local institutions to work together,

Clarification was sought on engagement with Holme lacy college and Hartbury College. It was stated that the principals of the further education colleges in the Marches were also encouraged to co-operate. There was scope to encourage greater collaboration and innovation. Holme Lacy College had received skills capital funding from the LEP.

### **Support for NMiTE**

The LEP recognised the transformative opportunities that universities brought to towns and communities and there was strong support for this type of development.

There had been an issue in that information requested by the LEP had not always been forthcoming. It was important to ensure that the development met the needs of funders.

The LEP had been seeking for a business plan for some months together with detailed information on the next phase of investment. The project was ambitious. Timescales were challenging. The deadline for investment was March 2021. The LEP was in regular contact with NMiTE about the project. The LEP Board had to be satisfied that it was investing in a project that would deliver the required outputs. It was likely to be discussed at the Board's next meeting.

It was observed that the report stated in the section on risk management that financial risk to the council and other local authority partners was limited through the use of Shropshire Council as the LEP's accountable body. Clarification was sought on a request to the council to underwrite an amount of £850k from the university project, despite a letter having been sent by the Department of Business, Energy and Industrial Strategy (DBEIS) to the S151 officer.

In response it was stated that the LEP's S151 officer had to be satisfied that funding was used to good effect. NMiTE was a start-up business with limited financial backing apart from the funding provided by the Department for Education for revenue investment and by the LEP for capital investment. NMiTE were seeking funds from private donors. However, the project did not have a financial track record demonstrating an ability to repay the sum if outputs were not delivered so it had been requested that an element of the project would need to be underwritten. A similar course of action had been taken on a LEP funded skills capital project in Bridgnorth.

It was asked if the Board would have come to a different decision on requiring the sum to be underwritten if it had seen the letter from the DBEIS to the S151 Officer on the NMiTE project. In reply it was stated that it was not possible to speculate on this point. It was observed, however, that the Board had previously exercised caution over the weight that could be given to such letters. It was suggested it would be helpful if the letter from the DBEIS to the S151 Officer could be made available.

### **Public Profile of LEP**

The LEP was keen to raise public awareness of its role within communities. Liaison with parish councils was seen as one possible mechanism. The LEP engaged with chambers of commerce and the federation of small businesses, National Farmers Union and other groupings across the area.

There was an established public relations and marketing company that worked for the LEP.

### **Government Review of LEPS**

The review had been useful. A lot of the recommendations had already been delivered by the Marches LEP. The biggest change had been the requirement for the LEP to become a legal entity.

There was no information from government on the future role of LEPs. The LEP was working on the LIS to make the case for future funding for the area. There had been a suggestion that one of the reasons for the review of the LEPs had been to ensure that they could manage the future funding streams that would replace European and other government funding. However, there had been no recent information on this point.

### **Tourism**

The LEP vision was to work with each local authority to develop a joint strategy for tourism and the visitor economy. A document had been produced as a statement of intent setting out opportunities for joint working between the three local authorities.

The LEP was providing funding to support the three local authorities in gathering baseline data for tourism purposes.

The LIS and the SEP referenced the importance of the visitor economy in both tourism terms and encouraging inward investment

### **Climate Emergency**

The LEP referenced sustainability in the LIS. The LEP Board had set up a sub-group to develop the energy strategy that addressed various aspects of climate change.

A member expressed reservations about what they perceived to be a conflict between the LEP's plans to invest in roads and addressing the climate emergency.

### **Frequency of LEP attending General Scrutiny Committee**

The report indicated that the LEP was intending to meet relevant scrutiny panels twice a year. It was suggested that an annual meeting would be the preferred course after the LEP published its annual delivery plan and end of year report.

The Chairperson thanked the representatives of the LEP for their attendance.

### **RESOLVED:**

#### **(a) to recommend to the executive that:**

- i. the LEP be encouraged to declare a climate emergency as a priority;**
- ii. the LEP be encouraged to raise its profile through engagement with Parish and Town Councils and business forums;**
- iii. the LEP be requested to focus on promoting available schemes to the market towns; and**

**(b) provision be made in the Committee's work programme for an annual report from the LEP.**

## **25. WORK PROGRAMME**

The Committee reviewed its work programme.

A number of suggestions for scrutiny had been received. It was considered that they could not claim to be of sufficiently high priority to justify their inclusion. It was suggested that in the light of responses from the LEP a report on NMITE should be considered.

**RESOLVED: That the draft work programme as set out at appendix 1 to the report be approved, with the addition of the suggested consideration of NMiTE.**

**26. DATE OF NEXT MEETING**

Friday 29 November 2019.

It was also noted that the proposed meeting to consider the budget was now to be held on 20 January 2020, with the scheduled meeting on 27 January being retained in diaries for the timebeing.

**Appendix - Public Questions and Answers**

The meeting ended at 3.45 pm

**CHAIRMAN**





**PUBLIC QUESTIONS AND ANSWERS GENERAL SCRUTINY COMMITTEE**  
**22 October 2019**

Question 1

**Mrs Morawiecka – Breinton**

The Marches LEP loaned £1.697million to Herefordshire Council out of Growth Funding on the basis that this loan would be repaid by 31st March 2018. Herefordshire Council failed to repay this money in March 2018, contrary to the loan agreements they signed in 2017. Both the S151 and the Monitoring officer of Herefordshire Council, who were appointed after these loans were made, do not believe that such cross funding is permissible for a retained Dept for Transport project. Why did the Marches LEP think such use of Growth funds was appropriate, or even legal, for a project funded by the Dept for Transport?

**Response**

The £1.697million was a grant payment paid earlier than originally profiled to enable the LEP to deliver against its spending commitments for 2016/17. This related to eligible project activity relating to the South Wye Transport Package. The payment forms part of the agreed contract amount with Herefordshire Council over the life of the project and the LEP considers that the payment was an appropriate use of Growth Deal funds.

**Supplementary question**

Last November at the Public Inquiry into the compulsory purchase orders for the southern link road I raised a number of questions about the status of the funding received from the Marches LEP for this road project. In response solicitors representing Herefordshire Council submitted written representations to the Public Inquiry clearly stating at para 45 none of the £3,843,609.71 funding is in the form of a loan. Further on at para 47 they then said both the Marches LEP and the LEP's S151 officer confirmed that the grant of £1.697m is not repayable. Why do draft board minutes of the Marches LEP September 2019 meeting say that, "the LEP should seek to recoup the £3.8m claimed against the project" contradicting legal statements they made less than eleven months earlier. Has the Planning Inspectorate been notified that the assurances provided by the LEP at the Public Inquiry and which he relied on were completely incorrect?

**Response**

A written response will be provided.

**Written response**

No. There is no requirement to inform the Planning Inspectorate as the statements made at Inquiry were not incorrect. The public inquiry evidence referred to sets out the spend to date on the SWTP project and the funding received at that time. The LEP minutes refer to a process for drawing back grant should the Marches LEP consider the SWTP is not going to proceed in accordance with the grant agreement. There is no contradiction between these statements.

## Question 2

### **Mr Palgrave – How Caple**

The Marches LEP supported the Hereford City Centre Transport Package with over £40million of Growth Funds, to deliver 800 new homes in the urban village, an integrated transport hub and over 700 jobs, as well as the City Link Road. This transport package is due to complete at the end of this year (2019). However, despite the passing years, no planning application for the transport hub has yet been submitted and delivery of the regeneration of Commercial Road, Newmarket Street and Bluecoat Street is unclear. In view of Herefordshire Council failing to complete the transport package by the deadline, will the Marches LEP require Herefordshire Council to repay the money spent to build the City Link Road, as none of the other transport elements that were part of the original project have been progressed?

### **Response**

The LEP has been kept up to date with the programme for the delivery of the Hereford City Centre Transport Package. I understand that the design and development of the transport hub and public realm improvements is progressing and that the Council remains committed to delivering these elements of the package. Engagement with stakeholders in the development of the design is underway and Public Consultation prior to implementation is scheduled to take place later this financial year. The LEP will continue to monitor the progress being made to ensure all elements of the package are delivered. As a consequence of the delivery of the City Link Road a number of outputs have been achieved to date, with the potential to increase outputs through the GP Hub development and planned Student accommodation. The LEP does not consider that it is appropriate for Herefordshire Council to repay the money spent on the City Link Road.

## Question 3

### **Mrs J Morris – Hereford**

The Marches LEP annual report 2018 says that the South Wye Transport Package is a £40million transport package. This transport package is shown throughout Herefordshire Council documents as costing £35million, £27million from the Department of Transport and £8million provided by Herefordshire Council. Is the Marches LEP making additional funding available to help deliver the full scheme of Active Travel Measures for which there is now insufficient funds available.

### **Response**

This is a typographical error. P8 should read £35million and not £40million. I understand that the current cost of the South Wye Transport Package remains at £35m and the LEP has not been asked to make any additional funding available.

#### Question 4

##### **Mrs Wegg-Prosser – Breinton**

What steps are the Marches LEP Board taking to re-define the Marches LEP, not as a Place that is Open for Business, but rather as a Place dedicated to Sustainable Economic Growth that recognises the obligations imposed by Climate Emergency declarations, monitors progress in low carbon investments and seeks to assist in the achievement, as a minimum, of the Government's fourth carbon budget (2023-27), a budget which is currently not on track?

##### **Response**

The LEP Board agreed a new vision as part of its Strategic Economic Plan update in 2019 and part of this vision is that the Marches is '*a place that is open for business*'. Within the Marches Local Industrial Strategy which is currently being developed, business growth and productivity is framed within the national government's Clean Growth Grand challenge. Here, it is acknowledged that The Marches has a key role to play in contributing to the UK's shift to clean growth and zero carbon and that it has local expertise to improve business productivity and support clean, inclusive growth.

##### **Supplementary question**

In the light of many local authorities including this one signing up to the climate emergency declaration and the Marches LEP framing its industrial strategy round clean growth grand challenge leading the world in the development, manufacture and use of low carbon technologies, systems and services that cost less than high carbon alternatives why does the Marches LEP continue to promote an unqualified vision which is merely a statement of the obvious: open for business.

##### **Response**

The LEP's purpose was to ensure the economic growth and economic wellbeing of the three local authority areas. The climate emergency was acknowledged.

The LEP was developing plans including an energy strategy. The LEP would take account of the effect of climate change on business and communities going forward.

Consultation was currently taking place on a Local Industrial Strategy.

#### Question 5

##### **Mrs J Richards – Hereford**

The Marches Vision includes mention of the area as a visitor destination, attractive to people looking for a high quality experience. What support is being given by the Marches LEP to promote better public transport, particularly good rail access to the major cities along with safe, integrated cycle networks that support sustainable tourism across the beautiful area that is the Marches?

##### **Response**

To support the Marches as a visitor destination, the Marches LEP has funded research into the development of a Marches wide Tourism Strategy. This draft strategy, which will be signed off by local authority partners and the LEP Board over the coming months, sets out

the opportunities for the sector and areas for development, including the need for investment in facilities to support activities in the countryside and ensuring that the needs of visitors are considered in infrastructure investment.

The Marches LEP Board has a transport sub-group to advise on all transport matters to support the delivery of the LEP's Strategic Economic Plan, ensuring that transport investment, including active modes, is closely aligned with the wider policy objectives of both the Local Transport Authorities and the LEP's strategic priorities including economic growth, carbon reduction and social inclusion. The Transport Officers Group (TOG), which includes representatives from the three local authorities, provides support and guidance to the LEP Board on the development of transport policies and programmes, and builds a strong evidence base for transport investment.



<b>Meeting:</b>	<b>General scrutiny committee</b>
<b>Meeting date:</b>	<b>Friday 29 November 2019</b>
<b>Title of report:</b>	<b>2020/21 budget and corporate plan proposals</b>
<b>Report by:</b>	<b>Leader of the Council</b>

## Classification

Open

## Decision type

Budget and policy framework

## Wards affected

(All Wards);

## Purpose and summary

To seek the views of the general scrutiny committee on the budget proposals for 2020/21 and on the draft corporate plan.

The draft proposals show an overall increase of £9.5m in the proposed base revenue budget. This increase is funded through a 4% increase in council tax (generating £5.1m) and £4.9m adult social care support grant funding announced by central government in the 2019 spending review.

The proposed budget follows a comprehensive base budget review of projections, commitments and anticipated demand. Savings of £2.4m will be required in 2020/21 to deliver a balanced budget.

Eighteen capital investment budget proposals totalling £88.3m have been identified, to be funded by capital grants (£39.1m), redirected existing funding (£1.5m), capital receipt funding (£21.2m), returns on capital investment (£18.6m) and prudential borrowing (£7.9m).

The committee is invited to make recommendations to inform and support the process for making cabinet proposals to Council regarding the adoption of the budget and associated budget framework items, including providing constructive challenge to the cabinet's proposals.

## Recommendation(s)

That:

- (a) the committee determine any recommendation it wishes to make to Cabinet in relation to the 2020/21 budget and corporate plan proposals the draft:
  - a. corporate plan at appendix 1;
  - b. revenue budget at appendix 3; and
  - c. capital investment budget at appendix 5.

## Alternative options

1. There are no alternatives to the recommendations; Cabinet is responsible for developing budget proposals and a draft corporate plan for council consideration and it is a function of this committee to make reports or recommendations to the executive with respect to the discharge of any functions which are the responsibility of the executive. The council's budget and policy framework rules require Cabinet to consult with scrutiny committees on budget proposals in order that the scrutiny committee members may inform and support the process for making Cabinet proposals to Council.
2. It is open to the committee to recommend alternative spending proposals or strategic priorities; however given the legal requirement to set a balanced budget should additional expenditure be proposed compensatory savings proposals must also be identified.

## Key considerations

3. Every four years, Herefordshire Council develops a corporate plan which sets out the council's ambition and priorities. The three key themes within the proposed corporate plan attached at appendix 1 are:
  - Community - Build communities to ensure everyone lives well and safely together
  - Economy - Support an economy which builds on the county's strengths and resources
  - Environment - Protect our environment and keep Herefordshire a great place to live
  - The committee is invited to comment on the draft corporate plan priorities.
4. Herefordshire Council undertook a public engagement exercise during September and October 2019 to test out the new themes and priorities for the council. More than 1,500 people provided feedback on the priorities which, alongside the population needs set out in the Joint Strategic Needs Assessment and Understanding Herefordshire, has informed the budget proposals. Formal consultation on the budget proposals and further detail of the corporate plan is underway during November and December 2019.
5. The proposed corporate plan objectives will set the priorities to ensure the best use of resources and deliver services that make a difference to people of Herefordshire. A delivery plan will follow the adoption of the corporate plan will identify the key projects planned each year to achieve progress towards the council's priorities. Regular reports

monitoring progress against the objectives will then continue to be presented to Cabinet; detailing the latest budget position, as well as performance against delivery of the key activity and achievement of performance measures. The committee is invited to comment on the draft corporate plan priorities.

6. During the period of the current corporate plan as part of the Hereford City Centre Transport Package (HCCTP) the council opened the City link road, unlocking a large area of previously under-utilised land for development, and significantly progressed the Hereford Transport Package. Good progress has also been made in other elements of the HCCTP, with the preliminary design of the Transport Hub at Hereford Railway Station and improvements to the public realm including improved walking, cycling and public transport infrastructure in Commercial Road, Blueschool Street and Newmarket Street progressing.
7. The council also completed the procurement of strategic development partners to help deliver housing, jobs and economic growth through the development of council-owned land.
8. In support of the economic growth of the county, located on the Enterprise Zone, construction of the Cyber Quarter - Midlands Centre for Cyber Security, a £9m Joint Venture between the council and the University of Wolverhampton is underway and due to be completed in summer 2020. The joint venture will establish business suites, innovation rooms, IT workshops and a 'Cyber Range' – a cutting edge facility that will enable the growth of cyber security businesses in Herefordshire. Additionally located on the Enterprise Zone, the £7m redevelopment of a World War One Shell Store will establish the first business incubation space available in the county, and is also due to open in summer 2020. The Shell Store will also provide an opportunity for higher education institutions, such as NMiTE, and businesses to work in partnership.
9. Construction has commenced on a 178 bedroom purpose-built student accommodation development in Hereford on Station Approach. Due to be completed in September 2020, the student accommodation will support the development of higher education in Herefordshire, critical to supporting the growth of the economy.
10. The council continues to support the roll out of broadband through the Fastershire programme, so that the majority (89.5%) of premises in the county can now access a faster broadband service, compared to only 0.6% in 2012.
11. The council maintained condition levels of non-principal and unclassified roads, as well as securing funding from the DfT's local highways maintenance challenge fund which was supplemented by £3m from the council's capital programme, enabling the council to support economic growth in the region by investing in transport routes leading to Herefordshire's Skylon Park Enterprise Zone.
12. The council balanced the budget against a backdrop of funding and service pressures, cutting waste and utilising information technology and premises to support better ways of working for the workforce.
13. The council published a Procurement and Commissioning Strategy focusing on meeting local needs and delivering value for money. It sets out how the council will provide and arrange innovative and flexible quality goods and services that are responsive to the needs of communities.

14. The council sold its smallholdings estate generating a capital receipt of over £46m and overheads maintaining and managing the smallholdings portfolio have been reduced significantly.
15. Funding and service demand pressures do continue and the new corporate plan will establish the focus going forward. In support of this this report proposes a balanced budget and include a 4% total increase in council tax, a 3% expected annual pay increase settlement, 200 additional new homes above the assumed growth in new homes (increasing the expected amount of council tax income) and the central government 2019 spending review announcement.
16. The proposed 2020/21 revenue budget is based on an assumed total council tax increase of 4%, 2% increase in core council tax and a 2% adult social care precept. This increases the band D equivalent charge to £1,575.29 representing an increase of £1.17 per week.
17. The 2% adult social precept will generate additional income of approximately £2m. This income is ring-fenced to fund the adult and communities base budget.
18. The 2020/21 budget proposals include the creation of social care pooled budget, this will support the cradle to grave provision of social care to vulnerable citizens and is formed from the funding announced in the central government 2019 spending review.
19. Council will be asked to approve the 2020/21 budget on 14 February 2020; this will follow confirmation of the final financial settlement for 2020/21 which is expected to follow the general election on 12 December. Council will also be asked to approve the corporate plan, updated medium term financial strategy (MTFS), treasury management strategy and the capital strategy.
20. If central government announces additional funding to Herefordshire in the final settlement then Cabinet will seek the views of the scrutiny committees as to the best way of deploying the extra funding.

### **Base budget proposed and savings plan**

21. A base budget review has been completed ahead of proposing the draft 2020/21 budget, this review involved:-
  - Costing the service based on the current requirement of the service, not rolling over previous budgets.
  - Income budgets to reflect income receivable.
  - Pay budgets to reflect actual establishment (employed people), deleting vacant posts without budget or not planned to be filled.
  - Performance in 2019/20
  - Projected population pressures
  - 2019/20 policy changes
22. The budget proposal at appendix 3 includes additional funding of £5.1m to fund identified budget pressures due to contract inflation (£1.7m), fee uplifts (£2.1m) and pay increments (£1.3m).
23. The budget proposals also includes funding the following new initiatives:-



<b>New Initiative</b>	<b>Adults &amp; Communities £m</b>	<b>Social care pool £m</b>	<b>Children and families £m</b>	<b>Economy and Place £m</b>	<b>Corporate services £m</b>	<b>Central £m</b>	<b>Total £m</b>
Super hubs – to manage and develop community engagement through a super hub	0.2						0.2
Social care pool – for cradle to grave social care provision		2.1					2.1
Looked after children – placement costs & corporate parenting role of care leavers			1.1				1.1
Edge of care – intensive support to enable children and families to stay together			1.0				1.0
Improving social care services – additional capacity for frontline teams			1.0				1.0
Tourism - support for development of new Tourism BID and Leominster Heritage Action Zone				0.2			0.2

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project							
Employment land & incubation space - revenue costs to support project development				0.1			0.1
Core strategy review - including development of transport evidence base				0.6			0.6
Public transport service - support to protect services				0.1			0.1
Climate emergency - support for natural flood management				0.1			0.1
Legal structure – to address additional work					0.4		0.4
Council tax charging policy – policy variation						(0.1)	(0.1)
<b>Totals</b>	<b>0.2</b>	<b>2.1</b>	<b>3.1</b>	<b>1.1</b>	<b>0.4</b>	<b>(0.1)</b>	<b>6.8</b>

24. The savings requirement for 2020/21 remains as set out in the 2019/20 medium term financial strategy (MTFS), at £2.4m.

<b>Saving</b>	<b>Adults &amp; Communities £000</b>	<b>Children &amp; families £000</b>	<b>Economy &amp; Place £000</b>	<b>Corporate services £000</b>	<b>Central £000</b>	<b>Total £000</b>
Reducing the need for formal care services	600					<b>600</b>
Manage inflation and secure contract efficiencies		300				<b>300</b>
Efficiency savings			523	77		<b>600</b>
Corporate Accommodation efficiencies			150			<b>150</b>
Commercial waste collections			200			<b>200</b>
Pension deficit					500	<b>500</b>
<b>Totals</b>	<b>600</b>	<b>300</b>	<b>873</b>	<b>77</b>	<b>500</b>	<b>2,350</b>

25. Having reviewed the savings plan contained within the current Medium Term Financial Strategy, it is proposed to amend the savings plan to remove the current £250k savings allocated to Museums and Archives for 2020/21 financial year. The Museums and Archives service is essential to preserving the county's cultural heritage. It has a key role to play in enhancing the quality of life for residents, supporting the visitor economy and being an essential part of our health and social care agenda. We will work with stakeholders to look at how we can take forward the current service and develop a sustainable model for the future, learning from best practice across the country.
26. The removal of the museum and archives savings requirement will enable a positive approach to be taken to exploring the future development of the service and avoid further reductions. Consulting with key stakeholders, staff, user groups and the public will be essential as part of this process. In order to maintain the current level of savings required within the MTFs, it is proposed that the £250k savings requirement will instead be delivered through contract efficiencies within the public realm contract.
27. The proposed budget for 2020/21 is attached at appendix 3. The proposed till receipt as a result of the proposal is also attached at appendix 4. The base budget proposal shows the net budget position; the gross budget will include the dedicated school grant, improved better care fund and public health grant.

## **Financing**

28. The 2020/21 net budget requirement is financed by retained funding from council tax (£109.4m) and business rates (£36.7m) as shown in the Appendix 3. Assumptions include a 4% increase in council tax (2% general increase and 2% adult social care precept) and business rate reliefs being funded via a central government grant. It reflects the delay in the roll out of business rate devolution into 2021/22. Central government funding is included as announced in the 2019 spending review which delays the impact of the fairer funding review into 2021/22.

29. The proposed budget is in line with the 2019 spending review announced in September however the general election on 12 December may change the final local government funding settlement from central government for 2020/21.
30. Central government has confirmed the intended rolling-over of specific social care grants and a new spending power of £11bn grant for Adults and Children social care (inclusive of the adult care precept at 2%), £3.4m for Herefordshire.
31. If the final settlement provides additional monies to the draft base budget shown above, unless the use of those funds is specified by government, Cabinet will seek the views of the scrutiny committees as to the best way of deploying the extra funding. In the interim the funding will be allocated to reserves.

### Capital Budget

32. Attached at appendix 5 is the proposed capital investment budget additions. Eighteen schemes totalling £88.3m have been identified and proposed to be funded by capital grants (£39.1m), redirected existing funding (£1.5m), capital receipt funding (£21.2m), returns on capital investment (£18.6m) and prudential borrowing (£7.9m). The current proposed capital budget including all the new proposals is attached at appendix 6.
33. Below is a brief summary of each proposal, attached at appendix 7 are the supporting business cases.

Scheme	Scheme Description
<b>Community:- Build communities to ensure everyone lives well and safely together</b>	
Brookfield School	Improvement project seeking to achieve; higher school buildings compliance, more robust fire evacuation buildings compliance, the release of a council owned split site facility at Symonds Street, the capacity to deliver the full statutory curriculum and improved accommodation.
Peterchurch Primary School	A replacement primary school for Peterchurch including all teaching and support spaces, including playground and playing field, necessary for it to function as a full one form entry school with the provision of five classes and the provision of a nursery and the swimming pool to enable its continued use.
Technology Enabled Communities	An outcomes-led approach to embedding technology enabled living at scale, driven by the power of data analytics to support informed decision making, will shift the care model and elements of a health and care system from a traditional dependency, just in case support model to one of promoting independence, empowering self-care and taking action ahead of crises.
Super Hubs	Super hubs to support communities through capital investment plus resource to manage and develop community engagement.
Widemarsh Gardens	To commission the design and build of a discovery garden primarily for children and families using Widemarsh children centre. The garden will be designed to create a low maintenance space that can be managed under the existing provider agreement whilst designing

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	a play and learning space that creates a greater understanding of the natural environment, fruit and vegetable growing and tree planting.
Carehome and Extra Care Development	For the local authority to further scope the potential opportunity to build and develop its own care home and / or extra care scheme which will be purpose built and sympathetically designed for people with dementia. The council needs to do a comprehensive analysis and options appraisal to inform a decision on a detailed return on investment proposal.
Affordable Housing	To bring empty properties back into use with a focus on long term empty properties, increasing available housing for local people, reduced spend of the Housing Prevention fund and use of temporary accommodation

**Economy:- Support an economy which builds on the county's strengths and resources**

EDRMS Storage	To replace the data archiving storage solution to support future demand for electronic records and a programme of back scanning to store documents as well as build additional storage capacity to support increasing demand for Microsoft SharePoint solution
Hereford Transport Package	To enable further development of the Hereford Transport Package including progressing measures to improve transport within the city and the package of walking, cycling, bus and public realm schemes. Programme would be subject to further governance and guided by outcome of review of the bypass scheme.
Fleet Replacement	The purchase of a vehicle for Facilities Management and prevent the high costs involved in leasing a vehicle and maintenance costs.
Employment Land and Incubation Space in Market Towns	Provide a ready supply of serviced and available employment land within Herefordshire and provide a range of business premises to support business growth.
Leominster Heritage Action Zone	Refurbishment of the town centre to help achieve the vision for Leominster to be one of the country's more sustainable towns, vibrant and bustling with a prosperous and unpolluted environment. Potential of £2m grant funding to be match funded locally.
Investment in Infrastructure Assets	Sustained investment over the whole life of the Herefordshire's road network; an ongoing programme targeted at improvement to highways and public spaces. Priorities to be determined through the Public Realm Annual Plan.
Strangford Welfare Facilities	To provide Officers with toilet and washing facilities at remote closed landfill site.

**Environment:- Protect our environment and keep Herefordshire a great place to live**

Passenger Transport Fleet - Contracted fleet (Electric)	Improving the quality of passenger transport services, encouraging greater patronage and reduce reliance on private car transport and
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Passenger Transport Fleet - Hereford City Commercial (Electric)	provide more environmentally friendly vehicles to support the climate emergency thus reducing the revenue burden on budgets in relation to SEND transport and pressures relating to Public Service Vehicle Accessible Regulations. Subject to obtaining grant funding.
Better Ways of Working	To drive a change in working practice to more agile working across the county to improve workforce productivity and reduce capital and operational costs through optimising use of fewer buildings
Hereford Active Travel Measures & Super Cycle Highways	To enable delivery of a programme of improvements to improve and provide a network of active travel routes across the county covering Hereford city, market towns and key long distance rural links between them.

34. An informal review of all prospective capital funding requests has been completed; two schools maintenance projects were not progressed as it was felt the work should be carried out within the existing schools maintenance grant. A number of individual highways assets capital funding requests were not progressed but an overall budget of £2m to cover the highest priority work to be agreed is being proposed for progression.

35. The informal review was carried out to ensure all funding requests proposed were manageable within current borrowing limits in the existing medium term financial strategy and retains approximately £10m in the capital receipts reserve for future investment consideration.

36. In October Cabinet approved the establishment of a new earmarked reserve of £150k to fund the investigation of different models of delivering council housing. Herefordshire residents continue to face difficult housing challenges with a large proportion of the population unable to afford to own or rent a suitable property to call home. The lack of housing choice, especially in respect of affordable housing, is not currently being addressed through the developer-led market where the focus continues to be on developing the most profitable housing products on the most profitable sites, not necessarily in the places of highest housing need. Many local authorities are now actively intervening in the housing market by becoming developers of new homes themselves, creating Local Housing Companies with the aim of acquiring sites and developing and managing both affordable housing and open market homes. The creation of the reserve will provide resources to undertake a detailed analysis of the options available, including the establishment of a wholly owned housing company, to enable the delivery and management of new homes to better meet the needs of residents. Following this a business case will be developed for consideration and further investment.

37. This could lead to investing up to £100m in housing in the four years from 2022/23, it is anticipated that the income streams generated would cover the revenue costs of providing the housing including any borrowing costs.

### **Budget setting timetable**

38. Below is a summary of the 2020/21 budget setting timetable. The corporate plan initial consultation period has closed and the corporate delivery plan production will follow in February 2020.

<b>Date</b>	<b>Event</b>	<b>Purpose</b>
7 November 2019	Public consultation	Four weeks of consultation with the public on the budget proposals
18 November 2019	Adults and wellbeing scrutiny committee	To consider adults and communities revenue and capital budget proposals and agree any recommendations to be made to Cabinet
25 November 2019	Children and young people scrutiny committee	To consider children and young people revenue and capital budget proposals and agree any recommendations to be made to Cabinet
29 November 2019	General scrutiny committee	To consider the revenue and capital budget proposals and agree any recommendations to be made to Cabinet
13 January 2020	Adults and wellbeing scrutiny committee	To consider adults and wellbeing revenue and capital budget proposals following the conclusion of public consultation and agree any recommendations to be made to Cabinet
14 January 2020	Children and young people scrutiny committee	To consider children and young people revenue and capital budget proposals following the conclusion of public consultation and agree any recommendations to be made to Cabinet
27 January 2020	General scrutiny committee	To consider the overall revenue and capital budget proposals following the conclusion of public consultation and agree any recommendations to be made to Cabinet
30 January 2020	Cabinet	To agree the corporate plan, draft revenue and capital budget 2020/21, treasury management strategy, capital strategy and medium term financial strategy for recommendation to Council
14 February 2020	Council	Deadline for Members intending to propose an amended motion (as per Section 1 paragraph 4.1.105 and 4.1.106 of Constitution)
14 February 2020	Council	To agree the council's corporate plan, revenue and capital budget for 2020/21, treasury management strategy, capital

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		strategy and medium term financial strategy
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## Community impact

- 39. The budget proposals demonstrate how the council is using its financial resources to deliver the priorities within the proposed corporate plan.
- 40. The council is committed to delivering continued improvement, positive change and outcomes in delivering key priorities.
- 41. In accordance with the principles of the code of corporate governance, Herefordshire Council is committed to promoting a positive working culture that accepts, and encourages constructive challenge, and recognises that a culture and structure for scrutiny are key elements for accountable decision making, policy development, and review.

## Equality duty

- 42. Under section 149 of the Equality Act 2010, the 'general duty' on public authorities is set out as follows:

A public authority must, in the exercise of its functions, have due regard to the need to -

- (a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;
  - (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
  - (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
43. Service specific equality impact assessments will be completed for the service specific budget proposals to assess the impact on the protected characteristic as set out in the Equality Act 2010. The duty means that the potential impact of a decision on people with different protected characteristics is always taken into account when these assessments have been completed then we will consider mitigating against any adverse impact identified.

## Resource implications

- 44. The financial implications are as set out in the report. The ongoing operational costs including, HR, IT and property resource requirements are included in the draft budget and will be detailed in separate governance decision reports as appropriate. The cost of public consultation on the proposals is funded from available budgets.

## Legal implications

- 45. When setting the budget it is important that councillors are aware of the legal requirements and obligations. Councillors are required to act prudently when setting the



budget and council tax so that they act in a way that considers local taxpayers. This also covers the impact on future taxpayers.

46. The Local Government Finance Act 1992 requires a council to set a balanced budget. To do this the council must prepare a budget that covers not only the expenditure but also the funding to meet the proposed budget. The budget has to be fully funded and the income from all sources must meet the expenditure.
47. Best estimates have to be employed so that all anticipated expenditure and resources are identified. If the budget includes unallocated savings or unidentified income then these have to be carefully handled to demonstrate that these do not create a deficit budget. An intention to set a deficit budget is not permitted under local government legislation.
48. The council must decide every year how much they are going to raise from council tax. The decision is based on a budget that sets out estimates of what is planned to be spent on services. Because the level of council tax is set before the year begins and cannot be increased during the year, risks and uncertainties have to be considered, that might force higher spending more on the services than planned. Allowance is made for these risks by: making prudent allowance in the estimates for services; and ensuring that there are adequate reserves to draw on if the service estimates turn out to be insufficient.
49. The council's budget and policy framework rules require that the chairmen of a scrutiny committee shall take steps to ensure that the relevant committee work programmes include any budget and policy framework plan or strategy, to enable scrutiny members to inform and support the process for making cabinet proposals to Council. General scrutiny takes an overview of the budget and corporate plan proposals with adults and wellbeing and children's and young people scrutiny committees reviewing the proposals are they relate to the remit of those committees. General scrutiny can have regard to the recommendations made by the Adults and Childrens committees and may determine its own recommendations.
50. Section 106 of the Local Government Finance Act 1992 restricting councillors voting on certain matters where they are in arrears of council tax, does not apply to scrutiny function as the views from scrutiny on the budget are not a recommendation for approval, a resolution or any other type of decision. As a result a section 106 check of councillors arrears has not been undertaken.

## **Risk management**

51. Section 25 of the Local Government Act 2003 requires the S151 officer to report to Council when it is setting the budget and precept (council tax). Council is required to take this report into account when making its budget and precept decision. The report must deal with the robustness of the estimates included in the budget and the adequacy of reserves.
52. The budget has been updated using the best available information; current spending, anticipated pressures and the provisional settlement. This draft will be updated through the budget setting timetable.
53. The most substantial risks have been assessed as part of the budget process and reasonable mitigation has been made. Risks will be monitored through the year and reported to cabinet as part of the budget monitoring process.

54. There are additional risks to delivery of budgets including the delivery of new homes, Brexit, government policy changes following the general election and unplanned pressures. We are maintaining a general fund reserve balance above the minimum requirement and an annual contingency budget to manage these risks.
55. Demand management in social care continues to be a key issue, against a backdrop of a demographic of older people that is rising faster than the national average and some specific areas of inequalities amongst families and young people. Focusing public health commissioning and strategy on growth management through disease prevention and behaviour change in communities is critical for medium term change. In addition resetting our relationship with communities focussing services on areas of greatest professional need will support the MTFs.
56. The proposals include the extension of an integrated approach to flood management with other initiatives and organisations in recognition of the growing risk in this area.

## Consultees

57. Initial consultation on the draft corporate plan has been completed. Views on headline priorities were collected via 6 'voting boxes'. Each participant was given 10 tokens to place in the 6 boxes according to their personal views and priorities. For those interested in commenting on sub-priorities a 'sticky dot' exercise was used which encouraged people to place a green sticky dot against those sub priorities with which they strongly agreed and a red sticky dot against those with which they strongly disagreed. Participants were also encouraged to leave comments or indicate 'missing' priorities on a comments sheet.
58. 1,056 people participated in the consultation at pop-up events the same exercise was replicated online and accessed via the Herefordshire Council website, in which an additional 358 residents responded.
59. Combined results from the tokens and survey are shown below:-

Maintenance of roads and public spaces	3,827
Protect and enhance our environment	3,504
Start building new affordable council housing	2,683
More travel choices e.g. cycling, buses, community transport	2,661
Invest in job creation skills and training	2,582
Help people to help themselves e.g. advice, support, community projects	2,225

60. Out of the six draft priorities:
- Maintenance of roads and public spaces came out highest in terms of votes.
  - Protect and enhance our environment was the 2nd most popular priority.
  - The 3rd highest priority, 'Build our own sustainable council houses', is over 800 votes behind the 2nd ranked priority.
  - 'Help people to help themselves' was the lowest priority, with over 350 votes behind the next priority.
61. A common response from people completing the voting box exercise was that they felt that all of the six proposed priorities were important and that they couldn't choose

between them. However, there was also an awareness and acknowledgement from many people that there are insufficient resources to fully support all of these priorities.

62. Attached at appendix 2 are the detailed corporate plan consultation findings. Consultees were given the opportunity to raise specific priorities that they felt were missing from the proposed priorities. The most commonly identified issues were:
- Measures to reduce traffic congestion.
  - Availability of low-cost car parking in Hereford City.
  - Services to support the new houses being built e.g. doctors, dentists, schools.
  - Keeping shops open in town centres.
  - The need for more leisure activities in Hereford City.
  - The bypass- in total there were 44 comments written specifically about the Hereford bypass. 34 of them were in favour of a bypass and 7 were opposed.
63. The council's 2020/21 budget consultation is still live and along with consulting on new initiatives the consultation includes similar questions to the 2019/20 budget consultation to gauge if the public opinion has changed over time.
64. The consultation is open to all, including parish councils, health partners, the schools forum, business ratepayers, council taxpayers, the trade unions, political groups on the council and the scrutiny committees. Meetings were specifically held with businesses, parish councils and representatives from the voluntary sector to promote the consultation and information was also sent to partner bodies.

## Appendices

Appendix 1	draft corporate plan
Appendix 2	corporate plan consultation results
Appendix 3	draft 2020/21 revenue budget
Appendix 4	draft till receipt of 2020/21 budget proposal
Appendix 5	capital investment budget requests
Appendix 6	proposed capital budget position
Appendix 7	capital investment business cases
	Presentation slide pack

## Background papers

None identified

## Glossary of terms, abbreviations and acronyms used in this report

BID	Business improvement district
Brexit	Britain's exit from the European Union
DfT	Department for Transport
EDRMS	Electronic document retrieval management system
HCCTP	Hereford City Centre Transport Package
HR	Human resources
IT	Information technology
Long term empty properties	Properties vacant for at least six months
MTFS	Medium term financial strategy
NMiTE	New Model in Technology and Engineering
SEND	Special educational needs and disability












“Respecting the past, shaping our future - we will help build vibrant **communities**, create a thriving local **economy** and protect and enhance our **environment**”.



## Community









**Build communities to ensure everyone lives well and safely together**

-  Ensure all children are healthy, safe and inspired to achieve
-  Help keep our families and communities healthy and independent
-  Ensure that children in care, and moving on from care, are well supported and make good life choices
-  Protect and improve the lives of vulnerable adults
-  Join up health and social care services in communities
-  Create environments that make wellbeing inevitable
-  Use technology to enable independent living
-  Get the right mix of housing for our communities
-  Build our own sustainable council houses



## Economy








**Support an economy which builds on the county's strengths and resources**

-  Use council assets to create more jobs
-  Develop environmentally sound infrastructure that attracts investment to our county
-  Invest in education and the skills needed by employers
-  Raise the average wage of people working in Herefordshire
-  Encourage younger people to build their lives here
-  Enhance digital connectivity for communities and business
-  Protect and promote our heritage, culture and natural beauty to increase tourism and attract new businesses
-  Invest public money locally wherever possible



## Environment

**Protect our environment and keep Herefordshire a great place to live**

-  Understand our carbon footprint and act to reduce it
-  Lead our transition to a low carbon economy
-  Improve and extend travel options throughout the county
-  Ensure the best use of the county's natural resources
-  Reduce waste and increase reuse, repair and recycling
-  Protect the county's biodiversity, value nature and uphold environmental standards
-  Address the climate emergency and support behaviour change of residents and businesses

## Our principles

**Partnership** | We collaborate to maximise our strengths and resources

**Sustainability** | We use resources wisely so Herefordshire is preserved for future generations

**Integrity** | We make decisions based on evidence and work with respect, openness and accountability

**Democracy** | We strengthen local democracy, decision making and service delivery and involve more young people

**Communication** | We listen to and learn from our communities and help people connect through culture, creativity and care



# Priority testing for Herefordshire Council's Corporate Plan – Results and Key Messages

## Background and Introduction

Impact Consultancy and Research and Max Bassett Research were jointly commissioned to consult with residents of Herefordshire about the draft priorities for the County for the next four years as part of the Council's Corporate Plan development. It was agreed that priorities to be consulted on were:

- Maintenance of roads and public spaces
- Protect and enhance our environment
- Start building new affordable council housing
- More travel choices e.g. cycling, buses, community transport
- Invest in job creation skills and training
- Help people to help themselves e.g. advice, support, community projects

In addition to these six 'headline' priorities the consultation focused on the sub priorities agreed by the Cabinet under the themes of 'Community, Economy and Environment'.

Views on the headline priorities were collected via 6 'voting boxes'. Each participant was given 10 tokens to place in the 6 boxes according to their personal views and priorities. For those interested in commenting on the sub-priorities a 'sticky dot' exercise was used which encouraged people to place a green sticky dot against those sub priorities with which they strongly agreed and a red sticky dot against those with which they strongly disagreed. Participants were also encouraged to leave comments or indicate 'missing' priorities on a comments sheet.

The consultation was toured around the county via 'pop-up' events which took place in the following locations:

- Belmont Tesco (21/10/19)
- Our Lady's Church (20/10/19)
- Friday's prayers at Kindle Centre (18/10/19)
- Echo (Leominster) (18/10/19)
- Bromyard Farmers Market at the Town Hall (17/10/19)
- High Town (12/10/19)
- Kington (11/10/19)
- Livestock Market (10/12/19)
- Hereford Sixth form College (7/10/19)
- Gypsy and Romany Travelling families (7/10/19)
- Leominster (4/10/19)
- Shypp (Leominster) (3/10/19)
- Ross Library (3/10/19)
- Blueschool House (2/10/19)
- Ledbury Town (1/10/19)
- Blueschool House (30/9/19)
- Herefordshire Federation of Young Farmers – Ploughing Match (29/9/19)
- Members Briefing (27/9/19)
- Hereford High Town Market (26/9/19)
- Parish Council Summit (20/9/19)

**1,056** people participated in the consultation through their engagement in these events.

Alongside the pop-up events the same exercise was replicated online and accessed via the Herefordshire Council website, in which an additional **358** residents responded.

A total of **1,414** people were engaged in the consultation process. A key element of the consultation was the engagement of the seldom heard who are traditionally less likely to participate in public consultation exercises. In order to address this the consultation engaged with:

- Young people on the edge of care who are supported through SHYPP housing
- Adults with learning disabilities through an Echo meeting
- Gypsy and Roma travelling families
- A small number of people who identified themselves as homeless

Hereford Sixth Form College and a Young Farmers event were visited to ensure the views of young people were represented and as part of the market town events young people were given red tokens to enable their views to be differentiated. Views from ethnic minority communities were gathered by attending Friday Prayers for the Muslim community at the Kindle Centre and attending Our Lady Queen of Martyrs Catholic Church specifically to speak to Eastern European residents, with the use of translated material on the token boxes.

Number of adults spoken to at events	766
Numbers of Young people at events	271
Numbers who have completed the survey	358
Numbers from detailed discussions with seldom heard groups	18
<b>Total consulted to date</b>	<b>1,414</b>

The public consultation was very well received both in terms of the use of ‘pop-up’ stands in high footfall areas and the use of the voting boxes. Many positive comments were received from consultees about how good it was to see Herefordshire Council out seeking the views of residents and to have the opportunity to talk to Council staff and Councillors face-to-face. Whilst demographic data was not collected at the stands the perception was that the ‘market stand’ approach attracted a wide demographic and engaged a bigger pool of ‘non-traditional’ consultees than a public consultation event would have attracted.

Survey Monkey participants were asked to self-select any of the protected characteristics/ areas of interest to which they belonged. The results of which are shown below:

Area of interest	Number of respondents
Live in a rural area	218
Below 30 years old	26
Above retirement age	90
Own your own business	61
From an ethnic minority background	10
Have a disability/long term health condition	46
Care for someone with a disability/long term health condition (including old age)	50
Are/or live with a member of the armed forces or a veteran	21
Answered	<b>283</b>



### Summary of the Six Priorities

In order to gather people's views on the six proposed priorities each participant was given 10 tokens to allocate across the six ballot boxes. Participants were asked to allocate all 10 tokens according to their own personal priorities. The same exercise could not be replicated exactly on the online version of the consultation therefore participants were asked to rank each of these priorities.

<b>Tokens at public events</b>	Total
Maintenance of roads and public spaces	2,574
Protect and enhance our environment	2,161
Start building new affordable council housing	1,668
More travel choices e.g. cycling, buses, community transport	1,448
Invest in job creation skills and training	1,367
Help people to help themselves e.g. advice, support, community projects	1,158

<b>Survey Monkey ranked score</b>	Total
Protect and enhance our environment	1,343
Maintenance of roads and public spaces	1,253
Invest in job creation skills and training	1,215
More travel choices e.g. cycling, buses, community transport	1,213
Help people to help themselves e.g. advice, support, community projects	1,067
Start building new affordable council housing	1,015

### Combined results from the tokens and survey monkey

Maintenance of roads and public spaces	<b>3,827</b>
Protect and enhance our environment	<b>3,504</b>
Start building new affordable council housing	2,683
More travel choices e.g. cycling, buses, community transport	2,661
Invest in job creation skills and training	2,582
Help people to help themselves e.g. advice, support, community projects	2,225

Out of the six draft priorities:

- Maintenance of roads and public spaces came out highest in terms of votes.
- Protect and enhance our environment was the 2nd most popular priority (N.b. this priority received 500 votes from the Sixth Form College).
- The 3rd highest priority, 'Build our own sustainable council houses', is over 800 votes behind the 2<sup>nd</sup> ranked priority.
- 'Help people to help themselves' was the lowest priority, with over 350 votes behind the next priority.

The top 3 priorities for young people are consistent with the top 3 priorities of the consultation as a whole i.e.; environment, roads and housing. However 'Protect and Enhance your Environment is seen as the top priority for young people, particularly young people from the 6th Form College and other young people that participated in the pop up events.

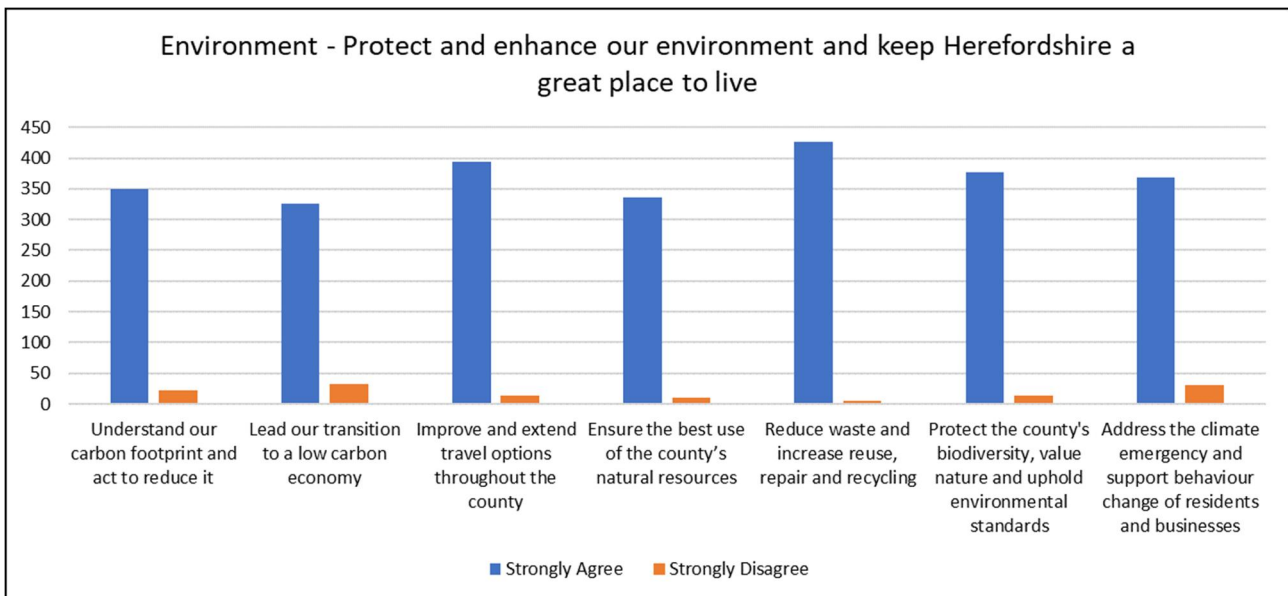
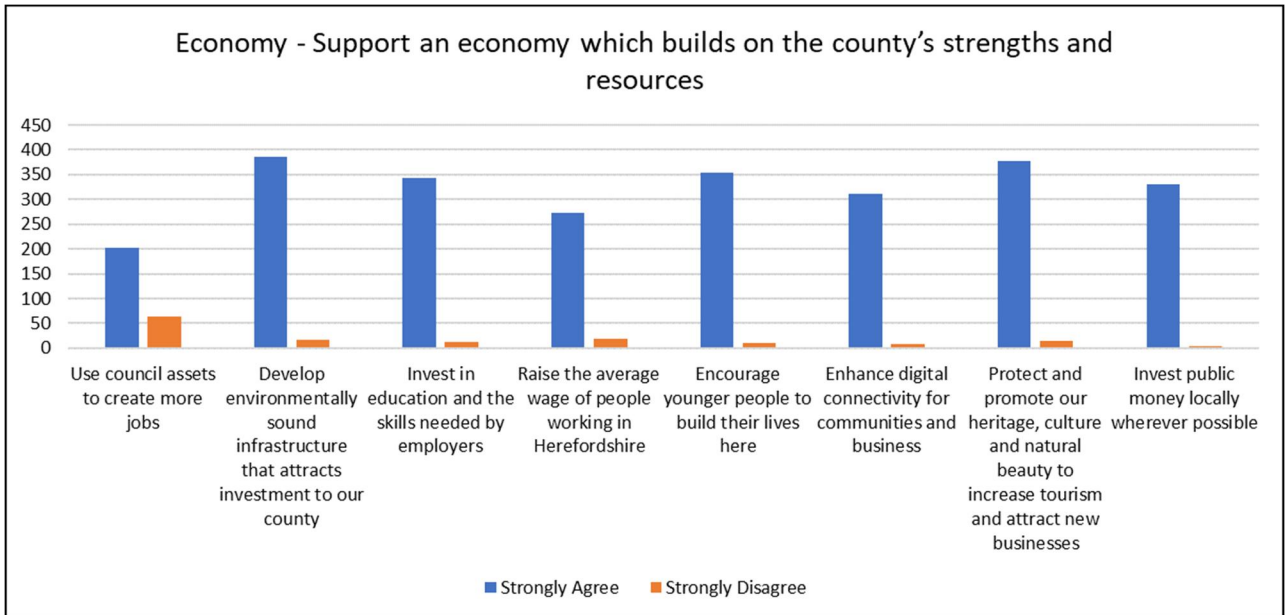
### Strong views about the sub-priorities

Participants were asked to stick green dots against any of the priorities that they strongly agreed with and red dots against the sub-priorities they strongly disagreed with. Participants completing the online survey were also asked to do a similar exercise. A summary of the face to face consultation exercise and the online survey is shown below for the sub-priorities for each of the three themes.

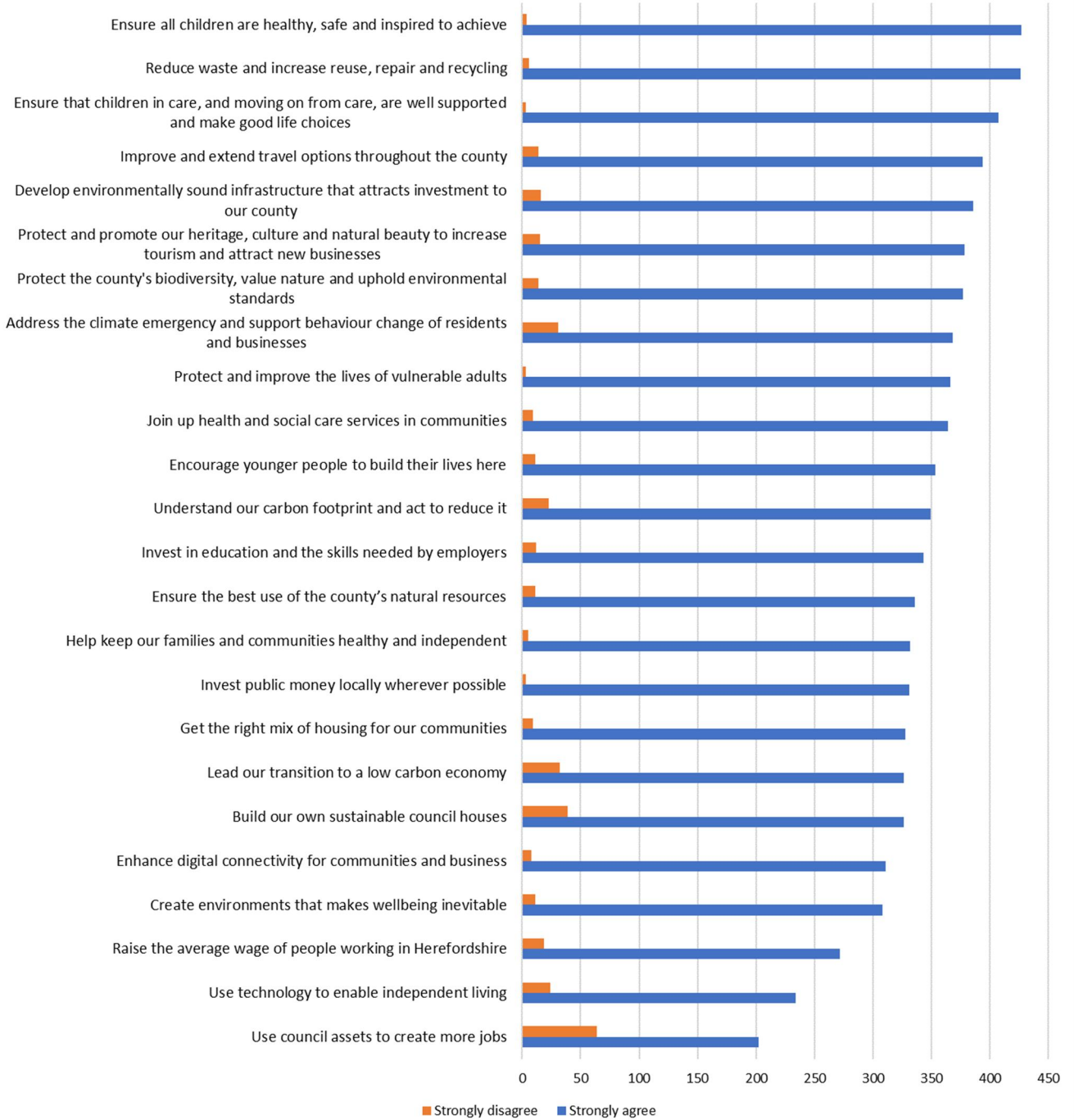
Community - Build communities to ensure everyone lives well and safely together		
	Strongly Agree	Strongly Disagree
Ensure all children are healthy, safe and inspired to achieve	427	4
Ensure that children in care, and moving on from care, are well supported and make good life choices	407	3
Protect and improve the lives of vulnerable adults	366	3
Help keep our families and communities healthy and independent	332	5
Join up health and social care services in communities	364	9
Create environments that makes wellbeing inevitable	308	11
Use technology to enable independent living	234	24
Get the right mix of housing for our communities	328	9
Build our own sustainable council houses	326	39

Economy - Support an economy which builds on the county's strengths and resources		
	Strongly Agree	Strongly Disagree
Use council assets to create more jobs	202	64
Develop environmentally sound infrastructure that attracts investment to our county	386	16
Invest in education and the skills needed by employers	343	12
Raise the average wage of people working in Herefordshire	272	19
Encourage younger people to build their lives here	353	11
Enhance digital connectivity for communities and business	311	8
Protect and promote our heritage, culture and natural beauty to increase tourism and attract new businesses	378	15
Invest public money locally wherever possible	331	3

Environment - Protect and enhance our environment and keep Herefordshire a great place to live		
	Strongly Agree	Strongly Disagree
Understand our carbon footprint and act to reduce it	349	23
Lead our transition to a low carbon economy	326	32
Improve and extend travel options throughout the county	394	14
Ensure the best use of the county's natural resources	336	11
Reduce waste and increase reuse, repair and recycling	426	6
Protect the county's biodiversity, value nature and uphold environmental standards	377	14
Address the climate emergency and support behaviour change of residents and businesses	368	31



### Sub-priorities of HC Coporate Plan



Across the three themes the sub-priorities people strongly **agreed** with were:

- Ensure all children are healthy, safe and inspired to achieve (Communities)
- Reduce waste and increase reuse, repair and recycling (Environment)
- Ensure that children in care, and moving on from care, are well supported and make good life choices (Communities)
- Improve and extend travel options throughout the county (Environment)
- Develop environmentally sound infrastructure that attracts investment to our county (Economy)
- Protect and promote our heritage, culture and natural beauty to increase tourism and attract new businesses (Economy)

Whilst there were some sub-priorities people strongly disagreed with, the numbers doing this were much lower than those in agreement. The sub-priorities that people most disagreed with were:

- Use council assets to create more jobs (Economy)
- Build our own sustainable council houses (Communities)
- Lead our transition to a low carbon economy (Environment)
- Address the climate emergency and support behaviour change of residents and businesses (Environment)
- Use technology to enable independent living (Communities)
- Understand our carbon footprint and act to reduce it (Environment)
- Raise the average wage of people working in Herefordshire (Economy)

### **Overview of Comments relating to the 6 ‘token’ boxes**

A common response from people completing the voting box exercise was that they felt that all of the six proposed priorities were important and that they couldn’t choose between them. However, there was also an awareness and acknowledgement from many people that there are insufficient resources to fully support all of these priorities.

### **START BUILDING AFFORDABLE COUNCIL HOUSING**

- The need for affordable housing in general was strongly supported. However, our perception is that the subtlety of “start building our own council housing” was missed by many people.
- This is further evidenced by the lower ranking of this priority on survey monkey – where people had time to read and think about the meaning of the phrase.
- The view was expressed by some that it didn’t matter *who* owned or provided the affordable housing as long as it was available and there was a good mix of types of housing for different needs and that it was a decent standard. It is also worth noting that ‘accommodation’ need may be different to ‘housing’ need i.e. some may want appropriate accommodation as opposed to appropriate housing.
- There was concern about the financial implications of the Council building and owning housing stock -especially after resources have been spent in the past in transferring housing stock.
- There were suggestions for making use of empty properties before building new.
- There may also be concerns about the impact this may have on other providers of affordable housing, i.e. would this mean reduced contracts therefore a knock-on effect on standards or services offered for those already in affordable social housing.

- Another concern in general about new houses being built was that there was sufficient infrastructure to support them such as doctors, dentists, schools, parking. This was of particular concern in Ledbury.

### MORE TRAVEL CHOICES

- People were concerned about the location of the proposed bypass; in that it was in the wrong location and didn't provide enough of a 'bypass'.
- There were also many comments made relating to cycling, buses and electric vehicles. For example the need for more cycle lanes and also specific suggestions for specific bus routes. The need for more travel choices was a high priority particularly with the Sixth Form College students.
- For residents living in very rural areas, more travel choices did not feature very highly as there was very limited travel choices currently other than a car and they felt it would be unreasonable to expect a decent service in these areas.

### PROTECT AND ENHANCE OUR ENVIRONMENT

- This priority was of particular importance to the young people at the Sixth Form College and younger voters more generally.
- Issues relating to the impact of planning were raised e.g. standards of homes built and where they should be built.
- There were comments in support of developing alternative technologies e.g. solar and wind power.
- There were eight people who requested more tree planting and four made comments about the maintenance of verges.

### HELP PEOPLE TO HELP THEMSELVES

- This priority received mixed reviews. However we don't feel that the full scope of this was fully understood by many voters.
- Some people felt too much support was already offered therefore people need to help themselves more (nanny state view).
- Others were concerned that this meant a reduction in existing support / advisory services.
- The priority may be better understood if the wording was changed to 'supporting people to help themselves'.
- The need to support youth clubs and support for young people generally was often noted in relation to this priority.
- A number of comments were received in relation to mental health services and them being needed or improved. Some of these were around isolation, pathways for adults with autism and ADHD, mental health support for young people, support for those who are vulnerable e.g. people who are homeless, domestic abuse and violence victims, those with substance misuse addictions and those with learning disabilities.

### USE COUNCIL ASSETS TO CREATE MORE JOBS

- This sub-priority was by far the one that was the most misunderstood.
- There was large support for job and skills creation but people did not understand what 'use council assets' meant.
- Whilst people felt that jobs were important there was concern about whether this was a role for the council and how the council would go about increasing wages in the county.

## MAINTENANCE OF ROADS AND PUBLIC SPACES

- This priority ideally needs splitting out – the majority of people commented on the roads and potholes, as well as pavements as opposed to green spaces.
- Roads were by far the highest concern in Leominster – particularly for pedestrians for trip hazards on the cobblestones, being splashed by water on the narrow roads in the town centre and potholes in general.

### Overview of Comments from the ‘sticky dot’ exercise

There is concern about the impact Herefordshire Council could and should have on some of these priorities i.e. if its purpose is to provide services. Particular examples of this are being able to create more jobs, addressing the climate emergency and about raising wage levels in Herefordshire, this was generally commented on and reflected in the red dots to strongly disagree. Linked to this there was also the view expressed at the Parish Summit that Parish Councils would like to be more involved in the planning of local services.

## COMMUNITY

- There was concern about the infrastructure not being in place to support new housing developments, specifically sewerage, schools, doctors and dentists. This was particularly a concern for some market towns such as Ledbury and Ross on Wye.
- The sub-priority *Create an environment where wellbeing is inevitable* was not understood well. “What do you mean by create an environment where wellbeing is inevitable?” was often asked.
- There was a concern that the sub-priority *Use digital technology to enable independent living*, would lead to a reduction in face to face services

## ECONOMY

- There was particular support for investment in Environmental opportunities and impact.
- Where people most felt support for business was needed was in relation to SME’s.
- A number of comments were received about reducing business rates and reducing the number of empty shops.

## ENVIRONMENT

- Recycling was consistently supported.
- There were some who didn’t support climate change action either because they did not feel that there is a climate emergency or that it was not the role of the council, they should be focusing on services to the community. However, there was strong support overall for protecting and promoting the environment – especially from younger people.
- Some people felt that the sub-priorities were duplicated.
- May need to check wording of ‘best use of county’s natural resources’ – what do you mean by best and who determines that.

### **Overview of comments from 'seldom heard' groups**

- The discussion groups with seldom heard groups such as young people living at SHYPP and Gypsy and Romany travellers didn't have a lot to say about these priorities. Their focus was on the day to day quality of life issues, such as standards of accommodation, financial stability and being treated as equals. Until those basics were met they felt it was difficult to comment on issues that were perceived to be at the periphery.
- Young people at the Sixth Form College were very engaged. Environment was a high priority, with just under 500 votes. The next highest vote was over 250 behind which was for maintenance of roads and open spaces.
- The Echo focus group highlighted the value of Council supported services that provide people with practical support such as completing forms and advice services. The group also raised concerns about cuts to social services and the impact of reductions in the services they access. The group also prioritised specific issues linked to accessibility that limited their ability to be independent and to access the services they used e.g. lack of accessible toilets, inaccessible pavements, issues around using the bus services (prejudice of some bus drivers, time restrictions of bus passes, reductions in bus services).

### **'Missing' priorities - views of consultees**

Consultees were given the opportunity to raise specific priorities that they felt were missing from the proposed priorities. The most commonly identified issues were:

- Measures to reduce traffic congestion.
- Availability of low-cost car parking in Hereford City.
- Services to support the new houses being built e.g. doctors, dentists, schools.
- Keeping shops open in town centres.
- The need for more leisure activities in Hereford City.
- The bypass- in total there were 44 comments written specifically about the Hereford bypass. 34 of them were in favour of a bypass and 7 were opposed.

Specific points for Herefordshire Council

- There were concerns over the contract with Balfour Beatty and the quality of their work



Summary - budget proposals

Appendix 2

2020/21 revenue budget proposal

Directorate	19/20 revised base £k	Pressures £k	New Initiatives £k	Savings £k	Base Budget £k
Adults and Communities	53,965	2,717	200	(600)	56,282
Social care pool			2,054		2,054
Children and families	27,185	714	3,100	(300)	30,699
Economy and Place	27,594	1,364	1,070	(873)	29,155
Corporate Services	15,086	169	425	(77)	15,603
<b>Total Directorate</b>	<b>123,830</b>	<b>4,964</b>	<b>6,849</b>	<b>(1,850)</b>	<b>133,793</b>
Central	22,771	91	(56)	(500)	22,306
<b>Total Net Budget</b>	<b>146,601</b>	<b>5,055</b>	<b>6,793</b>	<b>(2,350)</b>	<b>156,099</b>
<b>Funded by</b>					
Council Tax					109,397
Retained Rates					36,726
Rural Sparsity Delivery Grant					5,101
Adult social care support grant					4,875
<b>Totals</b>					<b>156,099</b>



## Proposed budget till receipt

	<b>20-21</b>		<b>20-21</b>
	<b>£s</b>		<b>£s</b>
<b>** Daily life **</b>		<b>** Local government running costs **</b>	
* Bin collections and Environment	13.87	* Election, governance and legal services	3.50
* Roads, bridges and care of public spaces	6.97	* Directors & Staff costs	0.56
* Schools and education	99.16	* Organisational administration	1.39
* Buses and community transport	5.97	* IT, Transactions and billing (Hoople)	5.25
* Libraries, records and customer services	1.22	* Insurance and property maintenance	4.84
<b>** Looking after Adults **</b>		* Capital finance - Debt repayment	6.97
* Older People in residential / nursing care	14.39	* Capital finance - Interest payments	9.57
* Older people supported at home	9.89	<b>** Economic growth **</b>	
* Disabled adults	28.92	* Economic development and regeneration	1.74
* Lifestyles services (substance abuse, sexual health)	2.84	* Broadband - rural rollout	0.15
* Health improvement (Public Health nursing, health checks, smoking cessation)	5.67	* Planning	0.35
* Housing	0.53		<b>246.32</b>
<b>** Looking after children **</b>		<b>Income that supplements council tax</b>	
* Child protection	4.29	* Investment Property income	(2.94)
* Children in care	14.97	* Car parking	(5.42)
* Children with special needs	3.31	* Capital finance - Interest received	(2.01)
		* Public Health grant	(7.70)
		* National Education funding	(96.98)
			<b>131.27</b>



## Capital investment budget proposals

No	Scheme	Current Capital Programme £000	Total 20/21 £000	Total 21/22 £000	Total 22/23 £000	Total Future Years £000	Capital Grant funding £000	Redirected funding £000	Capital receipt funding £000	Funded by ROI £000	Corporate Funded PB £000	Total Request £000
<b>Community:- Build communities to ensure everyone lives well and safely together</b>												
26	Brookfield School	2,744.0	0.0	1,195.0	0.0	0.0	0.0	0.0	1,195.0	0.0	0.0	1,195.0
29	Peterchurch Primary School	5,500.0	0.0	5,353.0	0.0	0.0	0.0	0.0	5,353.0	0.0	0.0	5,353.0
25	Technology Enabled Communities		300.0	1,200.0	0.0	0.0	0.0	1,500.0	0.0	0.0	0.0	1,500.0
31	Super Hubs		2,000.0	0.0	0.0	0.0	0.0	0.0	2,000.0	0.0	0.0	2,000.0
23	Widemarsh Gardens		80.0	0.0	0.0	0.0	80.0	0.0	0.0	0.0	0.0	80.0
24	Carehome and Extra Care Development	919.0	0.0	0.0	13,081.0	0.0	0.0	0.0	6,081.0	7,000.0	0.0	13,081.0
21	Bringing Empty Homes back into Use	800.0	200.0	300.0	300.0	0.0	0.0	0.0	800.0	0.0	0.0	800.0
	<b>Total Community</b>	<b>9,963.0</b>	<b>2,580.0</b>	<b>8,048.0</b>	<b>13,381.0</b>	<b>0.0</b>	<b>80.0</b>	<b>1,500.0</b>	<b>15,429.0</b>	<b>7,000.0</b>	<b>0.0</b>	<b>24,009.0</b>
<b>Economy:- Support an economy which builds on the county's strengths and resources</b>												
22	EDRMS Storage		380.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	380.0	380.0
20	Hereford Transport Package		2,350.0	625.0	625.0	0.0	0.0	0.0	0.0	0.0	3,600.0	3,600.0
5	Fleet Replacement		19.0	0.0	0.0	0.0	0.0	0.0	0.0	19.0	0.0	19.0
7	Employment Land and Incubation Space in Market Towns		843.0	4,209.0	3,066.0	5,513.0	2,053.0	0.0	4,020.0	7,558.0	0.0	13,631.0
8	Leominster Heritage Action Zone		237.5	1,425.0	2,137.5	0.0	2,000.0	0.0	1,800.0	0.0	0.0	3,800.0
14	Investment in Infrastructure Assets		2,000.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	2,000.0	2,000.0
2	Strangford Welfare Facilities		25.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	25.0	25.0
	<b>Total Economy</b>	<b>0.0</b>	<b>5,854.5</b>	<b>6,259.0</b>	<b>5,828.5</b>	<b>5,513.0</b>	<b>4,053.0</b>	<b>0.0</b>	<b>5,820.0</b>	<b>7,577.0</b>	<b>6,005.0</b>	<b>23,455.0</b>
<b>Environment:- Protect our environment and keep Herefordshire a great place to live</b>												
1a	Passenger Transport Fleet - Contracted fleet (Electric)		6,100.0	6,100.0	6,100.0	12,200.0	26,500.0	0.0	0.0	4,000.0	0.0	30,500.0
1b	Passenger Transport Fleet - Hereford City Commercial (Electric)		1,700.0	1,700.0	1,700.0	3,400.0	8,500.0	0.0	0.0	0.0	0.0	8,500.0
30	Better Ways of Working		850.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	850.0	850.0
13	Hereford Active Travel Measures & Super Cycle Highways		1,000.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1,000.0	1,000.0
	<b>Total Environment</b>	<b>0.0</b>	<b>9,650.0</b>	<b>7,800.0</b>	<b>7,800.0</b>	<b>15,600.0</b>	<b>35,000.0</b>	<b>0.0</b>	<b>0.0</b>	<b>4,000.0</b>	<b>1,850.0</b>	<b>40,850.0</b>
	<b>Total</b>	<b>9,963.0</b>	<b>18,084.5</b>	<b>22,107.0</b>	<b>27,009.5</b>	<b>21,113.0</b>	<b>39,133.0</b>	<b>1,500.0</b>	<b>21,249.0</b>	<b>18,577.0</b>	<b>7,855.0</b>	<b>88,314.0</b>



## Capital Programme position Apr 2020/21

Scheme Name	Spend in						Total scheme budget £000	Capital receipts £000	Grant & funding cont £000	Prudential borrowing £000	Total £000	Prior Years £000	Total Funding £000
	2019/20	2020/21	2021/22	2022/23	2023/24 onwards	Total							
	Prior Years £000	Total Budget £000	Total Budget £000	Total Budget £000	Total Budget £000	Total Budget £000							
<b>Economy &amp; Place</b>													
Hereford City Centre Transport Package	33,166	631	1,500	5,353	0	40,651			7,485	7,485	33,166	40,651	
South Wye Transport Package	6,984	4,718	14,795	6,422	2,081	35,000		28,016		28,016	6,984	35,000	
Hereford City Centre Improvements (HCCI)		1,500	2,000	2,000	0	5,500			5,500	5,500		5,500	
Hereford ATMs and Super Cycle Highway			1,000	0	0	1,000			1,000	1,000		1,000	
Passenger Transport Fleet (Electric)			7,800	7,800	7,800	15,600		35,000	4,000	39,000		39,000	
Hereford Transport Package	2,908	3,702	2,350	625	625	10,210		0	7,302	7,302	2,908	10,210	
<b>Major Infrastructure Delivery Board</b>	<b>43,058</b>	<b>10,552</b>	<b>29,445</b>	<b>22,200</b>	<b>10,506</b>	<b>15,600</b>							
Local Transport Plan (LTP)		11,745	12,272	0	0	24,017		24,017		24,017		24,017	
E & P's S106		1,141	0	0	0	1,141		1,141		1,141		1,141	
Investment in Infrastructure Assets			2,000	0	0	2,000			2,000	2,000		2,000	
Highway asset management		3,843	3,750	4,250	0	11,843		6,250	5,593	11,843		11,843	
<b>Public Realm Delivery Board</b>	<b>0</b>	<b>16,728</b>	<b>18,022</b>	<b>4,250</b>	<b>0</b>	<b>39,000</b>							
Hereford Enterprise Zone	10,769	3,400	1,831	0	0	16,000	5,231			5,231	10,769	16,000	
Herefordshire Enterprise Zone Shell Store	83	5,935	1,298	0	0	7,316		4,494	2,739	7,233	83	7,316	
Ross Enterprise Park (Model Farm)	11	2,377	4,174	508	0	7,070	3,524		3,535	7,059	11	7,070	
Marches business improvement grants	877	1,623	0	0	0	2,500		1,623		1,623	877	2,500	
Marches Renewable Energy Grant		88	764	336	0	1,188		1,188		1,188		1,188	
Affordable Housing Grant	35	1,599	1,000	300	300	3,234	1,599		1,600	3,199	35	3,234	
Community Housing Fund	9	141	0	0	0	150	141			141	9	150	
<b>Revolving Loans</b>	<b>145</b>	<b>55</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>200</b>	<b>55</b>			<b>55</b>	<b>145</b>	<b>200</b>	
Employment Land & Incubation Space in Market Towns			843	4,209	3,066	5,513	4,020	2,053	7,558	13,631		13,631	
Leominster Heritage Action Zone			238	1,425	2,138	3,800	1,800	2,000		3,800		3,800	
Development Partnership activities	6,042	9,558	25,000	0	0	40,600	4,312		30,246	34,558	6,042	40,600	
<b>Economic Development Delivery Board</b>	<b>17,971</b>	<b>24,776</b>	<b>35,147</b>	<b>6,778</b>	<b>5,504</b>	<b>5,513</b>							
Property Estate Enhancement Works	1,241	1,499	0	0	0	2,740			1,499	1,499	1,241	2,740	
Corporate Accommodation	2,540	331	0	0	0	2,871			331	331	2,540	2,871	
Leisure Centres	9,684	368	0	0	0	10,052			368	368	9,684	10,052	
Solar Photovoltaic Panels	606	55	1,473	0	0	2,134			1,528	1,528	606	2,134	
SEPUBU Grant		734	0	0	0	734		734		734		734	
LED street lighting	5,478	177	0	0	0	5,655			177	177	5,478	5,655	
Estates Capital Programme 2019/22		1,350	2,095	1,390	0	4,835	180		4,655	4,835		4,835	
Three Elms Trading Estate	95	380	0	0	0	475			380	380	95	475	
<b>Customer Services and Library</b>	<b>112</b>	<b>21</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>133</b>			<b>21</b>	<b>21</b>	<b>112</b>	<b>133</b>	
Energy Efficiency		54	46	0	0	100			100	100		100	
Warm Homes Fund		397	397	165	0	960		960		960		960	
Gypsy & Traveller Pitch development	29	910	899	39	0	1,877			1,848	1,848	29	1,877	
<b>Leominster cemetery extension</b>	<b>148</b>	<b>45</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>193</b>			<b>45</b>	<b>45</b>	<b>148</b>	<b>193</b>	
Tarsmill Court, Rotherwas	341	59	0	0	0	400			59	59	341	400	
Car Parking Strategy	77	169	0	0	0	246			169	169	77	246	
Car Park Re-Surfacing	0	116	0	0	0	116			116	116	0	116	
Office and Car Park Lighting Replacement	79	164	58	0	0	300			221	221	79	300	
Upgrade of Herefordshire CCTV		48	136	0	0	184			184	184		184	
Schools Transport Route Planning		30	30	30	0	90			90	90		90	
Courtyard Development		0	611	0	0	611			611	611		611	
Corporate Fleet Procurement		738	0	0	0	738	50		688	738		738	
Fleet Replacement			19	0	0	19			19	19		19	

Strangford Welfare Facilities			25	0	0		25		25	25		25		
Hereford Library	132	213	0	0	0		345		213	213	132	345		
<b>Corporate Property Delivery Board</b>	<b>20,560</b>	<b>7,860</b>	<b>5,789</b>	<b>1,624</b>	<b>0</b>	<b>0</b>	<b>35,833</b>							
<b>Total E &amp; P Capital Projects</b>	<b>81,589</b>	<b>59,916</b>	<b>88,403</b>	<b>34,852</b>	<b>16,010</b>	<b>21,113</b>	<b>301,883</b>		<b>20,912</b>	<b>107,475</b>	<b>91,907</b>	<b>220,294</b>	<b>81,589</b>	<b>301,883</b>
<b>Corporate</b>														
Fastershire Broadband	16,979	10,152	8,607	0	0		35,738		10,600	8,159	18,759	16,979		35,738
PC Replacement	261	218	641	397	0		1,516			1,255	1,255	261		1,516
Widemarsh Gardens			80	0	0		80		80		80			80
EDRMS Storage			380	0	0		380			380	380			380
Better Ways of Working			850	0	0		850			850	850			850
Children centre changes	167	263	0	0	0		430		203	60	263	167		430
<b>Total Corporate Capital Projects</b>	<b>17,407</b>	<b>10,633</b>	<b>10,557</b>	<b>397</b>	<b>0</b>	<b>0</b>	<b>38,994</b>		<b>203</b>	<b>10,680</b>	<b>10,704</b>	<b>21,587</b>	<b>17,407</b>	<b>38,994</b>
<b>Children and Families</b>														
Colwall Primary School	6,665	85	0	0	0		6,750		0	85	85	6,665		6,750
Schools Capital Maintenance Grant		2,152	1,200	1,200	0		4,552			4,552	0			4,552
Peterchurch Primary School	7	493	5,000	5,353	0		10,853		5,658		5,188	10,846	7	10,853
Expansion for Marlbrook school	527	3,614	2,000	0	0		6,141			626	4,988	5,614	527	6,141
Brookfield School Improvements	6	2,577	167	1,195	0		3,945		1,195	849	1,895	3,939	6	3,945
C & F's S106		915	0	0	0		915			915		915		915
Healthy Pupils		99	0	0	0		99			99		99		99
Individual Pupil Needs	152	119	0	0	0		271				119	119	152	271
Short Breaks Capital		118	0	0	0		118			118		118		118
Blackmarston SEN	30	54	0	0	0		84				54	54	30	84
Replacement Leominster Primary	6	36	0	0	0		42				36	36	6	42
Basic Needs Funding		0	8,891	0	0		8,891			8,629	262	8,891		8,891
2 Year Old Capital Funding	75	31	0	0	0		106			31		31	75	106
Preliminary works to inform key investment need throughout the county	5	1,010	0	0	0		1,015				1,010	1,010	5	1,015
Temporary school accommodation replacement	85	515	300	0	0		900				815	815	85	900
<b>Total C &amp; F Capital Projects</b>	<b>7,558</b>	<b>11,819</b>	<b>17,558</b>	<b>7,748</b>	<b>0</b>	<b>0</b>	<b>44,683</b>		<b>6,853</b>	<b>15,820</b>	<b>14,451</b>	<b>37,125</b>	<b>7,558</b>	<b>44,683</b>
<b>Adults and Communities</b>														
Disabled facilities grant		1,999	1,853	1,853	0		5,705					5,705		5,705
Hillside		2,550	0	0	0		2,550		2,550			2,550		2,550
Carehome & Extra Care Development	164	919	0	0	13,081		14,164		6,081	451	7,468	14,000	164	14,164
Technology Enabled Communities	0	0	300	1,200	0		1,500			1,500		1,500		1,500
Super Hubs			2,000	0	0		2,000					2,000		2,000
Private sector housing improvements	57	199	0	0	0		256				199	199	57	256
<b>Total A &amp; C Capital Projects</b>	<b>222</b>	<b>5,667</b>	<b>4,153</b>	<b>3,053</b>	<b>13,081</b>	<b>0</b>	<b>26,175</b>		<b>10,830</b>	<b>7,656</b>	<b>7,468</b>	<b>25,954</b>	<b>222</b>	<b>26,175</b>
<b>Total</b>	<b>106,776</b>	<b>88,034</b>	<b>120,671</b>	<b>46,050</b>	<b>29,091</b>	<b>21,113</b>	<b>411,735</b>		<b>38,797</b>	<b>141,631</b>	<b>124,530</b>	<b>304,959</b>	<b>106,776</b>	<b>411,735</b>

**Key:**

RCCO

Project Complete

Current 19/20 Budget Position 106,776 89,034 102,587 23,943 2,081 0 324,421

**Change in Capital Programme 0 (1,000) 18,085 22,107 27,010 21,113 87,314**

Note 1

**Overall Change Financed By**

	£000	£000	£000	£000	£000	£000	£000
Prudential Borrowing			6,624	3,624	10,691	5,493	26,432
Grant and funding contributions			9,261	11,635	8,138	11,600	40,633
Capital receipts			2,200	6,848	8,181	4,020	21,249
Reduction in project budget		(1,000)					(1,000)
<b>Total</b>	<b>0</b>	<b>(1,000)</b>	<b>18,085</b>	<b>22,107</b>	<b>27,010</b>	<b>21,113</b>	<b>87,314</b>



## **PROJECT DOCUMENTATION**

## **FEASIBILITY BUSINESS CASE**

### Peterchurch Primary - Replacement School

Release: Draft

Date: 20/09/2019

Author:

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## Feasibility Business Case History

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## **Stage 0 Business Case**

### **1. Purpose of Document**

This Feasibility Business Case contains information that describes the justification for continuing the development of a detailed Business Case for a replacement primary school at Peterchurch. The Business Case is to be submitted to the Children & Families Capital Programme Board and if accepted, a more detailed Business Case will be developed.

### **2. Objectives**

If the Business Case is approved then the project can move into the implementation phase and deliver the following:

- Ensure the council's estate is well maintained, safe and fit for purpose
- Reduce schools' revenue expenditure through more efficient buildings
- Extend the life cycle of the council's assets and protect / enhance their value
- Ensure that sufficient pupil places in suitable accommodation are available to meet demand in schools

The business case sets out the work required to replace the current primary school building at Peterchurch with new permanent build accommodation.

### **3. Background**

Herefordshire Council is responsible for maintaining all community and voluntary controlled schools located within Herefordshire. This equates to 44 establishments on 45 sites. Optimisation of the schools estate is the subject of the schools capital investment strategy which seeks to ensure that there are sufficient high quality learning environments, in good condition, permanent structure buildings that are of the size set out in the Government building specifications. This project supports the Corporate Plan priorities of 'Keeping children safe and giving them a great start in life' and 'To secure better services, quality of life and value for money'.

Peterchurch Primary School is a small community primary school maintained by Herefordshire Council in the village of Peterchurch, in the centre of the Golden Valley west of Hereford towards the Black Mountains and Welsh border. The village is the largest settlement in the valley and has a number of amenities including the primary and secondary schools, village hall, fire /police station, shop, and two pubs.

The school is located on the main road (B4348) and comprises various ages and types of buildings. These include the original Victorian school and headmaster's house; a conversion of a former village hall, some under-sized modern accommodation and some modular buildings.

The current school accommodation is not fit for purpose both in regard to its suitability as set out in DfE Building Bulletin 103 "Area Guidelines for Schools" and the condition of the buildings.

The condition issues include problematic roofs of both the Victorian building (loose slates) and the former village hall (asbestos), erratic and inefficient heating, and a range of other problems.

It is now subject to reactive repairs pending the confirmation of a suitable long term solution.

### **3.1. Project Drivers and High Level Issues**

The main 20<sup>th</sup> century school hall has an asbestos roof with multiple leaks and is a notably unattractive building. The condition of the pupil toilets are poor. Most of the spaces in the school are below the recommended area as set out on BB103 Area Guidelines for Schools. The modular classroom is perhaps the best of the current accommodation.

The swimming pool itself is a good facility, but its plastic roof is not in good condition. The school values the swimming pool very highly, and it is used by a number of other primary schools in the area.

An independent day nursery/preschool operates from the site. It owns its own modular building (which is in good condition). It works closely with the school.

Overall the impression of the school buildings is of a miss-match of different buildings, many of poor quality.

The developed area of the site – i.e. the buildings and hard surfaces is at the front. The school field is behind the school building. This is a pleasant area of green space, however the overhead power cables are a less attractive feature and limit the activities which can take place on the field to some extent.

The case for improving or replacing the building has been accepted for some time, however there has been discussion about the best way of doing this.

The main options for Peterchurch were:

- To do nothing (always a potential option)
- To acquire a new site adjacent to Fairfield High School and rebuild there
- To rebuild on the existing site

These options led to the commissioning of a report by BBLP on the highways and environmental implications of the proposals.

More recently the District Valuer was commissioned to provide valuations of the various piece of land involved in the options, whether land which would need to be purchased, or land which could be sold.

Options for replacing the Peterchurch buildings were investigated because the cost of repairs would be very high (>£1 million for the asbestos roof on the main building alone plus a further large sum to address other deficiencies) and would still leave the school with unsuitable premises in terms of room size and arrangement.

The attraction of the Fairfield relocation was that it would create a campus enabling some services to be shared between the two schools, and for the deficiency of playing field space at Fairfield to be addressed. There are attractions to campus arrangements where schools work more closely together. There were some environmental benefits which could be addressed if funding could be found to improve the poor access to Fairfield along narrow lanes, prone to flooding.

If Peterchurch Primary School were relocated to an adjacent site, then Fairfield might benefit from the environmental works that would have to be done as part of that project. This could include better traffic management around the nearby lanes, and works to reduce the impact of potential flooding. However this would entail substantial costs which would have to come from council funds – and could be supported by a capital receipt from the potential sale of the current Peterchurch school site. There was no strong support for this option from local stakeholders, and possibly active opposition from those who wish to retain the primary school “at the heart of the village”.

The option to rebuild on the current site would not create a primary secondary campus. There may be some technical challenges around managing a construction project on the site of a working school which might require decanting into temporary accommodation. We know from the experience at Colwall that this can be extremely expensive and consume considerable resources for which there is little to show at the end of the project. The presence of electrical power lines over the playing field constrains how the site might be reorganised. Notwithstanding these challenges, a rebuild on the current site is likely to be the simpler, less expensive project. It is reported that it is the preference of the parish council, who wish to see the school located in the centre of the village.

Doing “nothing” does not seem a prudent approach. Whilst the major condition issues could be addressed through maintenance interventions, these would still be expensive, and would leave the school with unsuitable accommodation, in which many rooms were below the recommended area, and the overall aesthetic of the school was unattractive. Some of the environmental issues might be addressed, but costs would quickly mount up to the point where they were not far short of a complete rebuild. Unless decision makers were determined to keep costs as low as possible, only addressing condition issues, with no attention to suitability this does not seem a good use of resources.

A feasibility study has recently been conducted by Hayhurst & Co who were appointed following a competitive tendering process, to identify possible options for the school in Peterchurch. These options included the minimalist of works to the school (renew and repair), significant refurbishment works (remodel and extend), and a new build. High level indicative and estimated costs of each of the options were provided. The costs were based on a mixture of lowest, mean average and highest rates derived from benchmark projects of a similar nature. As data obtained from benchmark projects is likely to represent the lowest priced competitive tender, 5% was added to allow budgets to reflect a realistic competitive tendering environment. These costs are based on a construction period from 2021 to 2022.

Council approved funding of £1m towards improvement works or new build at Peterchurch in December 2014 followed by a further £4.5m in December 2015 making a total of £5.5m available in the capital programme for a new build at Peterchurch. This funding was considered in line with new school building projects at the time. With inflation costs at approximately 6% per year, this would make this value the equivalent of approximately £8.5m in 2019 based on a construction period in 2021/2022.

### **3.2. High Level Metrics**

- Revenue cost savings per year for the school
- Reduced maintenance costs per year

## **4. Scope**

### **4.1. Included in Scope**

A replacement primary school for Peterchurch including all teaching and support spaces, including playground and playing field, necessary for it to function as a full one form entry school but with the provision of five classes initially. The facility will include for the provision of a nursery to accommodate the one currently on site and may include some work to the swimming pool to enable its continued use.

### **4.2. Not included in Scope**

- The re-provision or upgrading of the swimming pool facilities on site.
- Additional highways improvement works other than those required to enable access to and egress from the re-designed site.

## **5. Stakeholders**

- Head teacher of Peterchurch Primary School
- Chair of Governors at Peterchurch Primary School
- Parents/guardians of children at Peterchurch Primary School
- Peterchurch community
- Ward Councillors
- Children & Families Directorate
- Property Services
- Procurement
- Finance
- Health & Safety
- Legal

## 6. Dependencies

### 6.1. Initiatives which depend on this project are:

None

### 6.2. This project depends on:

- Appropriate levels of resource and expertise
- Contractor availability
- The required level of engagement from stakeholders

## 7. Benefits

The anticipated benefits of the proposed project are listed below:

### 7.1. Quantifiable

- Potential for reduced revenue costs to schools
- Fit for purpose teaching accommodation and associated infrastructure
- Reduction in reactive maintenance costs
- Improved Display Energy Certificate (DEC) rating for schools
- Compliance with government guidelines

### 7.2. Non-quantifiable

- Provision of new classrooms designed and built to modern standards and offering a high quality learning environment for children
- Provision of a playing field free from the risks of the overhead power cable, if this is to be re-routed underground
- Safer entry routes to and from the school building
- No potential to exposure from asbestos
- Risk mitigation

## 8. Contribution to Strategic Objectives

- To secure better services, quality of life and value for money  
Through minimising property costs and reducing the risk of service failure
- Keep children and young people safe and give them a great start in life  
Create permanent build accommodation that meets the governments building specifications



## **9. Potential Costs and Options for Project**

- Do nothing – Whilst the major condition issues could be addressed through maintenance interventions, these would still be expensive, and would leave the school with unsuitable accommodation, in which many rooms were below the recommended area, and the overall aesthetic of the school was unattractive. Some of the environmental issues might be addressed, but costs would quickly mount up to the point where they were not far short of a complete rebuild. Unless decision makers were determined to keep costs as low as possible, only addressing condition issues, with no attention to suitability this does not seem a good use of resources.
- Option 1 – Refurbish (renew and repair) the existing buildings. This option puts forward the lightest touch approach possible retaining as much of the existing school as possible whilst providing the required teaching and support spaces. Only the poorest quality spaces are demolished and the remaining existing building is repaired and refurbished. Existing traffic issues are addressed as far as possible without demolition of the school house and hall buildings. Whilst this option would improve the quality of the school accommodation and provide adequate teaching space to the majority of the building, it will not resolve all the existing building issues identified. The suitability of the school hall and the safeguarding issues associated with traffic will not be addressed. This option may be the cheapest to deliver however it would still require a high level of on-going maintenance and day-to-day operational costs.
- Option 2 – Renew (remodel and extend) the existing buildings. All the existing building issues would be addressed to some extent via this route but it is unlikely that they will all be resolved. It retains the parts of the school that are suitable for re-use and / or have been highlighted by planning as worthy of retaining. All other buildings will be demolished and a new extension constructed to house the required spaces. Additional parking and an improved drop-off and pedestrian access would be provided to the front of site. This option will not however resolve all the existing safeguarding issues associated with traffic to the front of site. It reuses some of the existing building although proposes extensive work to it which will incur a long construction programme, be costly and very disruptive to the school.
- Option 3 – Replace (rebuild) the existing building with a new build. This option puts forward a brand new school building to the rear of the site, demolishing the existing school in its entirety. It fully addresses the issues associated with on-site parking and drop off areas and is able to be constructed with the least disruption to the school. This will also provide the lowest on-going maintenance costs of the three options into the future.

## **10. Costs and Timescales to Develop the Full Business Case**

The full business case will be developed from existing staff resource in the Children & Families Education & Development team with support from other stakeholders. This will be developed prior to the project commencing at the start of the 2020/21 financial year.

## **11. Risks of not doing the Project**

Risks are potential threats that may occur but have not yet happened. Risk management will monitor the identified risks and take any remedial action should the risk happen.

**11.1. The key risks of not doing the project are:**

- Impact on service delivery
- Increased cost of maintenance
- Further deterioration of the buildings
- Potential for serious physical injury
- Potential for illness caused from environmental conditions imposed by buildings
- Children may have to be accommodated elsewhere or not be educated. There would be an increase in transport costs to accommodate children elsewhere
- Reputational risk

**11.2. The key project risks are:**

- Insufficient budget
- Insufficient resource
- Planning permission not obtained
- Disruption to school
- Contractor availability

## **12. Appendices**

### **Appendix 1 – Finance Template**

<b>Capital cost of project</b>	<b>2020/21</b>	<b>2021/22</b>	<b>2022/23</b>	<b>Future Years</b>	<b>Total</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Design	1,169				1,169
Build	750	6,991			7,741
Fees	400	491			891
Contingency	350	702			1,052
<b>TOTAL</b>	<b>2,669</b>	<b>8,184</b>			<b>10,853</b>

<b>Funding streams</b>	<b>2020/21</b>	<b>2021/22</b>	<b>2022/23</b>	<b>Future Years</b>	<b>Total</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Prudential borrowing		5,353			5,353
Prudential borrowing already secured in capital programme in prior years	2,669	2,831			5,500
<b>TOTAL</b>	<b>2,669</b>	<b>8,184</b>			<b>10,853</b>

<b>Revenue budget implications</b>	<b>2020/21</b>	<b>2021/22</b>	<b>2022/23</b>	<b>Future Years</b>	<b>Total</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Reduction in annual energy costs					
Reduced maintenance costs for school					
<b>TOTAL</b>					

#### **Appendix 2 – Hayhurst & Co Feasibility Report**

#### **Appendix 3 – Equality and Diversity considerations**

To be developed as part of a more detailed business case.

#### **Appendix 4 – Privacy and information security considerations**

To be developed as part of a more detailed business case.

#### **Appendix 4 – Sustainability considerations**

To be developed as part of a more detailed business case.

## **PROJECT DOCUMENTATION**

### **BUSINESS CASE**

#### *Brookfield Special School Improvement Project*

Release: Draft

Date: 16.09.19

Author:

Document Number: v1

## Business Case History

### Document Location

The final version of the document will be found on the council's project management system, Verto, within the Brookfield School listing.

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## **1. Purpose of Document**

On 6<sup>th</sup> December 2018, the procurement of a business case (phase 1 feasibility study) was approved, and recorded as an officer decision by the Director of Children and Families, its purpose being to explore options for the modification and improvement of the site and buildings at The Brookfield Special School.

Phase 1 of the project looked at feasibility for the site in two key areas:

1. To improve the compliance (and therefore the suitability) of the school with Government Building Bulletin 104, which describes the schedule of accommodation that is required for the provision of education for special needs pupils with social emotional and mental health needs.
2. To develop suitable accommodation on the main school site to enable the education of those pupils currently educated in a split site temporary building on Symonds Street.

This document provides an update on the results of phase 1 of the project. Based upon the outcome of phase 1, it also sets out the rationale for a capital funding request to council, in order to meet the funding gap apparent between the funds currently available, and the identified capital costs (including contractor costs, and client costs) associated with the next steps of the project.

## **2. Objectives**

1. To present the outcome of the phase 1 feasibility study to inform future decision making.
2. Based upon the above, to seek initial agreement for the overarching capital costs associated with the next steps of the project.

## **3. Background**

The Brookfield Special School educates pupils between 7 and 16 years old, with social emotional, mental health needs. It is the only school in Herefordshire with this designation. It is situated on a site running alongside Grandstand Road, and adjacent to the Hereford Racecourse.

Brookfield was a Herefordshire Council maintained school, but is now an academy school. The 1996 Education Act allows for the spending of council funds to effect improvements to academy schools.

The imperative to improve the suitability of the school site and buildings was recognised in 2015. At that time, no detailed work was completed in order to establish the feasibility of the proposed improvements, or the high level costs that may be incurred. Agreement was gained to place an indicative sum into the council capital programme, which would be serviced mainly by prudential borrowing, but also by a small element of anticipated grant funding. This total sum, minus the grant funding anticipated, has been carried forward ('re-profiled') to the present time.

In order to take forward the intention to future proof this key special school provision, it was recognised that a robust feasibility study was needed in order to examine the options available to achieve the required improvements, and to provide a rigorous rationale in the production of indicative high level costs for such options.

### **3.1. Project Drivers and High Level Issues**

- The Brookfield School currently serves the needs of some 80 pupils. These pupils all have an education health care plan (EHCP) describing their needs, and how these needs should be met. This is the only Herefordshire school designated to meet those social, emotional, mental health (SEMH) needs. If this school does not meet basic requirements, higher costs for education may need to be incurred by allocating spaces at settings outside Herefordshire.
- The current premises were built to accommodate approximately half this number of pupils, although the council has provided an extra primary phase classroom recently, to partially alleviate the unsuitability of the accommodation. The buildings are still not compliant with government guidance, and as a result, a cohort of pupils is currently 'housed' in a temporary classroom on Symonds Street, which is in very poor condition, and is inefficient to operate, as it is some way away from the main school site.
- None of the classrooms in the main school secondary phase building are compliant in size, and there are no dedicated spaces for the delivery of physical education, which is a statutory requirement, or therapy. In addition, there are no facilities for girls' hygiene. This year for the first time, the school has a girl on roll, and there may be more in the future.
- Capacity to meet the demand for SEMH pupil placements in Herefordshire is pressured, but by future proofing the Brookfield setting with a well thought through improvement programme, the council will ensure that in future SEN pupils with SEMH are accommodated in a high quality physical environment.

## **4. Phase One Outcomes**

The local authority undertook a procurement exercise to commission expert consultant advisors who would;

- a) Provide a range of feasible options to achieve the desired improvements to the school buildings, and
- b) Provide a breakdown of costs for each option.

### **4.1. Architecture and design consultancy support – outcome of feasibility**

The architectural design company appointed to conduct the feasibility study was Haverstock Associates.

The resulting report provides guidance in terms of the range of options possible on the Brookfield site, along with indicative costs for each element. The option that will achieve the priority improvements for the school, includes the following elements selected from the options presented;

- 1) An on-site new build small workshop with wet room and external horticulture area for the pupils currently accommodated off site in a temporary classroom on Symonds Street.
- 2) A small sports hall situated between the primary and secondary school buildings that will serve both phases.
- 3) The provision of two extra DfE compliant classrooms for the secondary age phase, by the creation of a mezzanine floor to the secondary phase dining room
- 4) The creation of girls toilet and hygiene facilities within the secondary block



- 5) The creation of an external fire escape from the first floor of the secondary block, and the upgrading of the two internal staircases to fire protected status.

Other options described within the report demonstrate that a complete new build school on the site would not be cost effective, and that the necessary improvements are achievable by a mixture of remodelling the current secondary building, and creating two new build components, one for sport and one for vocational education.

The works proposed in numbers 1 – 5 above, present the least costly option of those prepared by the feasibility study, but will still not be achievable within the budget currently available of £2.744m

The estimate for construction costs is based on various GIFA for all options. Costs are current day fixed price at 1st Quarter 2019 pricing levels. The costs include a design and construction contingency of 15%, and an inflation, professional fees and surveys contingency of 12.5%

The feasibility contractor has assumed a period of 12 months in order to develop the design, ready for tender in 1Q2020 and a mid-point of construction at 1Q21. Subject to the issue of a more detailed programme these values and subsequent costs will be revised. Due to the need to secure extra funding, the timeline assumed by Haverstock may be compromised.

A number of assumptions have been made in the costings which include the following:

- That there is no asbestos present within the building
- That there will be no overly restrictive planning conditions imposed upon the development
- That the project will be procured as a single stage tender and competitively tendered
- That some walls and facilities are retained within our 'Minor Remodelling - Level 1' allowances
- That the current building is in sound structural condition and that no major structural repairs will be required.
- That the tender inflation and mid-point inflation allowances are based upon RLF's assumptions for the project programme

In addition there are a number of exclusions identified within the report including:

- Removal of any unknown contaminated material, including asbestos
- Works in connection with abnormal ground or drainage conditions
- Land acquisitions costs and fees
- Services diversions or upgrades
- Unexploded ordinance survey
- Legal fees and funding costs
- Loose furniture and fittings
- Planning fees and charges
- Archaeological fees
- Value Added Tax
- Professional fees over and above the 12.5% allowance.
- Decant and move management fees
- Marketing costs or advertisement fees
- Rights of Light charges
- S106 fees

## **4.2. Financial modelling**

The total estimated cost of the construction work is based upon a start time for the project, of Q12020. This timeline may not be achievable, so a percentage increase for inflation has been added to the feasibility construction cost. In addition, in order to respond to the exclusions present in the feasibility report, percentage costs have been added to cover client contingency, furniture and ICT, fees (property services, project lead), legal fixed sum, and corporate project management fees. This brings forward a total estimated cost of £3.939m. The above assumed costs have been discussed with council property services and finance officers, and agreed at children and families capital programme board 23.09.19.

Detailed costs - In order to provide a more detailed estimate it is recommended by the feasibility study that the design brief for this school is further developed by the design team, the council and the school.

Procurement and commissioning of an external consultant to provide a costing review. (Blueschool recommendation 4). This cost check has been completed by Herefordshire council property services.

## **5. Scope**

### **5.1. Included in Scope**

- The project will include completing a detailed business case to determine the final approval (or otherwise) for the project.
- Design and build including an allowance for fixtures and fittings

### **5.2. Not included in Scope**

- Full cost of movable furniture and ICT, which will be met by the academy school

## **6. Stakeholders**

Project Sponsor – Director Children and Families

Lead Member – Lead Member Children and Families

Project Assurance – Senior Project Manager Corporate Services

Project Lead – Schools Capital Investment Advisor Children and Families

Finance Lead – Strategic Capital Finance Manager Corporate Services

Procurement Lead – Procurement Officer Corporate Services

Property Lead – Project Manager and Coordinator Economy and Place

Legal Lead – TBA

Brookfield School Head teacher

DfE contact reef Brookfield Academy

Note: section 151 officer and lead member have been consulted on the project.

## 7. Dependencies

- Agreed lease changes between Herefordshire Council and both the Brookfield School, and their co-tenants occupying the other half of the council building, Greyhound Rugby Club
- The agreement to a capital funding request that would cover the funding gap apparent between funds already in place (£2.744m) and the overall anticipated high level cost (£3.939m). Capital funding request of £1.195m (see Appendix 1 capital funding request Brookfield).

## 8. Benefits

The anticipated benefits of the proposed project are listed below:

- Ensuring greater compliance with the DfE building bulletins describing schedules of accommodation suitable for SEN children and young people
- Providing facilities for physical education, a key curriculum component that is severely restricted currently.
- Providing hygiene facilities and toilets for female pupils
- Enabling the school to operate on a single site, and decommissioning the use of a temporary mobile classroom currently sited on council land situated on Symonds Street.
- Provision of high quality vocational facilities for horticulture
- Controlling the costs of placements for pupils with an education health care plan for social emotional, mental health needs, by future proofing the Brookfield School as an 80 placement school in high quality buildings
- Revenue savings for the academy school by use of more energy efficient and ecologically sound materials.
- Future capital cost avoidance for both the school and Herefordshire Council
- Improving outcomes for children and young people with special educational needs

## 9. Contribution to Strategic Objectives

The council's corporate plan has four priorities. The improvement to Brookfield School supports two of these:

- Keep children and young people safe and give them a great start in life
- Secure better services, quality of life and value for money

The children and young people's directorate schools capital investment strategy itemises 10 principles. The Brookfield improvement project would align with principles 1, 2, 7, 8, 10 and 11.

[https://www.herefordshire.gov.uk/download/downloads/id/2934/schools\\_capital\\_investment\\_strategy.pdf](https://www.herefordshire.gov.uk/download/downloads/id/2934/schools_capital_investment_strategy.pdf)

## 10. Potential Costs and Options for Project

- Capital Costs
  - Estimated costs of remodel and new build improvements- £3.939m  
This could be financed through current prudential borrowing listed in the council capital programme of £1.895m, with the addition of the special provision government fund for SEN capital improvements of £0.849m (governance already in place to spend on Brookfield School), and the addition of a proposed capital funding request for £1.195m. See costs table below.
- One-off Revenue Costs
  - Professional fees for feasibility Study (£25k already met from cost centre C03495 )
  - Additional Revenue Costs if project proceeds after feasibility study (included in the above capital total)

Capital cost of project	2020/21	2021/22	2022/23	Future Years	Total
	£000	£000	£000	£000	£000
<i>Design &amp; Build Costs</i>	1,659	1,000			2,659
<i>Fees</i>	351	89			440
<i>Furniture &amp; IT</i>	0	150			150
<i>Contingency</i>	450	240			690
<b>TOTAL</b>	<b>2,500</b>	<b>1,439</b>			<b>3,939</b>

Funding streams	2020/21	2021/22	2022/23	Future Years	Total
	£000	£000	£000	£000	£000
<i>Special Provision Capital Fund</i>	849				849
<i>Prudential borrowing in capital programme</i>	1,651	244			1,895
<i>Further request for Council funding</i>		1,195			1,195
<b>TOTAL</b>	<b>2,500</b>	<b>1,439</b>			<b>3,939</b>

## 11. Risks of not doing the Project

### 11.1. The key risks of not doing the project are:

- Losing the opportunity to future proof the only Herefordshire school accommodating children and young people with an EHCP for SEMH, and by doing so ensure high quality accommodation.
- Planning permission on the split site element of the school on Symonds Street will lapse.
- Failure to release the site on Symonds Street for alternative council use.
- Incurring further capital costs in a piecemeal way, as accommodation pressures escalate
- Inability of the school to operate the full curriculum requirement
- Difficulty in sourcing placements may occur, in particular for girls with SEMH. This may lead to increased commissioning costs for Herefordshire and increased pressure on the high needs block (budget for placement of SEN pupils).
- 

### The key project risks are:

Risk	Mitigation
If lease changes are not negotiated by Herefordshire Council, only a much scaled down improvement will be possible that doesn't meet the key project priorities.	Legal advice to be sought, the project and redesign will not commence until this has been confirmed and will be monitored through the project board.
The indicative high level costs from the feasibility study, with the percentage uplift for client costs and other costs identified in the table of costs (appendix 1) exceed the current available budget.	To be confirmed by the procurement and commissioning of an external consultant to provide a costing review. (Blueschool recommendation 4)
The failure to secure a capital funding request that will meet the identified funding gap of £1.195m for the refurbishment costs and other identified costs, would result in a much scaled down improvement project that doesn't meet the key project priorities	The detailed business plan will not be put forward to cabinet until a prior council decision is made to approve funding identified as necessary in order to meet the project priorities.

## **PROJECT DOCUMENTATION**

## **OUTLINE BUSINESS CASE**

### *Technology Enabled Communities*

Release: Draft/Final

Date: 30/09/2019

Author:

Document Number:

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## **1. Purpose of document**

Adult and communities directorate has ambitious plans to promote wellbeing, protect vulnerable people and manage future demand for formal adult care services, through new community partnerships. Our “Talk Community” programme is an all-encompassing approach to working with Herefordshire’s communities. This Outline Business Case describes the potential role for technology to support those partnerships.

## **2. Project aims and objectives**

Aim: Progressing to a proactive, personalised and predictive approach to technology enabled communities.

- To develop a proactive approach to technology enabled living, moving from a reactive ‘monitoring and response’ provision to the provision of technology enabled living that is personalised, proactive and predictive
- Enhance the use of existing technology within the home and within communities to support wellbeing
- Enabling self-care and wellness to enable people to take an active role in managing their wellbeing with positive lifestyle choices
- Reassurance to family, friends and carers and supporting independence for longer
- Keeping users engaged in their community, fostering social inclusion across the county

## **3. Background**

The directorate concluded a comprehensive review and redesign of adults social care pathways in 2017 and re-launched its services based around a model of strengths based social work practice. This approach;

- Focuses around the individual and their family/carers
- Begins with people’s interests, aptitudes and what they can do for themselves.
- Explores what the person could do with the right opportunities and support to maintain or increase their independence
- Identifies the current and potential role of the carer and their support needs
- Focuses on informal support and opportunities in the person’s local community in creating a support plan.
- Is supported by signposting and information services and a rich network of informal and volunteer based support throughout the county.

The strengths based approach contrasts with a traditional model of social work practice which is more focused on “deficits”; what people cannot do and the problems they have. This traditional approach tends to lead solely to offers of formal care.

However, whilst the directorate has achieved reductions in care there still remain opportunities to develop the use of technology to support the wellbeing of individuals and their communities. Adult Social care currently relies upon a reactive call monitoring service based on an event alert and emergency response. The council needs to move away from this traditional response model to a predictive and preventative support model based on stronger data metrics and information being sent out to the client or family so they manage their own wellbeing rather than waiting for something to go wrong.

Commissioners are looking at how it aligns its services to a streamlined proactive approach and needs to invest in this area to progress. This will require movement away from a linear model that treats the service user population as a homogeneous group receiving the same benefit to a new model that treats the user population as a diverse group, intensifying care for people with risks or vulnerability and avoiding excessive protection that can create dependency.

This event sits within the Communities & Practice Model work-stream as part of the development of the Talk Community initiative. It also links with the council's Digital Strategy, Technology Enabled Living Strategy and associated technology pilots currently underway.

#### Premise

Care and support services have been slow to take advantage of developments in digital technology despite the wider demand for it. Given the significant capability advantages that digital offers over analogue technology, the change to digital from analogue is a key driver for these services to use technology to make a greater difference to peoples' lives.

#### Challenges – Social Care & Well-being

Currently in Herefordshire, Technology Enabled Living is almost exclusively provided using traditional landline in the home technology which is based on analogue rather than digital technology. These lifelines will be effectively redundant when the switch to digital telephony from analogue telephony takes place and completed by 2025. There is therefore a timescale for the council to ensure that their services will work correctly in a digital-only environment. This switch is happening now: Some areas are already installing digital telephone systems.

#### Challenges - Technological

Broadband coverage in Herefordshire is currently only at 85% and is unreliable for a service that needs to be always on/always ready. Mobile telephony relies on a mobile signal which is not generally available in our rural county and when available may not have a signal strong enough to carry the required data. **56% of Herefordshire's telecare users do not use the internet at home (2019 survey).**

#### Outcomes – Technological

Alternative solutions to expensive broadband internet connections may be available in the form of lower cost Long Range Wide Area Network (LoRaWAN) – which can provide data connections via a series of

antennae. Typically, LoRa masts transmit 10 kilometres from mast to mast until they find a broadband/internet mast. The more open the landscape the farther the signal can travel. LoRaWAN is not an alternative to broadband but could be utilised by lifeline manufacturers to send data packets via servers that could then be passed through to family/responders/clinicians etc. without the need for a broadband connection in the home.

LoRaWAN carries small data packets – 50 bytes at a time – but they can be both ‘always on’ and carry data scheduled for a particular time - so a wide range of sensors can be linked to the network. This means that the network can carry alarm/events (falls/pendant alerts), and movement sensors etc. but also can also be used to send data on a regular basis (so for example health data metrics can be carried, as can temperature/humidity and environmental controls (doors/windows/lights). Pendants can have LORA enabled GPS capability – so one alarm sensor can be worn inside and outside the house.

### Outcomes – Social Care & Well being

The delivery of county wide digitally enabled information, advice and connectivity is critical to making full use of the possibilities provided through the Talk Community initiative.

Traditional analogue networks are limited to reactive protocols, which means that these networks are not capable of enabling the proactive monitoring of number of different devices, for example:

- Motion and pressure sensors to indicate functional independence
- Appliance usage to monitor nutrition and hydration
- Physical and virtual contact to monitor social isolation

The move from analogue to digital over the coming years should help Herefordshire Council to drive the direction of travel from ‘Monitor, Alert & Respond’ to ‘Connect, Predict & Prevent’. Whereas the data traffic in the current model almost exclusively comprises alerts raised in properties being sent inwards to a call handling centre, LoRaWAN has the potential to enable Herefordshire to move towards the model more prevalent in Europe; where call centres, clinicians, practitioners and the like send out targeted information, and data metrics to individuals, their families, and their sources of community support. In Spain, over 80% of the data traffic emanates outwards from the call centre in this way.

More intelligent proactive systems alongside a focus on people and process will enable Herefordshire Council to commission services that enable risks to be reduced through areas such as smart sensors, physiological measurements and lifestyle monitoring to enable proactive interventions based on more advanced data analytics.

### Outcomes – other (wider)

The development will align with the Herefordshire and Worcestershire STP Digital Strategy, and both the emerging Herefordshire Council Digital Plan and the Technology Enabled Living strategy to maximise digital technologies to support physical and mental health and wellbeing among the wider population and support staff to provide efficient and joined up care. There are associated positive outcomes relating to Community Safety including ‘Safer Streets’ and support to staff and volunteers who are lone working

### 3.1. Project Drivers and High Level Issues

- The national move from Analogue to mobile/Digital technologies now underway with a planned completion date of 2025
- Moving from reactive support to proactive support designed to prevent and manage demand (*Predict and Prevent* not simply *React and Respond*)
- In the delivery of social care reshaping social care delivery by moving from '*Just in Case*' support to '*Just Enough*' support

### 3.2. High Level Metrics

- The TECS Services association (TSA) quotes an average saving of 1.5 hours per week through using technologies in the assessment of care. Herefordshire Council commissions nearly 11,000 hours of care delivery per week to over 750 customers at any one time. Additionally around 550 people receive direct payments to purchase their own care. Using technologies in the assessment of care alone and thereby reducing care costs even by the average would reduce commissioned care costs and direct payment costs by around £250k per annum.
- Over 1,600 people currently use the council's telecare service which is provided through a flat rate charge and which is treated as an eligible expenditure for the financial assessment undertaken for charging for care. Around 70% of telecare service users do not receive care from the council and surveys have shown a willingness to pay for the peace of mind that telecare brings. Talk communities is a population wide programme and the technology work stream would support the whole population through the provision of targeted information and advice, personalised data metrics and support.

## 4. Scope

### 4.1. Included in Scope

- Re-design of the 24 hour call handling/monitoring service to a more proactive model of 'Predict and Prevent'. To include:
  - Support in emergency situations including social and health emergency situations
  - Extension of the environmental and personal sensors use for domestic and personal adverse events early detection (gas leaks, water, fire, falls, movement, medication, epilepsies crisis, enuresis, etc.) Safety/security sensors
  - Continuous remote monitoring to define activity patterns and increase predictive capabilities
  - Support in loneliness situations
  - Appointment Scheduling & Reminders
  - Follow up: proactivity
  - Advice and information
  - Prevention campaigns

- Support to carers
- Active and Healthy Ageing Promotion
- Mobile Telecare with geolocation.
- User's stratification and personalisation
- New model for operations management and service delivery.
- Continuous innovation

And potentially:

- Integration between telecare platforms and Electronic Health Records.
  - Definition of processes and protocols for integrated health and care pathways, transitional services and referral processes,
  - Remote tele-diagnostics, Remote tele/video consultation
  - Physical and functional Tele-rehabilitation
  - Cognitive Tele-stimulation
  - Clinical tele monitoring programs for people with chronic diseases.
  - Special protocols:
    - End of life telecare.
    - Abuse prevention.
    - Suicide prevention.
    - Contingency and major disasters management
- Long Range Wide Area Network (LoRaWAN) – which can provide data connections via a series of antennae at a lower cost than broadband and with easier access in rural areas.
- Outcomes of current technology pilots including:
- technology enabled wellbeing hubs
  - evidenced based reablement and assessments
  - falls prevention through predicting frailty and promoting self-care
  - falls prevention through falls recognition and analysis
- Emerging Digital Technologies

#### **4.2. Out of scope**

#### **4.3. Using the internet to communicate with the council**

### **5. Stakeholders**

Adults Capital Board

Prevention and support lead

Procurement

Finance

Herefordshire residents

Adults & Communities commissioners

Public Health

Health: WVT and CCG

Fastershire

Technology Providers (tbc)

Talk Community project lead

## **6. Constraints and dependencies**

### **6.1. Initiatives which depend on this project are:**

Engagement with communities

Outcomes of pilot technology projects

Future design of Technology Enabled Living service

This project depends on engagement from all areas of the council as well as the identified external stakeholders and partners

## **7. Budget provision**

The Capital budget

## **8. Estimated costs and assumptions**

An investment of £1.5m

- £300k for LoRaWAN network to complement broadband access and provide data metrics
- £1.2m for technologies within the home and wearable technologies, linking family, communities and professional staff to carry personalised and targeted information, advice, and data metrics to inform wellbeing & support self -management (tbc will require further development once pilots are complete)

## 9. Benefits

### 9.1. Cashable benefits

Technology Enabled Care (Telecare) in the home is a chargeable service at flat rate under the Care Act. The rate of charge will be a matter for further debate and public consultation when the service re-design is ready for offer.

### 9.2. Non-cashable benefits

Increased intelligence of technologies which improve the quality and efficiency of health and social care delivery to support people to maintain their well-being, maximise their independence and reduce their need for the delivery of intrusive care and support services.

This will be demonstrated though:

- Demand management in the medium to long term. Reducing overall frailty levels will help manage demand for social care.
- Reduction in the need for care packages: Studies show that widespread deployment of technologies can achieve significant financial savings in the provision of social care to older people. The scale of savings achievable in the event of full-scale implementation is likely to be in the range of 7-20% of total budget.( Investing to Safe: Assessing the Cost-Effectiveness of Telecare |(May 2012)
- Prevention of hospital admissions: Herefordshire's technology enabled falls responder service already demonstrates significantly lower costs per head of population in ambulance call-out and admissions to A&E than a neighbouring comparator council without such a service. Studies have shown that a fall leads on average to a 37% increase in social care costs. In Herefordshire reducing falls through a technology enabled Predict and Prevent approach to augment the current React and Respond approach could avoid an anticipated rise of £500k in annual adult social care costs alone.
- People generally remaining well, active and independent, in their own home, for longer
- People feel safe without removing their autonomy
- People are engaged and consulted in their own care requirements helping to direct and feedback on how they receive the care and support services.
- Vulnerable people making less use of formal care due to support by informal carers and community.
- Improvements to joined-up operational delivery between the council and NHS partners to enable people to stay well and live independently through shared leadership, investment and co-ordination.
- A reduced risk of re-admission to hospital.
- Improved knowledge about wellbeing, vulnerability and community capacity.

- Improved client/family/community carer satisfaction with the service provided by Herefordshire Council.
- A more targeted workforce
- Reducing the carbon footprint through less staff travel across all social care (and health) service delivery streams

## 10. High level timeline

Phase 1: Improving the digital network

Phase 2: Redesign the support and service model

Phase 3: implementation and new offer to residents

## 11. Risks

### 11.1. The key risks of not doing the project are:

- Potential increase in demand as ageing population grows and becomes unsustainable
- Fail to meet the digital switch over, therefore even the status quo will not work from 2025 onwards
- The risk of not going ahead with this shift in the delivery model of care and support is that Herefordshire will continue to provide only basic 'reactive' telecare solutions responding only when an emergency alert is raised. Adult social care will continue to be provided in 'traditional' ways that do not take advantage of the information that can be provided through technology and data metrics to enable people to manage their own well-being, and to contribute to, and benefit from their communities.
- Opportunities for efficiency savings in the delivery of social care and cost avoidance through demand management will be missed and the difficulties that people experience in accessing support due to the gaps in broadband and mobile telephony provision will remain.
- Failure to invest in the Talk Community technology work stream will mean missing the opportunity, identified within the draft TEL strategy to support people, professionals and the wider population across all four levels of service delivery: Reactive/alerting – Proactive – Preventative – Predictive leaving only reactive, alert-based telecare being provided.



**11.2. The key project risks are:**

- Redesign of service and support models do not make best use of the possibilities allowed through the use of digital technologies.

## **PROJECT DOCUMENTATION**

## **OUTLINE BUSINESS CASE**

### ***Development of Super-Hubs***

Release: Draft

Date: 14 November 2019

Author:

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	Director, Adults & Communities		
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	AD, All Age Commissioning		
	Capital Finance Manager		
	Head of Integration and Partnerships		

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## **1. Purpose of document**

This outline business case sets out the justification for continuing the development of detailed business cases for Super-hubs. The Business Case is to be submitted to the Adults and Communities Capital Board and Communities Board and if accepted, more detailed business cases will be developed for the development project and for individual Super-Hub proposals

## **2. Project aims and objectives**

The project aims are to;

- Help transform community participation and access to services for some communities
- Address health inequalities for vulnerable people in areas of unmet need
- Stimulate enterprise, economic activity and social mobility in communities which are asset-poor and relatively deprived.

The specific objectives of the project include;

- To research, develop and test the concept of Super-hubs in Herefordshire, both in particular communities and as a replicable model.
- To establish in depth and sustainable community engagement and co-production in three priority areas, to inform and enable strategic developments including Super-hubs.
- To establish detailed, timed and costed plans for up to three new Super-hub venues in different locations in Herefordshire, with confirmed commitment to their operation from local people and key partners.
- To deliver approximately 2 built, completed and operational Super-hubs in different locations in Herefordshire.
- To provide tangible new community facilities reflecting local wishes and designed to help tackle health inequalities.
- To enable more people to launch micro/social enterprises, sustain self-employment and gain access to employment through provision of facilities and support.
- To enable people to take up social care, health and other public services close to home and services to operate more economically and sustainably in rural areas.
- To facilitate greater community participation and improved outcomes for vulnerable people and families in relation to education, employment, physical health, mental health, safeguarding, community safety.

### **3. Background**

Talk Community is the council's multi-faceted approach to the role of communities in local society and their relationship with the council. It recognises that communities play an increasingly important and routine role in public wellbeing, the local economy and protecting and supporting vulnerable people. Talk Community will help communities realise the solutions to key challenges at a local level. Its programme of work encompasses areas of core business such as public health, care/health integration and commissioning. There are also new bespoke programmes, including the creation of 50 Talk Community Hubs. These will be led by community volunteers and very different from Super-hubs.

Whilst there is a varied history of community development in Herefordshire, in some areas it has proved difficult to mobilise community activity, participation and leadership. These localities are often where people are relatively deprived and health inequalities are most pronounced. Whereas vulnerability among older adults especially is seen throughout the county, the children and families most in need or at risk are frequently found in certain areas, coinciding with relative deprivation.

Areas of higher need and inequality are also often those with limited local assets including buildings, sometimes because existing sites and facilities are not fully developed, realised or utilised. There are vacant sites and buildings ripe for redevelopment in a number of key locations in Herefordshire, potentially in or adjacent to priority areas, such as in Bromyard, parts of Leominster, Ross on Wye, the Golden Valley and the South Wye area of Hereford.

The Super-hubs project will contribute across a number of priorities in the current corporate plan and has even greater relevance and potential impact in the context of emerging new priorities. It will contribute substantially to general public wellbeing, including enabling people to live safe, active and fulfilling lives. There will be a significant focus on children and families, promoting a good start in life and active participation in their communities. The project will also have tangible impact on economic development and improved social mobility, along with environmental sustainability.

#### **3.1. Project Drivers and High Level Issues**

The main project drivers are;

- There is a rapidly increasing role for communities and informal groups and volunteers in meeting the vulnerability and wellbeing needs of local people, reflecting the changing role and reduced resources of local authorities and the rich resource of people and assets in Herefordshire's communities.
- The need of children and young people in Herefordshire for formal care and safeguarding continue to exceed national rates. In order to significantly reduce the number of families

in crisis and young people becoming looked after, greater preventative work, early help and participation within communities are all required.

- The rural dispersed nature of Herefordshire's population, limited infrastructure and older age profile present challenges to local people in accessing the support they need close to where they live or work. New facilities and models of delivery are needed to bring services and support closer and transform participation and engagement in community life.
- Herefordshire has a substantially low wage economy and associated challenges to social mobility. Many services and resources have had little impact in areas of higher deprivation and unmet need.
- Herefordshire has a wide range of sites and buildings in public ownership with potential for redevelopment or new uses. Herefordshire also has a number of examples of community asset transfer and there are sites in community ownership offering potential.

Some key issues for the project to address are;

- Extended, meaningful and sustained community engagement and co-production are essential in any new investment or development such as Super-hubs, especially in communities where there are few assets and challenges to reaching some population groups and cohorts.
- Capital building projects offer potential risks of delay and escalating cost so that high quality feasibility, scoping and project management work are required to support effective delivery.
- The idea of super-hubs engages the roles of all directorates and multiple services across the council, along with other agencies, both prompting and requiring excellent partnership working.
- Typically, refurbishment, conversion or extension of existing public sector buildings is proportionately more expensive than building new on a clear site.
- Multiple and potentially competing uses and requirements of a building provide challenges to design and consultation in a project of this kind.

### **3.2. High Level Metrics**

The project is expected to deliver two new super-hubs and establish a model and process which can be replicated to achieve further hubs in other locations. Further scoping and development work is required to identify relevant metrics in appropriate detail around what super-hubs will offer.

- 3 locations in Herefordshire will be the focus for potential hubs on the basis of their relative deprivation.
- Leominster, in particular Ridgemoor LSOA has the highest income deprivation in Herefordshire with 38% of children and 34% of adults living with income deprivation, poor living conditions and other factors. This also reflects a younger than average age structure for the community.
- South Wye in Hereford is an area of general income deprivation with a much younger age structure than the county as a whole.
- Both South Wye and Ridgemoor in Leominster are among the 20% most deprived localities in the UK.
- These areas along with smaller localities within Kingstone, Wigmore and Clehonger generate disproportionate levels of safeguarding, youth offending and family support need, along with anti-social behaviour. Detailed metrics will be part of next phase scoping.

## **4. Scope**

### **4.1. Included in Scope**

The following will be in scope;

Site finding and developing site options with one public estate process and other partners

Extended and in depth consultation with local communities adopting a Design Council approach

Feasibility studies and options processes for potential sites including market engagement

Negotiation of pre application and full planning processes including any conservation and heritage considerations

Liaison for legal processes for acquisition and/or resolution of interests for sites as required

Site clearing and remedial or preparatory works

Service and place making specifications for the use of hubs

Project management for the building development and equipping of Hubs

Procurement of building and development works

Communications and marketing for launch of super-Hubs



#### **4.2. Out of scope**

- Development or implementation of Talk Community Hubs
- Direct funding or commissioning of services to run or operate from the Super-hubs
- The arrangements for or costs of the running of Super-hubs once completed.
- Legal and surveying work associated with site acquisition and resolution of interests.
- The work of regulatory services in relation to planning applications and processes.

### **5. Stakeholders**

There are multiple external stakeholders in the development of Super-hubs;

Local people, families, volunteers and community leaders in catchment areas of potential hubs

Parish councils

Local council members

Voluntary, community and faith organisations

Primary care networks (PCNs)

Taurus GP Federation

NHS Herefordshire and Worcestershire CCG

Wye Valley NHS Trust

2gether NHS Foundation Trust

West Mercia Police and Hereford and Worcester Fire and Rescue Service

Local grant giving and development trusts

Major local stockholding social housing providers

In addition, internal council stakeholders include;

Public health, strategic housing, planning, legal services and property services.

Children and families social care, family support and early help services, library services

Engagement and consultation will be through a dedicated process working in depth with local communities, utilising Design Council principles. Engagement with parish councils will be directly and through twice yearly Parish Summits. Engagement will also take place through.

One Herefordshire Talk Community Board

Talk Community Think-tank

Healthwatch

Wider directorate consultation and engagement projects

The project sponsor will be the Director of Adults and Communities

## **Constraints and dependencies**

### **5.1. Initiatives which depend on this project are:**

There are no specific planned projects or services which depend on this development. However, there are various projects and council strategies which will be advanced by development of super-Hubs. These include Talk Community generally, the Early Help strategy, economic development and community safety strategies and development of libraries, museums and archives. The project may also have a beneficial impact on projects under the auspices of the Herefordshire One Public Estate.

### **5.2. This project depends on:**

There are no projects whose implementation could specifically hinder development of this project. However, there is some mutual dependency and benefit between the project and the wider Talk Community initiative. This would include Talk Community Hubs, alignment and joint working with Primary Care Networks, the Technology Enabled Living Strategy and public health initiatives.

The project does depend on engagement from council and external stakeholders as described above.

## **6. Budget provision**

The budget to deliver this project is drawn from provisional allocations of capital and revenue spending, as follows;

£2m capital allocation to support the development and building of approximately 2 Hubs

£0.2m revenue allocation to enable project scoping, development and management and engagement and consultation

## 7. Estimated costs and assumptions

The focus of the project is the development and delivery of two Super-hub venues in different locations, with some possibility that a third could also be delivered. A number of different sites will be considered and scoped for potential suitability. Sites might require clearance and new build or renovation, extension, reconfiguration. These different approaches potentially involve very different cost profiles. Planning and environmental factors can also influence cost and timescales significantly.

### Capital costs

Initial costs per building	£150K
(Detailed feasibility, survey/fees, cost modelling)	
Cost for two buildings	£300k
Cost of building hub (new build)	£750k
Cost of building (conversion/refurbishment)	£900k
Contingency	£ 50k
Total	£2m

Cost modelling for building works will start from the following standards;

£1,200 psm for new build                      £1,400 psm for conversions or refurbishment

### Revenue Costs

These will be primarily staff related costs of salaries or fees and distributed over a two year period to early 2022.

Project Management	£100k
Engagement and consultation	£ 75k
Other staffing and fees	£ 25k
Total	£200k

## 8. Benefits

The anticipated benefits of the proposed project are listed below:

### 8.1. Cashable benefits

It is expected that over a period of three to ten years, Super-hubs will deliver some cashable benefits in relation to;

Reduced demand for community health services and some acute hospital services

Reduced demand for adult social care services

Reduced numbers of children and young people becoming looked after

However, it is not possible to estimate the value or specific timing of these benefits at this stage of the project development.

## **8.2. Non-cashable benefits**

The wide ranging non-cashable from this initiative include;

- Local people being more physically active and living healthier lifestyles
- Local people gaining access to local and public sector services earlier and preventing social and health care need
- More people participating actively and meaningfully in their local communities
- Growth in social enterprise and wider businesses in local areas
- Improved access to employment including sustainable self-employment in hub areas
- Improved access to public and alternative transport models in local areas
- People having a greater sense of engagement, involvement and pride in their local area.
- People from hard to reach or vulnerable groups feeling safer in their local community.

## **9. High level timeline**

December 2019 to May 2020

Project governance	stakeholder engagement	Design council approach
Site finding	Pre-app advice	project scoping/options
Legal searches etc.	Consultation events	

April to September 2020

Detailed feasibility work	Further planning work	Continuing in depth engagement
Conservation & environment	Site negotiation	Partnership work
Site clearance	Governance	

October 2020 to April 2021

Detailed planning permission	Continuing consultation	Completing feasibility work
------------------------------	-------------------------	-----------------------------

Final site decisions	revised project planning	Finalise budgeting
Conclude planning	Development work	Procurement of building works

May 2021 to March 2022

Building works	Project management	Continuing consultation
Stakeholder work	Income development	Operational planning
Final project delivery		

## 10. Risks

### 10.1. The key risks of not doing the project are:

- Loss of opportunity to address health inequality and wider needs in areas of deprivation
- Continuing existing levels of children and families need in key areas
- Failure to realise potential new and economic use of key council land sites
- Delayed or disrupted extension of integration and joint working between community health and social care services
- Slower development of alternative transport and energy developments in some key areas
- Continuing risks to and limited support for social enterprise and social mobility in some key areas.
- Slower development or more limited impact of wider Talk Community initiative

### 10.2. The key project risks are:

- Lack of engagement or participation from local communities. This will be mitigated by the planned in depth consultation and engagement, utilising Design Council approaches.
- Lack of joined up approaches with key stakeholder agencies. This is mitigated by the One Herefordshire Talk Community Board, the Herefordshire One estate approach and wider joined up working within the council and with external partners.
- Problems identifying or agreeing viable sites for Super-hubs. There is significant existing knowledge and information sharing across the system which will help mitigate this, including within the council and through the one estate approach.
- Delays and additional costs arising from the planning process, including around environment and conservation/heritage issues. Challenges in this respect are anticipated in the project phasing and the proposed continual review and revision of project planning and budget.

- Changing plans and specifications for building projects, leading to delay and increased cost. This will be addressed through robust project management and stakeholder engagement, along with appropriately cost modelling.

## **PROJECT DOCUMENTATION**

## **OUTLINE BUSINESS CASE**

*Widemarsh Centre Discovery Garden*

Release: Draft/Final

Date: 25.9.19

Author

Document Number: 1

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## **1. Purpose of document**

To outline the business case for the Widemarsh Centre Discovery Garden. This project is to commission the design and build of a discovery garden primarily for children and families using Widemarsh children centre (but could also be open to other groups and schools). The garden will be designed to create a low maintenance space that can be basically managed under the existing provider agreement whilst designing a play and learning space that creates a greater understanding of the natural environment, fruit and vegetable growing and tree planting.

## **2. Project aims and objectives**

The links to the draft corporate plan:

- Ensure all children are healthy, safe and inspired to achieve
- Create environments that make wellbeing inevitable
- Protect the county's biodiversity, value nature and uphold environmental standards

The specific project aims are to:

- Learning for children and their families of the natural environment & give opportunity to positive risk taking.
- Skills in growing fruit and vegetables from a young age including understanding where food comes from
- Low maintenance design to keep costs to a minimum
- Engagement of children and families in the design of outside space
- Maximise the asset owned by Herefordshire Council to create additional use, generation of income and utilisation by the community.

## **3. Background**

Based on a cabinet decision report on the x October 2017 a programme of changes took place within children centres. This involved some of the facilities where appropriate being operated by nurseries or schools, maximising the facilities to create an income, but also investing in centres which were being retained by the council recognising their value to their users and the wider community.

The programme included investment in Widemarsh Children Centre and during the course of that work it was clear the outside space needed improvement to ensure its benefit to the users and potential users.

The space would benefit from a redesign to create a low maintenance outside area, creating zones of discovery.

This project will support children's development and coming together of families, including a growing area. In effect extending the children centre outside and therefore understanding the natural environment.

The project would also include some planting to support understanding of eco-factors.

Please see above links to the draft corporate plan.

### 3.1. Project Drivers and High Level Issues

The site is in the council's ownership as part of the children centre, which it has been agreed as part of the cabinet decision in 2017, to retain. The site is ideally situated as an extension to the children centre as an outside space.

The current outside space needs redesign to create a low maintenance site and meeting the needs of the children centre users.

As part of the outside maintenance agreement there is allowance for works, but this is mainly based on "cutting back" which is not suitable based on the current layout.

With a fresh start volunteers would be able to provide supplementary maintenance – seeing generations and different family members coming together to support the discovery garden.

A relatively small amount of investment could make a big difference to this site and extend the learning of children using the centre and school visits.

### 3.2. High Level Metrics

- Design and new garden in place
- Number and profile of users
- Number of volunteers

## 4. Scope

### 4.1. Included in Scope

- Design of the discovery garden
- Project management
- Works and planting

### 4.2. Out of scope

- Internal resource as part lead
- Project work to involve local community
- Works to the green house in a state of disrepair (to be part of property maintenance work)

## 5. Stakeholders

Please see below stakeholder matrix:

Role	Who
Project sponsor	Natalia Silver Assistant Director Corporate Support
Operational Delivery	Sue Eales, Children Centre Services Manager

Internal advisors	Commercial team, property services, etc.
Input into design	Users of the children centre
Design	Commissioned through procurement
Builder	Commissioned through procurement
Future maintenance	Volunteers and children centre users

## 6. Constraints and dependencies

### 6.1. Initiatives which depend on this project are:

This project can operate independently with no dependencies on other projects. The repairs to the green house are separate to be part of property services works.

### 6.2. This project depends on:

The project will depend on management and delivery resource from Children Centre Services and some element of property services, procurement and legal advice.

## 7. Budget provision

The majority of the funds to come from Herefordshire Council with some potential for sponsorship.

## 8. Estimated costs and assumptions

The fee is a good estimate, however the cost of the works will be based on a tender process.

## 9. Benefits

### 9.1. Cashable benefits

- Low maintenance cost and cost avoidance for property services having to do major work on the site.

### 9.2. Non-cashable benefits

- Learning for children and their families
- Involvement of volunteers and create opportunity to build a community of interest
- Environmental benefits
- Would look to procure services locally to support the local economy.
- Could we offer an opportunity to children / students to be involved in the design

## 10. High level timeline

1. Engaged with children centre users on what they would like from a discovery garden (March 2020)
2. Agree procurement document for tender (Feb 2020)

3. Engagement with local suppliers – potential open competition (April 2020)
4. Closing date for submissions (May 2020)
5. Start works (August 2020)
6. Major works complete works (November 2020)
7. Finalise works during the year (Feb 2021)

## 11. Risks

### 11.1. The key risks of not doing the project are:

- Underutilised space operated by Herefordshire Council for the use of children
- Health and safety issues in the current space could lead to the complete closure
- Continued decline of the site

### 11.2. The key project risks are:

- *Timescale as works need to take place in the summer*
- *Not enough budget – this will only be known at tender stage*

## 12. Appendices

### Appendix 1 – Costing breakdown

Capital cost of project	2020/21
	£000
Design fee and project delivery	20
Construction, building and planting	60
<b>TOTAL</b>	<b>80</b>

Funding streams	2020/21
	£000
<i>Potential sponsorship</i>	5
<i>Herefordshire Council capital</i>	75
<b>TOTAL</b>	<b>80</b>

## **PROJECT DOCUMENTATION**

## **OUTLINE BUSINESS CASE**

### *Care home/extra care development*

Release: Draft/Final

Date: 30 September 2019

Author: Laura Tyler Head of Care Commissioning

Document Number:

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## **1. Purpose of document**

This business case aims to scope the potential for the council to develop either its own care home and/or an extra care type scheme.

Many councils are now considering or are developing their own schemes and bringing services in house for a multitude of reasons but mainly due to the lack of provision or high costed placements.

Adult social care commissioners also see these potential developments as an opportunity to enter the care market and support all clients including those self-funding their care.

This business case outlines a proposal for the local authority to scope and potentially build and develop its own care home and or extra care scheme which will be purpose built and sympathetically designed for people with dementia.

The council needs to do a comprehensive analysis and options appraisal to inform a decision on a detailed return on investment proposal.

Development and project management costs are only indicative figures at this stage based on research and information gathered to date and therefore should only be used as an illustrative cost at this stage. The purpose of this document is to raise this option and for it to enhance further works and discussion on whether the council should proceed with any developments.

## **2. Project aims and objectives**

**Aim:** To scope the potential development of a large 60 -70 bedded care home and or extra to meet the needs of those with the most complex need, offering choice into the market to meet longer term accommodation needs.

**Objectives:**

- Increased bed capacity in the market to support complex care needs
- Reduction in the need for care home bed provision through additional extra care beds
- Reduction in out of county placements
- Reduction in DTOC
- Reduction in spend on care home placements
- Return on capital investment
- Lead in the market for the use of innovative technology

### 3. Background

Adult social care over the previous 5 years has managed demand and along with its aim has supported and will continue to support people to remain at home for as long as possible.

The strategic focus will always be that home is best, however for many reasons this is not always possible and alternative accommodation provision maybe required.

The council has a duty to ensure it meets eligible needs and develop the market to enable it to be a strong resilient market providing choice and quality under the Care Act 2014.

Herefordshire has a high number of self-funders within the market which can create a challenge to purchase placements or find suitable accommodation in county. Self-funders will pay a higher rate for care and therefore will have more choice, this enables Providers being able to choose who they accept as within their homes.

Adult social care spend for care home placements was in the region of £24m in 2018/19. The council operates a 'usual price' for Older Persons placements. A proportion of placements are above this rate and sometimes people are placed out of county to meet need.

Increasingly other local authorities are either considering, or are now developing their own provision and taking services back in house to varying extents as it is recognised that the market is not meeting the needs of its most vulnerable clients and in particular those who need adult social care funded placements.

Commissioners would request that the council supports the concept of developing and owning either a care home and or extra care scheme. Further work is needed to consider a full cost benefit analysis and potential options for service delivery in the future. This would include a request for revenue to commission market specialists who could develop an options appraisal for potential commercial opportunities if the council were to proceed with any significant capital investment.

#### **Current context:**

- By 2039 it is estimated that counties 85 years and older will grow by 140%. There is recognition that the system is near a 'tipping point' and there is now a need to reconsider if the use of direct public sector provision for meeting the highest end of needs of older people's care would be the most viable model in the near future. The proposal is for the Council to develop additional and affordable nursing home capacity of around 60 beds and or a care home targeted to those areas of the county where supply is weakest and the rise in costs of new placements most pronounced. This could either be an external care provider or a Council owned Local Authority Trading Company (LATC). The site would be developed to offer a high-quality care environment maximising the use of advances in technology to support the needs of residents.
- Currently 85 care homes are in county registered with the CQC, of these 21 are Medium/Major regional providers. The Council/CCG hold individual contracts under the joint Agreement (Unified Contract) with 300 care homes which will include out of county homes.
- The Council currently supports 864 older people to meet their assessed eligible social care needs in a care home: 60% are in a residential home and 40% in a nursing home.

- In 2018/19 the annual spend for residential care was £17.9m and nursing care £8.1m. The council operates a 'usual price' for Older Persons placements. However, there is pressure from care homes on the bed rates.
- Getting people into a care home at a reasonable cost can be extremely difficult and takes officers a lot of time to negotiating. This can result in delays from Hospital, residents being placed in out of county homes and inevitable fee disputes with care homes.
- Whilst commissioners continue to do a lot of work with the market, the high self-funding market puts additional pressure on social care with self-funders paying much higher rates.
- At the present time 11% of placements are in homes outside of the county, this can, however, be for many reasons.
- Every month on average 30 new placements are made into care home settings and on average 30 placements end, with the number of people supported remaining broadly static. The average length of stay is 1.7 years in residential care and 1.6 years in nursing care.
- There are 85 private sector registered care homes in Herefordshire providing a total of 2,060 beds, just over a third of all care homes (36%) are located in the Hereford & surrounding area, just under a quarter (23%) are located in each of the north and south Herefordshire areas and just under a fifth were located in the east Herefordshire area.
- The CQC rates 15.5% of Herefordshire residential and nursing homes as 'requires improvement' or 'inadequate'. This is in comparison to a West Midlands figure of 20% and a national figure of 18%.
- It is expected that future demand will see an increase in the base number of people by 26% over the next 10 years, an increase of 314 people, indicating a rise in the demand for care homes, more specifically complex care nursing homes. With the increased focus of health and social care policy to support people to remain as independent as possible in their own homes, this means that care homes are now usually only utilised for those with the very highest needs, including dementia, frailty and often a complex set of co-morbidities.
- Securing placements at the usual price; securing in county complex care; workforce issues (recruitment & retention) particularly nursing staff; high number of self-funders helping to drive up placement costs and reducing negotiating opportunities. Viability and sustainability of small care homes are also a concern with a high proportion of small to medium homes which are not purpose built.
- Work continues to progress Hillside into a potential 25 bedded care home, however it is recognised that this is a small home and any scope for additional beds on the site is limited.

#### **Extra care**

- A range of accommodation is required to meet the needs of the counties ageing population

- Extra care schemes can offer an environment where people can remain independent whilst having the security of support on site and their own 'front door'.
- The council has 3 versions of extra care schemes including Rose Gardens, Leadon Bank (owned by the council and leased on long term contract to Shaw) and Henfford Gardens.
- The council has another two versions of extra schemes within planning which will increase the number of available units to 180 over the next 10 years so this will need to be taken into account in any further analysis of need.
- Current services are being utilised and capacity is generally used.
- The scheme could also support not just an ageing cohort but potentially people with a learning disability where we know they could live independently and your 'own front door' is the preferred model of delivery.

### **3.1. High Level Metrics**

Adult social care pays a significant amount of its budget on care home placement and increasingly the market responds with increasingly costly placements. Adult social has a duty to meet eligible needs and to manage the market effectively.

- Predicted 140% increase of those aged 85 and above over the next 20 years
- Increasing number of out of county placements
- High cost or failure from market to support individuals with complex needs
- High number of self-funders in the market
- Delayed Transfer Of Care (DTC)
- Increased capacity in the care market with specific a purpose built building
- Improved value for money compared to spot purchased placements
- Increased use of technology and innovation to support people and reduce the need for workforce
- Upskilling the workforce and leading by example to ensure innovation, quality and dignity.

## **4. Scope**

### **4.1. Included in Scope:**

- Current care home market
- Potential demand on services
- Buildings owned by the council
- Sites currently owned by the council
- Opportunities to buy existing buildings
- Current extra care models
- Other commissioning and contractual options

#### **4.2. Out of scope**

- The council will not run the services

### **5. Stakeholders**

- Commercial/consultants
- Adults Capital Board
- Procurement
- Finance
- Herefordshire residents
- Adult social care commissioners
- Public Health
- Health Wye Valley Trust
- Herefordshire and Worcestershire CCG
- Providers

### **6. Constraints and dependencies**

#### **6.1. Initiatives which depend on this project are:**

- **Hillside development**

#### **6.2. This project depends on:**

- Commercial feasibility report
- Agreement to capital investment
- Political support to develop in house services

*Does this project depend on engagement from certain areas of the Council or external stakeholders or partners?*

Providers, cabinet members, property services, health, CCG and finance

### **7. Budget provision**

Revenue will be required to commission commercial consultants to produce a fully costed options appraisal for the council before a final business case is submitted.

## **8. Estimated costs and assumptions**

### **9. Please note this is just an estimated figure.**

A previous extra care scheme cost in the region £14m for 91 units 10 years ago.

Commercial estimates for the development of a care home are said to be in the region of £110k per bed therefore a 60 bedded unit could cost in the region of £6.6m which is line with other similar scale builds in other local authority areas. However this does not include potential land purchase, site clearance, fixture and fittings and project management costs associated and any of costs associated with its development and any start-up costs.

Therefore the request, if the principle of scoping the options are supported, is to mark a potential £14m with the expected total cost to come under this figure.

## **10. Benefits**

*The anticipated benefits of the proposed project are listed below:*

### **10.1. Cashable benefits**

- Reduced placement cost
- Reduced need for care home placements
- Income from placements including those who self-fund their care

### **10.2. Non-cashable benefits**

- Reduced delays in hospital
- Increased capacity within the market
- Able to meet the needs of residents

## **11. High level timeline**

*Detail planned stages for the project and anticipated major deliverables at each stage*

Until the final options are considered it will be undertaken in 3 phases:

Phase 1: Commission specialist commercial consultants to scope options and develop a comprehensive feasibility paper with detailed costed options by December 2019 (subject to agreement on spend).

Phase 2: Develop full business case by April 2020

Phase 3: Initiate development 2020/21

## **12. Risks**

*Risks are potential threats that may occur but have not yet happened. Risk management will monitor the identified risks and take any remedial action should the risk happen.*

### **12.1. The key risks of not doing the project are:**

- *Potential increase in demand as ageing population grows and becomes unsustainable*
- *Current care homes being sold and old buildings not fit for purpose*
- *Needs not being met*
- *Reduced capacity in the market*
- *Limited choice of accommodation*

### **12.2. The key project risks are:**

- *Resource to progress the project(s)*
- *No revenue to commission Commercial consultants to do a detailed options appraisal to inform final proposal*

## **PROJECT DOCUMENTATION**

### **OUTLINE BUSINESS CASE**

*Affordable Housing*

*Bringing Empty Properties back in to use*

Release: Draft/Final

Date: 01.10.19

Author:

Document Number: 1



**Document History**

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## **1. Purpose of document**

To outline the business case for capital funding to assist in bringing empty properties back in to use in Herefordshire. The Empty Property Officer has limited powers unless legal action is taken, however a small amount of funding could encourage a property owner to release their property which would assist in providing temporary accommodation to meet the needs of homeless families.

## **2. Project aims and objectives**

The links to the draft corporate plan:

- Get the right mix of houses for our communities
- Create environments that make wellbeing inevitable
- Encourage younger people to build their lives here
- Invest public money wherever possible

The specific project aims are to:

- Bring empty properties back in to use with a focus on long term empty properties
- Increase available housing for local people
- Reduced spend of the Housing Prevention fund
- Reduce reliance on Bed & Breakfast as temporary accommodation
- Community regeneration – improves community wellbeing and pride
- Reduce complaints received by the Environmental Health team
- To discourage anti-social behaviour and crime

## **3. Background**

Following a number of complaints received about abandoned and empty properties in Herefordshire the Council Tax department have provided revenue funding to recruit a full time Empty Property and Development Officer. The officer will provide advice to owners on how to sell, rent, repair or convert the property to another use but has very limited powers unless the legal route is pursued. Capital funding could be used to upgrade a property and take ownership of it to be used as temporary accommodation for a set period of time.

Empty homes are not only a wasted resource, they can also cause nuisance and environmental problems. Empty homes can be a focus for increased levels of crime, vandalism, anti-social behaviour and drug-abuse. They can also represent a potential housing resource that may be currently underutilised. Bringing empty homes back into use can help address a number of housing and social issues by increasing supply in areas where there are housing shortages and pressures and where this is an opportunity to link suitable empty homes with housing need.

It is essential that all Local Authorities have effective measures in place to deal with these issues and comprehensive empty homes strategies which contribute towards local strategic planning.

Empty Properties can also have a damaging effect on the local community and economy and can have significant impacts on the owners.

- Loss of income from rent or a capital sum from a sale, as well as costs for Council Tax, insurance and maintenance.
- Empty properties are more at risk of vandalism or fire and therefore cost more to insure.
- They pose a threat to adjoining properties through damp or infestation.
- Empty homes in disrepair can reduce the value of surrounding properties by up to 18%

To help address the growing problem grant could be used to assist with:

- Properties that are currently empty
- Properties that need to be brought back to the repairing standard
- Properties that need Electrical Rewiring/Upgrade
- Properties that need Window Replacement
- Properties that need Heating or a Heating Upgrade from Night Storage Heaters
- Properties that need a Boiler Installation

The grant would not be available for cosmetic work including new kitchens, bathroom suites, and floor coverings.

### **3.1. Project Drivers and High Level Issues**

Strategic Housing has a statutory duty to keep the condition of housing stock in the county under review and identify any actions that may need to be undertaken.

- 286 Long term empty property as of September 2019 (where the property has been empty for six months or longer)
- 35 properties empty in Hereford city
- The use of Bed & Breakfast use has increased

## **4. Scope**

### **4.1. Included in Scope**

- Opportunity to increase housing supply
- Regeneration of communities
- Reduction of prevention fund

### **4.2. Out of scope**

- The council do not own any of the properties

Please see below stakeholder matrix:

- Property Services

- Finance
- Herefordshire residents
- Strategic Housing
- Housing Solutions
- Housing Associations
- Environmental Health

## **5. Constraints and dependencies**

### **5.1. Initiatives which depend on this project are:**

This project can operate independently with no dependencies on other projects.

### **5.2. This project depends on:**

The project will depend on the co-operation of the general public

## **6. Budget provision**

The majority of the funds to come from Herefordshire Council with some potential for match funding bids.

## **7. Estimated costs and assumptions**

A grant level could be set per bedroom of the Empty Property, research shows that an average of £7,500 per bedroom is an acceptable level to get owners into discussions with Local Authorities.

## **8. Benefits**

### **8.1. Cashable benefits**

- Reduced Prevention fund spend
- Reduced need for temporary accommodation/ Bed & Breakfast

### **8.2. Non-cashable benefits**

- Ability to reduce housing duty
- Increased housing supply
- Able to meet the needs of local residents

## 9. High level timeline

8. Recruit Empty Property Officer (December 2019)
9. Council Tax records accessed and owners written to (Jan 2020)
10. Empty Property Strategy drafted (March 2020)
11. Empty Property Strategy implemented (June 2020)
12. Continual discussion with property owners (ongoing)

## 10. Risks

### 10.1. The key risks of not doing the project are:

- Area regeneration could be affected
- Increased levels of anti-social behaviour
- Encourage squatting

### 10.2. The key project risks are:

- *If the Empty Property Officer is successful then not enough budget – this will only be known once monitoring processes are put into place*

## 11. Appendices

### Appendix 1 – Costing breakdown

Capital cost of project	2020/21	21/22	22/23
	£000		
Herefordshire Council Capital - EP Grants	200	300	300
<b>TOTAL</b>	<b>200</b>	<b>300</b>	<b>300</b>
<b>Overall Total</b>	<b>800,000</b>		

## **PROJECT DOCUMENTATION**

## **OUTLINE BUSINESS CASE**

### *EDRMS Storage*

Release: Draft/~~Final~~

Date: 27<sup>th</sup> September 2019

Author:

Document Number: N/A

## Document History

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	Head of Systems Delivery	27-09-2019	1.0
	Head of Architecture and Infrastructure		
	Business and Corporate Application Manager		
	Assistant Director Corporate Support		



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## **1. Purpose of document**

This outline business case contains information that describes the justification for continuing the development of a detailed business case for the Corporate EDRMS Storage Replacement project. The Business Case is to be submitted to the Capital Board and if accepted, a more detailed business case will be developed.

## **2. Project aims and objectives**

The aim and objective of this project is to replace the existing EDRMS Data Storage with a supported and current solution which can support the needs of the Council in the medium term in line with the Herefordshire Council Digital Strategy 2018-23.

The replacement solution will need to be supported by the vendor so that any vulnerabilities can be mitigated in line with National Cyber Security Centre (NCSC) guidance for Public Sector Organisations maintaining bulk citizen data.

This will allow the Council to further develop its Digital delivery of wider services in support of future demand for electronic records, whilst maintaining the Confidentiality, Integrity and Availability of any stored citizen data in line with the guidance set out by the Information Commissioners Office (ICO).

Furthermore, by using current technologies and the built in functionality to access both local and cloud storage, this will also facilitate the move towards the 'Public Cloud First' model whilst still ensuring that the investment in 'on premises' data centres made in 2016 is still realised. Again in line with the Herefordshire Council Digital Strategy 2018-23.

<https://www.gov.uk/guidance/government-cloud-first-policy>

The replacement solution must also have the ability to migrate from the existing storage 'built in', without the need to engage with costly data migration specialists or a reliance on 3<sup>rd</sup> party line of business support companies which could impact the project delivery both in terms of cost and time (specialist availability).

### 3. Background

Herefordshire Council invested in an 'object based' storage solution called EMC Centera in 2011 in support of its move to key line of business applications to support primary areas of the business.

Object based storage is particularly suited to document storage and is a more cost effective solution than traditional enterprise Data Storage solutions such as Storage Area Networks (SAN) which utilise very expensive storage media (i.e. Solid State Disks).

This has been developed over time and the Council now stores data from the following systems on this solution through integration with the Corporate EDRMS System 'Wisdom':

- Archived email
- Civica
- Mosaic
- SharePoint

As development of the Centera product ended in March 2018, Hoople IT are no longer able to get software support and currently the solution only has hardware support for failed components.

Additionally, as this is a proprietary 'black box' technology, Hoople do not have any expertise in respect of troubleshooting the product.

This means that should there be any issues with the software element of the solution there is no route available to get help to resolve which places the Council at risk.

A further consideration is in respect of any emerging threats associated with vulnerabilities within the software itself. As the manufacturer no longer supports or develops the software, no mitigation will be provided by them should an exploit become known thus leaving the solution at risk should this occur. This does not support the guidance provided by the NCSC in respect of Public Sector Organisations and the storing of bulk citizen data.

This has been identified under the Innovation and efficiency section of Herefordshire Council's Digital Strategy 2018-23.

Therefore, there is a requirement to replace the EMC Centera storage solution to support future demand for electronic records and programme of back scanning to store documents, as well as build additional storage capacity to support increasing demand for Microsoft SharePoint solution and other emerging electronic document and record requirements.

### 3.1. Project Drivers and High Level Issues

Continued use and reliance on an environment which is not supported from a software perspective by the vendor. The current Centera platform went end of support March 31st, 2018 and there will be no further software updates.

Additionally, there is no knowledge within IT to support the software element of the current product which means that, if a catastrophic failure of the underlying operating system/software was to occur, then there could be substantial loss of Council data.

This impacts the Confidentiality, Integrity and Availability of key citizen information at risk which in turn would impact the Council's ability to provide key services.

This places the Council at risk of reputational damage as well as the potential for fines from the ICO if data loss did occur.

The National Cyber Security Centre (NCSC) public sector guidance on protecting bulk personal data also states that the Council has an obligation to ensure that

*"No unsupported software is present in your service and its underlying infrastructure".*

*"Software that is no longer supported will not receive security patches in the event that vulnerabilities become known. This means it will likely be difficult, or impossible, to mitigate any issues that are found.*

*We recommend that no 'out of support' software be used across your entire software stack for the components protecting the data. This recommendation applies to operating systems, infrastructure firmware and software packages on devices that handle or protect the data in question."*

As the system is unsupported, this means that IT services cannot meet this obligation.

Additionally, this will allow the Council to further develop its Digital delivery of wider services in support of future demand for electronic records, as well as facilitating the move towards the 'Public Cloud First' model whilst still ensuring that the investment in 'on premises' data centres made in 2016 is still realised, in line with both the Herefordshire Council Digital Strategy 2018-23 and Government Cloud First policy.

### 3.2. High Level Metrics

Not Applicable

## **4. Scope**

### **4.1. Included in Scope**

- Installation of new object based storage equipment in Plough Lane and HARC data centres
- Configuration and Connectivity/integration into the existing Herefordshire Council infrastructure.
- Implementation of monitoring and 'Standard Operating Procedures' – Bringing into Business as Usual.
- Training engineering staff on the equipment.
- API integration for Herefordshire Council line of business systems???
- Initial 25TB of storage migration from supplier to define process to be managed by Hoople
- Completion of Data Migration from Hoople
- Decommission/Disposal of EMC Centera

### **4.2. Out of scope**

- Any integrations outside of the existing Line of Business Application mix
- Any unknown issue/incompatibility encountered during the migration (£50k contingency included in cost profile for this).

## **5. Stakeholders**

Natalia Silver Assistant Director Corporate as the IT client.

## **6. Constraints and dependencies**

### **6.1. Initiatives which depend on this project are:**

- Future Development of SharePoint.
- Future Development of Citizen Access via Council Website.
- Future PSN Accreditation.
- Future expanded use of digital document and record management in support of agile working and paperless initiatives.

**6.2. This project depends on:**

None

**7. Budget provision**

There is no IT budget available to fund this.

**8. Estimated costs and assumptions**

<b>Capital cost of project</b>	<b>2020/21</b>	<b>Total</b>
Equipment, Supplier Installation and 5 Years Support.	<b>£240,000</b>	<b>£240,000</b>
Hoople Support – Commissioning into exiting environment, Integration to Line of Business Systems and migration of data to new data storage system.	<b>£50,000</b>	<b>£50,000</b>
3 <sup>rd</sup> Party Application Suppliers – Integration Support Contingency	<b>£40,000</b>	<b>£40,000</b>
Project Contingency	<b>£50,000</b>	<b>£50,000</b>
<b>TOTAL</b>		<b>£380,000</b>

<b>Revenue budget implications</b>	<b>2020/21</b>	<b>2021/22</b>	<b>2022/23</b>	<b>Future Years</b>	<b>Total</b>
<i>Ongoing support assuming 20% of Equipment Cost – Year 6,7&amp;8 2025/26 Onwards</i>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£48,000</b>	<b>£48,000</b>
<i>Current Solution Support Costs</i>	<b>(£10,000)</b>	<b>(£10,000)</b>	<b>(£10,000)</b>	<b>(£10,000)</b>	<b>(£10,000)</b>
<b>TOTAL</b>					<b>£38,000</b>

## 9. Benefits

The anticipated benefits of the proposed project are listed below:

### 9.1. Cashable benefits

There are no cashable benefits.

### 9.2. Non-cashable benefits

- Removal of unsupported equipment in line with NCSC & ICO Guidelines.
- Removal of Risks associated with loss of CIA (Confidentiality, Integrity & Availability) in respect of Councils Data as outlined in Section 11 'Risks'.
- Ability to develop Councils Document and Records management using current/modern protocols.
- Full realisation of investment made in local Data Centre infrastructure in 2016.
- Enablement of move to 'Public Cloud First' by use of technology which is local and cloud storage aware.

## 10. High level timeline

Procurement, Implementation and Migration are all to take place within the 2020/21 Financial Year.

## 11. Risks

Risks are potential threats that may occur but have not yet happened. Risk management will monitor the identified risks and take any remedial action should the risk happen.

The key risks of not doing the project are:

### 11.1. The key risks of not doing the project are:

- Data Breach – Confidentiality
  - If a vulnerability is exploited due to emerging software security flaws.
- Data Corruption – Integrity
  - If malware infects the storage system due to a vulnerability in the software.
- Data Loss - Availability
  - If the service becomes unavailable due to an issue with the underlying operating system or software, this would affect the ability of the Council to deliver its service supporting Herefordshire's most vulnerable citizens.
- Financial Penalties from the ICO
- Reputational Damage

- PSN Certification
- No further development – Inability to develop further services on the existing solution.

**11.2. The key project risks are:**

- Funding.
- Price increases as a result of currency fluctuation and Brexit.
- Availability of 3<sup>rd</sup> party supplier resource to carry out any integration work.
- Hoople resource/other competing projects or initiatives.
- Time
  - Time to deliver the project within the anticipated timeline
  - Risk of exposure increases in respect of the current solution as time passes either in respect of a decision to proceed, identification of funding source or emerging vulnerabilities/cyber security exploits.



## **PROJECT DOCUMENTATION**

## **FEASIBILITY BUSINESS CASE**

### *Hereford Transport Package*

Release: Final

Date: 3 October 2019

Author:

Document Number:

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## Stage 0 Business Case

### 1. Purpose of Document

This Feasibility Business Case contains information that describes the justification for continuing the development of Department for Transport (DfT) outline Business Case for Hereford Transport Package (HTP) project from the Strategic Outline Business Case (SOBC) which is published on the council's website and can be viewed by following the link below:

[https://www.herefordshire.gov.uk/download/downloads/id/13069/hereford\\_transport\\_package\\_strategic\\_outline\\_business\\_case.pdf](https://www.herefordshire.gov.uk/download/downloads/id/13069/hereford_transport_package_strategic_outline_business_case.pdf)

This Feasibility Business Case is to be submitted to the Capital Strategy Board and if accepted, a more detailed outline Business Case will be developed.

### 2. Objectives

If the business case is approved then the project can continue subject to appropriate governance in 2020/2021 and project development can continue to a revised programme should the project continue following the proposed review of the bypass. Detailed design of the bypass could continue with a further consultation to enable a planning application submission. Approved funding will also enable support for landowners who are impacted by the scheme to be provided including land acquisition (if required), subject to appropriate governance decisions. Development of the active travel measures which would accompany the bypass would also continue based on February / March 2019 consultation feedback. Approval of this feasibility business case will also enable development of external funding bids if required.

### 3. Background

#### 3.1 Project Drivers and High Level Issues

The Hereford Transport Package includes the proposed Hereford Bypass and a package of walking, cycling, bus and public realm schemes. It is a key infrastructure project that will:

- Improve local and regional connectivity by providing an alternative route to the existing A49 through the city
- Encourage new business and job creation by making Hereford a more attractive place to locate with improved road connections and more reliable journey times
- Enable the delivery of future housing and educational development, attracting people to live and study in the city
- Reduce the impact of accidents and breakdowns on the city's roads by providing an alternative crossing for the River Wye
- Reduce the impacts of transport on air quality and noise within the city, and improve road safety
- Encourage healthy lifestyles by improving public spaces and encouraging more people to walk and cycle

The Hereford Transport Package, is identified as a priority within the council's current Economic Vision, Local Plan Core Strategy (LPCS) and Local Transport Plan (LTP) and also within the Marches Strategic Economic Plan and Midlands Connect regional transport strategy.

### 3.2 High Level Metrics

#### Scheme History:

Cabinet Decision Report – 16 June 2016

On 16 June 2016 cabinet approved that work commence to develop the Hereford relief road (Hereford bypass) in support of proposals within the adopted Core Strategy.

In taking this decision cabinet approved the recommendation that:

**authority be delegated to the assistant director environment and place to take all operational actions necessary to progress the Hereford bypass to route selection within the resources (including external funding) available**

At that time the costs of this development work were being sought through a bid for funds under the DfT's Large Local Majors Transport Fund, summarised in the table below. The aim of the fund is to provide funding for large, transformative, local schemes that are too big to be taken forward within Local Growth Deal allocations and might not otherwise be funded.

A total of £2.65m was being sought from the DfT to develop the business case for Hereford bypass and complementary measures with a local contribution of £0.6m.

It was acknowledged in the decision report that if funding was not awarded through the Department for Transport Large Local Majors fund consideration would need to be given to allocate further local revenue funding and once a route for the scheme had been selected to include the scheme in future revisions of the capital programme.

	2016/17 £m	2017/18 £m	TOTAL £m
Funding sought from DfT large local majors fund	1.95	0.70	2.65
Local funding	0.30	0.30	0.60
<b>TOTAL</b>	<b>2.25</b>	<b>1.00</b>	<b>3.25</b>

The 2016/2017 & 2017/2018 revenue funding set out within this report would deliver:

- Assessment of the Core Strategy Corridor to consider a long list of possible route for the bypass.
- Detailed technical assessment of a long list of 24 possible routes using a range of assessment criteria to enable a short list to be recommended.
- Production of a Corridor Assessment Framework document and associated reports to support shortlist recommendation.
- Detailed consultation on bypass long list and possible complimentary active travel measure which would form the Hereford Transport Package.
- Analysis of consultation feedback in a detailed consultation report to support cabinet decision.
- Commencement of development of outline business case for the HTP including traffic surveys and

modelling work to support economic assessment of the scheme in future years

#### Cabinet Decision Report – 18 January 2018

On 18 January 2018 cabinet considered a report which set out the technical route assessment work (including public consultation) which had progressed subsequent to the June 2016 cabinet decision. This report summarised the assessment of 24 possible routes for the bypass and feedback to the consultation about the scheme which had taken in place April / May 2017. The report recommended a shortlist of seven possible bypass routes for further development and consultation along with a package of measures which would be delivered alongside a bypass. This would enable a preferred package to be developed.

In taking this decision cabinet authorised the then assistant director of environment and place to continue development and technical work to inform a decision to select a preferred route for the bypass.

Within the resource implications section of the January 2018 report the revenue spend in 2016/17 was confirmed as £1.4m and forecast revenue spend in 2017/2018 was forecast as £1.612m giving a total forecast revenue spend of £3.012m. As the Large Local Major bid to DfT referred to as a funding source in the report to cabinet in June 2016 had not been successful this report confirmed the funding of the revenue spend was from an external grant of £590K from Highways England, an external grant of £150K from Midlands Connects and a mix of council revenue and reserve budget. The full detail of this can be seen in paragraphs 33-36 of the January 2018 report.

The 2017/2018 and 2018/2019 revenue funding set out within this report enabled delivery of:

- Detailed technical assessment of a short list of 7 possible routes using a range of assessment criteria to enable a preferred route for the bypass to be recommended.
- Production of a suite of documents to support preferred route selection decision as follows:

Stage 2 Scheme Assessment Report

Stage 2 Environmental Assessment Report

Route Selection Report

Preferred Route Report

- Detailed consultation on seven possible routes for the bypass and further detail of the possible complimentary active travel measure which would form the Hereford Transport Package.
- Analysis of consultation feedback in a detailed Sage 2 consultation report to support cabinet decision.
- Continued development of outline business case for the HTP including traffic modelling work to support economic assessment of the scheme in future years to enable external bids for funding to be developed

Capital spend in 2017/2018 was forecast as £500K and capital spend in 2018/2019 was forecast as £2.45m to confirm a preferred route and to develop a planning application for the scheme. It was intended that this capital cost was to be funded from the council's corporately funded prudential borrowing as the project was included in the proposed capital programme to be approved by Council 26 January 2018.

#### Cabinet Decision Report – 27 July 2018

On 27 July 2018 cabinet considered a report which set out the technical route assessment work (including public consultation) which had progressed following the selection of a shortlist of seven possible routes in the January 2018 cabinet report. This report summarised the assessment of each of the seven routes for the bypass and feedback to the consultation about the scheme which has taken in place February and March 2018. The report recommended that having due regard to this technical work (set out in a suite of documents appended to the cabinet report) and consultation feedback the red route be approved as the preferred route for further scheme development and consultation along with recommended active travel measures prior to submission for planning and any other permissions.

In taking this decision cabinet authorised the then director for economy, communities and corporate to take all necessary steps to progress detailed design and consultation with a maximum cost of £2.45m.

Within the resource implications section of this July report the estimated capital cost of the bypass based on the level of design detail set out in the Stage 2 Scheme assessment report appended to the cabinet report was set out in paragraph 88 for each of the seven possible route.

The estimated capital cost of the red route is shown as £153m and a comparison of this to bypass costs set out in the SOBC was detailed in paragraph 90.

In paragraph 93 of the July cabinet paper the revenue spend to the end of May 2018 was confirmed as £4.037m. This was the revenue cost of the technical work of both the long list and shortlist of possible routes and consultation required to enable a preferred route to be selected which is set out in more detail above.

The final revenue expenditure position (from 2014/2015 to July 2018) is £5.11m. This has been funded as follows:

Highways England	£590K
Midlands Connect	£300K
HC Revenue Budgets & Reserves	£4.22m

Paragraph 94 confirmed that approval of £2.960m capital budget for 2018/2019 and set out that would fund detailed design and consultation of the preferred route and package in year. This capital funding is delivering:

- Detailed topographical and ground investigations to progress the detailed design of the red route.
- Commencement of detailed design of earthworks, structures, pavements construction, footways, signals, street lighting and junctions along the red route
- Continuation of ecological surveys to enable the impact of the scheme to be determined and to inform mitigation measures design
- Continuation of traffic modelling to inform noise and air quality mitigation measures
- Consultation in early 2019 on the possible complementary improvement schemes to support package development
- Continued development of the outline business case for the scheme and preparation of appropriate funding applications.

Paragraph 96 of the July 2018 cabinet sets out progressing the scheme further in 2019/2020 would be the subject of applications for funding and would need to be considered in the annual review of the capital programme however no estimated annual budgets beyond 2018/2019 were presented.

Following the selection of a preferred route and a more detailed programme for the preparation of the planning application for the scheme and the required consultation has been developed and forms the basis of the request for capital funding in 2019/2020.

Capital funding of £3.5m in 2019/2020 would deliver:

- Completion of detailed design of the bypass to a standard for a planning application
- Continuation of ecological surveys to inform the design of the scheme and the development of the planning application
- Continuation of traffic modelling to inform noise and air quality mitigation measures to inform the design of the scheme and the development of the planning application
- Preparation of a suite of planning documents for the scheme
- Consultation with landowners to inform scheme design and planning documents for the scheme
- Engagement with planning authority to support submission of planning application
- Analysis of January / February consultation to enable development of HTP package of measures
- Consultation in late Summer / Autumn 2019 on the bypass detail and planning application
- Submission of planning application
- Continued development of the outline business case for the scheme and preparation of appropriate funding applications.

In summary the following costs were presented in the feasibility business case in January 2019 and these costs are associated with the optioneering work and route development undertaken and planned design work to inform a planning application is as follows:

Activity		Revenue / Capital	Cost
Route optioneering to develop and consult on a long list and subsequent short list of possible bypass routes.	From 2014/2015 to July 2018	Revenue	£5.11m
Progression of detailed design and consultation of preferred route and package measures development.	August 2018 – end March 2019	Capital	£2.960m
Detailed design and consultation of the preferred route and planning application development. Business Case and funding application development Package measures development and consultation	April 2019 – March 2020	Capital	£3.5m
Detailed design and consultation of the	April 2020 – March 2021	Capital	£2.750m



preferred route and planning application development to a revised programme should the project continue following the proposed review of the bypass. Business Case and funding application development Package measures development and consultation. Estimated land acquisition if required should the scheme progress or not.			
Estimated land acquisition if required should the scheme progress or not.	April 2021 – March 2022	Capital	£0.625m
Estimated land acquisition if required should the scheme progress or not.	April 2022 – March 2023	Capital	£0.625m

#### Cabinet Member decision 9 August 2019

The activities set out above for 2019/20 did not progress as initially anticipated in feasibility business case January 2019 as the new administration took time to understand this scheme. The Cabinet Member for Infrastructure and transport took a decision in August 2019 to review both the Hereford bypass and Southern Link Road schemes as follows:

All work on the Southern Link Road be paused, a review of the project to determine next steps be undertaken, and work on the South Wye Transport Package active travel measures be continued;  
All work on the Hereford by-pass be paused, a review of the project to determine next steps be undertaken, and work on the Hereford Transport Package active travel measures be continued; and  
The acting director for economy and place be authorised to take all operational decisions necessary to scope the review work for both road schemes within a budget of £50k (Southern Link Road) and £70k (Hereford By-pass) to inform a further decision in this calendar/financial year.

This decision was called in and reviewed by General Scrutiny committee on Monday 9 September and a report setting out the cabinet member's response to scrutiny is due to be published shortly.

This application is being made to cover costs should the bypass progress following the review and includes cost for a revised programme in 2020/21 and possible land acquisition costs.

Should the bypass programme be further impacted it is possible land costs will be incurred in any case.

## **4. Scope**

### **4.1. Included in Scope**

This business case is requesting a further £2.75m to enable further development work to progress the package in 2020/2021 should the scheme progress including continuing detailed design and consultation of the bypass, developing a planning application and outline business case for the bypass and to enable support to be provided to those affected by the scheme including land acquisition if possible. This funding will also enable the development of a package of walking, cycling, public transport and public realm improvement schemes which will enable detailed design and consultation. This is set out in detail above.

BBLP and their sub-consultants WSP professional services costs associated with this project are procured through the council's Public Realm contract and form part of the council's annual plan. This contract was awarded to BBLP following a competitive OJEU procurement process in 2012/2013 and design professional services are within the scope of this contract and annual fee proposals are reviewed and monitored regularly.

Appropriate internal staff costs associated with this project are capitalised and are included within the costs above but are not broken down.

### **4.2. Not included in Scope**

Estimated project development costs in future years from 2021 for the HTP are not included in this bid.

Information of these future costs for bypass and the walking, cycling, public transport and public space improvements were set out in the July 2018 cabinet report. These costs will be updated further following public consultation and detailed design and set out in future project decision reports, outline and full business case documents for the project.

## **5. Stakeholders**

The SOBC sets out key stakeholders within the strategic case section of the document and this has been developed into a comprehensive stakeholder group for this project following a number of consultation events and can be seen in the most recent consultation report by following the link below:

<http://councillors.herefordshire.gov.uk/documents/s50058868/Appendix%201%20-%20Phase%202%20Consultation%20Report.pdf>

## **6. Dependencies**

### **6.1. Initiatives which depend on this project are:**

The delivery of the Hereford Transport Package enables the delivery of the planned housing and employment growth set out in the Councils local plan core strategy and will support the delivery of the new NMITE University. The scheme will also deliver regional benefits which supports its inclusion in the Marches LEP SEP.

## **6.2. This project depends on:**

The delivery of the HTP complements the delivery of the SWTP and the HCCTP and the southern bypass junction connects with the Southern Link Road western junction. Once complete a further link from the A49 to the A4103 route can be considered for delivery. Further inter-dependencies are set out in section SC7 of the SOBC.

## **7. Benefits**

The anticipated benefits of the Hereford Transport Package project are set out in the Economic case section (EC2) of the SOBC and these have been further developed for consultations and are listed below:

The HTP will:

- Facilitate economic growth by reducing peak hour journey times.
- Encourage sustainable development by creating attractive alternatives to shorter car journeys
- Provide network resilience by reducing the impact of accidents and breakdowns and maintenance work on the city's main road network
- Encourage healthier lifestyles by providing facilities for walking and cycling
- Improve air quality and reduce noise
- Reduce severance by improving connections for pedestrians and cyclists
- Improve safety for all road users

### **7.1. Quantifiable**

A benefits cost ratio for the bypass was assessed as part of the SOBC and is set out in the economic case section of the report. A BCR of 10.5 for the bypass route calculated in accordance with Department for Transport criteria is well above the value of 2 which DfT consider represents high value for money. The BCR will be recalculated in the Outline Business Case and subsequent Full Business Case for the scheme based on revised scheme cost estimate to ensure continued value for money as the detail of the scheme is developed and delivery of the scheme proceeds.

### **7.2. Non-Quantifiable**

The wider economic benefits which the HTP will deliver are set out in the economic case (EC3) of the SOBC which details the job creation which will be delivered by the scheme. The Environmental impacts and benefits of the scheme are set out in section EC4 of the SOBC and the social benefits are detailed in EC5.

An initial assessment of impacts and benefits is set out in an AST within the SOBC. At that stage this was based primarily on qualitative work. A full AST will be completed in line with DfT criteria in the Outline Business case for the scheme.

Within the management case section (MC4) of the SOBC a benefits realisation strategy is set out with a monitoring and evaluation strategy outlined in MC5. These will be developed further in the outline and full business case documents for the project.

## 8. Potential Costs and Options for Project

The current estimated outturn cost of the HTP project is £186m which comprises an estimated cost of £153m for the Hereford bypass and an indicative cost of £29m for walking, cycling, bus and public realm improvements.

A comparison of the current estimated cost compared to the original SOBC was set out in paragraph 90 of the Hereford Transport Package report presented to cabinet in July 2018 as follows:

Package Element	Estimated Total Cost (£) – Current year Prices (2014)	Estimated Total Cost (£) – Current year Prices (2018)
Western Relief Road (excluding Southern Link & with Risk adjusted)	£136,270,000	£153,000,000 (subject to selection of red route as preferred bypass route )
Public realm, active mode and traffic management scheme for existing route of A49	£10,000,000	To be updated as active travel measures are further developed
Public realm, active mode and traffic management scheme for radial A routes within urban area	£10,000,000	To be updated as active travel measures are further developed
Urban traffic control system including local management centre	£5,000,000	To be updated as active travel measures are further developed
20 mph schemes for residential areas	£2,000,000	To be updated as active travel measures are further developed
City wide active travel mode projects	£2,000,000	To be updated as active travel measures are further developed

These costs will be updated in the DfT outline and full business case documents as the project is delivered to ensure that the benefits of the scheme and value for money is demonstrated at the appropriate points for decision making.

Section SC8 of the SOBC confirms that a full Option Assessment Report (OAR) was prepared in 2003 identifying key problems and those options best placed to mitigate problems and meet objectives. This work indicated that a package of multi modal measures was required and this is detailed within this section of the SOBC. The OAR has been supplemented by a number of update reports which are detailed in this section of the SOBC report and an updated OAR will be developed for the Outline Business Case.

## 9. Costs and Timescales to Develop the Full Business Case

The cost of producing a HTP outline business case to DCO in March 2021 with the associated traffic modelling is estimated at approximately £200k and is included within the capital costs presented within this report. This cost would be funded from current 2019/2020 & 2020/2021 capital budget if approved. The programme for the development of the DfT outline business case would be developed should the scheme progress following the proposed bypass review.

<b>Capital cost of project</b>	<b>2020/21</b>	<b>2021/22</b>	<b>2022/23</b>	<b>Future Years</b>	<b>Total</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<i>Scheme design, consultation, planning, legal agreements, and professional fees (including procurement)</i>	1,350				1,350
<i>Possible Land Costs</i>	1,130	560	560		2,250
<b>TOTAL</b>	<b>2,480</b>	<b>560</b>	<b>560</b>		<b>3,600</b>

<b>Funding streams</b>	<b>2020/21</b>	<b>2021/22</b>	<b>2022/23</b>	<b>Future Years</b>	<b>Total</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<i>Capital Programme</i>	2,480	560	560		3,600
<b>TOTAL</b>					

<b>Revenue budget implications</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	<b>Future Years</b>	<b>Total</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<i>note any impact on revenue budget, good or bad</i>					
<b>TOTAL</b>					

## 10. Risks of not doing the Project

Section SC3 of the SOBC details the consequences of failing to implement the scheme and lists the following:

- Market failure – congestion on the existing trunk road and key junctions will hold back housing and employment growth.
- Worsening car use for short trips – more car use and lower accessibility to sustainable modes of travel.
- Extended social deprivation – areas of Hereford become isolated and deprived.
- Resilience of network decreases – single river crossing failure increasing network failure risk
- City centre damage – through traffic continues to travel through city impacting on environment and communities.

## **PROJECT DOCUMENTATION**

## **OUTLINE BUSINESS CASE**

### *Corporate Fleet Procurement – Facilities Management Van*

Release: Draft/Final

Date: 20.09.2019

Author:

Document Number: v1

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## **1. Purpose of document**

This Feasibility Business Case contains information that outlines and highlights the physical and operational issues regarding the Facilities Management (FM) van which is the final corporate vehicle requiring replacement.

## **2. Project aims and objectives**

This is an extension to the fleet project that seeks to replace the existing and ageing corporate vehicle fleet with a new, efficient and fit for purpose vehicle to ensure the resilient delivery of statutory services.

## **3. Background**

In 2018 the Energy & Active Travel team applied for capital to replace the corporate fleet of vehicles. This exercise has run successfully with all of the vehicles on order from suppliers. At the time of this exercise Facilities Management did not require a replacement vehicle as the van they used was deemed fit for purpose for future years however during this year it suffered catastrophic failure leaving the team without a van. This left FM in a position where they are borrowing a van from BBLP whilst arranging an expensive lease vehicle. They are also waiting for a used van to become available from another team which was replacing it with a new vehicle under the corporate fleet procurement exercise. This would leave facilities management with a used vehicle which as it ages will become more expensive to maintain with more down time.

### **3.1. Project Drivers and High Level Issues**

Facilities Management were not provisioned in the original exercise was because they had a good condition, working van but due to unforeseen circumstances it was unable to be repaired after breaking down. This leaves them without a current vehicle and considering utilising expensive lease options until a used van is available from the current fleet. This will therefore leave facilities management with a used corporate vehicle that as time goes on will become expensive to maintain with more down time.

#### Supporting teams delivering corporate priorities

- Facilities Management support all services across the council deliver vital services to the residents of the county.
- A new vehicle will improve service delivery with better resilience.

#### Support the growth of our economy

- Council savings in relation to current fleet commitments (budget and pressures) will enable re-allocation of funds to support priorities including the local economy.

## Secure better services, quality of life and value for money

- Reduced vehicle maintenance costs
- Improved Service Delivery & reliability
- Reduced carbon emissions
- Reduced fuel costs
- Improved public relations

### 3.2. High Level Metrics

*If possible include figures pertaining to this area of business.*

## 4. Scope

### 4.1. Included in Scope

Inclusions	Cost
	£000
FORD TRANSIT CUSTOM 340 L1 DIESEL FWD	16.9
Delivery costs	0.53
Tax & Registration	0.32
Inflation at 2%	0.35
Contingency 5%	0.89
<b>TOTAL</b>	<b>19</b>

### 4.2. Out of scope

Section 4.1 is comprehensive, the purpose of this bid is to replace a single vehicle for Facilities Management that would complete the refresh of the fleet. No other vehicles are included in this exercise as they have been procured under the previous capital bid.

## Stakeholders

Facilities management have been involved in the drafting of the Capital Funding Request and importantly in the choice of vehicle which has been specified by FM to meet their needs (see table above).

## 5. Constraints and dependencies

### 5.1. Initiatives which depend on this project are:

- Facilities Management support all services across the council to deliver vital services to the residents of the county. It is key that FM are able to carry out their work efficiently without impedance and unnecessary budget burden in the form of vehicle breakdown and repair or lease.

## **5.2. This project depends on:**

- The requested capital available to replace the corporate fleet.
- An officer decision report will be required for this project to proceed with procurement and draw down the requested capital.
- The Energy & Active Travel team will work with the Commercial team on the procurement of the new vehicle utilising the Crown Commercial Services procurement framework as per the previous fleet procurement exercise.

## **6. Budget provision**

### Maintenance savings

- Since the previous capital application was made additional fleet vehicles have been purchased (with governance) from the same budget, further reducing our annual maintenance costs, estimated at around £3,000 p/a (including the proposed facilities management van) which will cover the repayments of the capital for this vehicle.
- As the new vehicle fleet will require significantly less annual maintenance, especially in the first three years where warranties will cover this, this saving has been estimated and will support the annual capital repayments.
- This is currently and conservatively been estimated/profiled as follows:
  - Year 1 £3.3k
  - Year 2 £3.3k
  - Year 3 £3.3k
  - Year 4-6 £9k
- This is currently being refined as part of the annual planning process
- Note that there is currently a £1k shortfall in the outline business case, this £1k can be budget managed within the maintenance contract with BBLP. All repayments will be met.

## **7. Estimated costs and assumptions**

Capital cost of project	2020/21	2021/22	2022/23	Future Years	Total
	£000	£000	£000	£000	£000
FORD TRANSIT CUSTOM 340 L1 DIESEL FWD	16.9	0	0	0	16.9
Delivery costs	0.53	0	0	0	0.53
Tax & Registration	0.32	0	0	0	0.32
Inflation at 2%	0.35	0	0	0	0.35
Contingency 5%	0.89	0	0	0	0.89
<b>TOTAL</b>	<b>19</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>19</b>

## 8. Benefits

Revenue budget implications	2020/21	2021/22	2022/23	Future Years	Total
<i>RCCO – calculated over 6year borrowing profile</i>	3.33	3.33	3.33	10	20
<i>Estimated reduction in fuel costs</i>	-0.5	-0.5	-0.5	-1.5	-3
<i>Estimated reduction in annual maintenance costs</i>	-3.3	-3.3	-3.3	-9	-19
<b>TOTAL</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-1</b>	<b>-1</b>

### 8.1. Cashable benefits

The cashable benefits come from the reduction in annual maintenance costs associated with the additional vehicles replaced under the current fleet procurement as well as the replacement of the facilities management van. *See table above.*

### 8.2. Non-cashable benefits

The non-cashable benefits of the FM van include:

- Continued and efficient service delivery supporting all teams across the council to deliver key services
- Fuel savings from a more fuel efficient vehicle (financial and environmental savings)
- CO<sub>2</sub> and NO<sub>x</sub> reduction (less polluting emissions from the newer vehicle)

## 9. High level timeline

### Timescales:

- Oct 19
  - Capital bid submission
- Nov/Dec 19
  - Develop procurement spec and detailed business case
- Mar 20
  - Successful capital bid
  - Decision report and governance
- April – 20
  - Procurement Exercise
- May - 20
  - Contract Award
- July - 20
  - Receipt of vehicle

## 10. Risks

*Risks are potential threats that may occur but have not yet happened. Risk management will monitor the identified risks and take any remedial action should the risk happen.*

### 10.1. The key risks of not doing the project are:

- Decreasing service quality and service failure.
- The HC fleet maintenance costs will increase, placing increased pressure on the centralised budget within the public realm contract.
- Higher fuel costs and higher CO2 and NOx emissions of older vehicles.
- Increasing costs of FM being forced to take out expensive lease vehicles as and when their used vehicle fails.
- As the vehicle ages, without replacement this will likely increase vehicle down time as it will require more frequent maintenance.

### 10.2. The key project risks are:

- Not securing the required capital allocation
- Inflationary price increases next financial year, although this has been included at an estimated 2% within the business case.
- A contingency budget allocation of 5% has also been included within the business case to mitigate against any unforeseen risks.

## 11. Appendix - Costing Breakdown

<b>Capital cost of project</b>	<b>2020/21</b>	<b>2021/22</b>	<b>2022/23</b>	<b>Future Years</b>	<b>Total</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
FORD TRANSIT CUSTOM 340 L1 DIESEL FWD	16.9	0	0	0	16.9
Delivery costs	0.53	0	0	0	0.53
Tax & Registration	0.32	0	0	0	0.32
Inflation at 2%	0.35	0	0	0	0.35
Contingency 5%	0.89	0	0	0	0.89
<b>TOTAL</b>	<b>19</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>19</b>
<b>Funding streams</b>	<b>2020/21</b>	<b>2021/22</b>	<b>2022/23</b>	<b>Future Years</b>	<b>Total</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
<i>Capital Programme</i>	19	0	0	0	19
<b>TOTAL</b>	<b>19</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>19</b>
<b>Revenue budget implications</b>	<b>2020/21</b>	<b>2021/22</b>	<b>2022/23</b>	<b>Future Years</b>	<b>Total</b>
<i>RCCO – calculated over 6year borrowing profile</i>	3.33	3.33	3.33	10	20
<i>Estimated reduction in fuel costs</i>	-0.5	-0.5	-0.5	-1.5	-3
<i>Estimated reduction in annual maintenance costs</i>	-3.3	-3.3	-3.3	-9	-19
<b>TOTAL</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-1</b>	<b>-1</b>

## **PROJECT DOCUMENTATION**

### **OUTLINE BUSINESS CASE**

#### *Employment Land and Business Accommodation*

Release: Draft

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Author:

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## **1. Purpose of document**

*This outline business case contains information that describes the justification for continuing the development of a detailed business case for Employment Land and Business Accommodation project. The Business Case is to be submitted to the Management Board and if accepted, a more detailed business case will be developed.*

## **2. Project aims and objectives**

*The aim of the project is to ensure that over the period of this administration there is a ready supply of serviced and available employment land within Herefordshire and that the council offers a range of business accommodation to support business growth.*

*The objectives of the project are split into two phases, phase one objectives are to:*

- 1. Investigate the potential acquisition of the remaining employment land at Leominster Enterprise Park from the private sector landowner. (Business case if suitable)*
- 2. Establish an evidence base and feasibility studies (demand studies, business case, masterplan, planning application) to bring forward a second phase of land at the Ross Enterprise Park.*
- 3. Develop business cases for the construction of business accommodation at:*
  - a. Ross Enterprise Park phase one*
  - b. Hereford Enterprise Zone*
  - c. College Road campus, Hereford*

*Phase two objectives are to:*

- 4. Undertake construction of new employment land and business accommodation at the sites mentioned above.*

*The project will result in:*

- 5.1 acres of employment land being acquired at Leominster Enterprise Park for development / sale by the council.*
- 2,000 sqm of business accommodation being constructed at Hereford Enterprise Zone.*
- 1,000 sqm of business accommodation being constructed at Ross Enterprise Park.*
- A Phase Two of Ross Enterprise Park being constructed and an estimated 15 acres of employment land being made available for acquisition by private sector businesses.*

## **3. Background**

*The project will support the delivery of the corporate plan objective to “support the growth of our economy”, specifically:*

*“Make the best use of existing land and identify new opportunities to enable businesses to stay, and expand and for new businesses to locate to the area”.*

*The project will secure the supply of employment land within the county so that inward investment and growing local businesses have the space required to construct their own bespoke accommodation and facilitate their company growth facilitate new employment creation. The construction of new business accommodation (including business incubation facilities) will provide the required space for new and growing businesses wanting to lease suitable accommodation. Both elements of the project will lead to the creation of stronger local businesses, enhanced local supply chains, and new jobs.*

### **3.1. Project Drivers and High Level Issues**

*The Local Plan allocates a supply of Employment land across Herefordshire with varying sized allocations in the city and market towns to meet the expected demand generated within those communities. Although allocations have been made within the Plan the actual delivery of Employment land has been more problematic.*

*Evidence suggests that businesses will continue their growth regardless of the availability of land or units, if suitable accommodation cannot be found locally there is a significant risk that a business will investigate and take options outside of the county. Consequently*

*Individual businesses continue to look at their expansion options and in many cases a business will extend on their current site or building where possible. This represents a small scale, ad hoc approach to the supply of employment land.*

*Conversely outside of the Hereford Enterprise Zone there has been no new employment land brought forward to the market within the last 5 years. Indeed there has been a loss of employment land due to the pressure from retail, leisure and residential uses. This has constrained the employment land market outside of south Hereford and inhibited company growth and employment creation.*

*The council are looking to address this issue through bringing forward the Ross Enterprise Park which will open up supply for the south of the county in the medium term. The continued provision of land at the Hereford Enterprise Zone will provide supply for Hereford for the next 3 to 5 years but is not a long term solution. There is limited ability to expand the existing Rotherwas estate to bring forward more supply, options need to be considered for the provision of more employment land around Hereford.*

## **4. Scope**

### **4.1. Included in Scope**

*Phase one scope relates to the provision of the necessary feasibility studies, business case development and evidence base required to inform the delivery of Phase two. This will include:*

- QS and valuation support*
- Legal support*
- Market assessment reports*
- Scheme master planning / design*

- *Business case development*
- *Architectural and other technical input into building designs*
- *Planning application development and submission*
- *Project management*

*The scope of Phase two will be dependent on the outcome of the Phase one work.*

#### **4.2. Out of scope**

*This section could change and/ become more detailed when preparing the Business Case.*

### **5. Stakeholders**

*The project will be included within the project management governance of the Economic Development programme board, chaired by the Interim Director for Economy and Place. The sponsor for the project will be the Head of Economic Development and the technical lead will be the Economic Development Manager.*

*The principle stakeholders are the council Cabinet. Cabinet have broadly indicated their support to the development of additional business accommodation and are interested in options for the delivery of the existing employment land allocations. Their views on the scope and scale of investment in employment land and business accommodation will be sought at an early stage of the project most likely through a workshop session.*

*The Hereford Enterprise Zone board are a key stakeholder for the provision of business accommodation at the Enterprise Zone. The Board will have a view on the proposed target sector, design and layout, environmental standards etc. and will have significant input into these and other parameters.*

*Businesses will be engaged through market demand assessments which will establish the level of land and accommodation demand, location, quality, and services required by the business community.*

### **6. Constraints and dependencies**

#### **6.1. Initiatives which depend on this project are:**

*There are no existing or future projects which will need this work to happen in order to progress.*

#### **6.2. This project depends on:**

*The first phase of this project will be the undertaking of detailed feasibility works to bring forward the employment sites and business accommodation. Undertaking this work will inform the business case for delivery of phase two which is the physical construction of new employment sites and new business accommodation.*

*The continuation of the delivery of the Ross Enterprise Park Phase one which is currently being designed and costed with an aim to be starting construction works in financial year 2020/21. This project will provide elements of the road and drainage infrastructure required to deliver Phase two of the Enterprise Park.*

*Business accommodation works that may be delivered at the Hereford Enterprise Zone are dependent on the continued investment in the infrastructure to bring forward land at Hereford Enterprise Zone. This investment has been previously approved via the Cabinet Member decision to undertake Enterprise Zone Capital Interventions Phase 5.*

## **7. Budget provision**

*The project will deliver capital assets for the council and budget is therefore the budget source is considered to be the capital programme. It is expected that any employment land acquired will either be sold for a capital receipt or be a location for business accommodation which will realise a revenue return. There is the possibility of securing external resources via the Marches LEP to undertake elements of the programme. This will be factored into the business case development.*

## **8. Estimated costs and assumptions**

*Options for the various schemes are not currently known, these will need to be fully investigated via phase one in particular to help support acquisitions and inform accommodation design.*

*The council has recently (within the last five years) undertaken two commercial developments at the Hereford Enterprise Zone providing commercial and office accommodation. Costs for these schemes were in the region of £1,580 to £1,785 per sqm of development (including fees). These previous schemes will help form initial estimates for the build costs. The council may be in the position to utilise the designs for these buildings as a “template” for commercial units elsewhere in the county which would potentially reduce design and other fees.*

*For the purposes of this document it has been assumed that a 1,000 sqm commercial development will be recommended for the Ross Enterprise Park Phase one development and a 2,000 sqm commercial development will be recommended for the Hereford Enterprise Zone. In addition a 15% inflationary uplift has been applied to the previous build figures to reflect the time since construction of the previous units.*

*For the purposes of purchase of the remaining land at Leominster Enterprise Park a figure of £225k per acre has been applied. This figure has been achieved at Hereford Enterprise Zone and reflects a degree of hope value on the part of the existing landowners. The total site area at Leominster Enterprise Park is estimated to be 5.1 acres, this is based on the agent’s sale particulars.*

## **9. Benefits**

*The anticipated benefits of the proposed project are listed below:*

### **9.1. Cashable benefits**

*The project will deliver capital assets either in the form of employment land or commercial buildings, the exact scope and scale of the asset will depend on the business case development for each element of the project.*

*Any business accommodation (in the form of commercial buildings or business incubation space) will realise a rental income which will be built into the business case and used to offset capital borrowing costs.*

*The provision of additional business accommodation will generate new Business Rates, the exact rate return will depend on the size and use of the commercial building(s).*

Non-cashable benefits

*The projects will facilitate a wider economic growth agenda specifically in the private sector. This will be realised in the form of;*

- *The creation of new private sector job opportunities. It is possible that these opportunities will be focused in higher skills and higher wage sectors.*
- *Businesses assisted to grow and become more resilient. Herefordshire has higher than average business survival rates, the project will enable businesses to invest in their own company growth.*

## **10. Risks**

### **10.1. The key risks of not doing the project are:**

- *Lack of supply of employment land and business accommodation within the county leading to limitations on local company growth and the prospect of companies moving their business outside of the county with subsequent job losses and lower business rate income.*

### **10.2. The key project risks are:**

- *Lower than anticipated market demand which impacts on the business case specifically the repayment profile for the capital borrowing.*
- *Project costs increase which adversely impacts on the business case.*

## **PROJECT DOCUMENTATION**

## **OUTLINE BUSINESS CASE**

*High Streets Heritage Action Zone – Leominster Conservation Area*

Release: Draft/Final

Date: 10<sup>th</sup> September 2019

Author:

Document Number:



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## **1. Purpose of document**

This outline business case contains information that describes the justification for continuing the development of a detailed business case for High Streets Heritage Action Zone – Leominster Conservation Area project. The Business Case is to be submitted to the Capital Strategy Board and if accepted, a more detailed Business Case will be developed.

## **2. Project aims and objectives**

If the Business case is approved then the project, subject to approval from Heritage England to progress a full application to the High Streets Heritage Action Zone (HSHAZ) the project can move into the implementation phase to deliver the following project:

An expression of interest (EOI) has been submitted to the HSHAZ programme being managed by Heritage England for work to support historic high streets.

The project for Leominster would focus on the Leominster Conservation Area which covers the town centre area.

The vision for Leominster is that it will be one of the country's more sustainable towns, vibrant and bustling with a prosperous and unpolluted environment that encourages visitors and residents to engage with the town's unique heritage and local talent.

Investment would improve the High Street's aesthetic appeal and to slow and halt any further deterioration of Leominster's heritage buildings, town-scape and green and open spaces. There are over 200 designated heritage assets in the proposed HAZ area, these are a key component of the visual attractiveness and character of the town centre and their protection and reinstatement is important and should be supported.

The HSHAZ scheme would include a premises renovation fund, to assist with the works required to conserve retail spaces in buildings of historical significance, while enhancing the visual appeal of the street scape.

Improvements will be made to the highway and street scene, with a particular emphasis on those factors identified as having the largest impact on the extent of footfall and the desirability of premises for take up by businesses (Public Realm Review, Balfour Beatty 2017). These include: a consistent streetscape that encourages visitors to explore the town centre, improvement of carriageways and footways to improve the pedestrian experience, and installation of high quality street furniture.

Leominster town centre is predominantly flat and very accessible from the four main car parks serving the town centre. Resurfacing pavements in key thoroughfares would help to improve the accessibility of the town centre and create a safer and more attractive pedestrian environment. These measures would be supported by traffic management measures – such as developing controlled parking zones, traffic calming/shared space in the town centre, and traffic routing to discourage heavy vehicles from areas of high pedestrian traffic. Additional investment in the town's CCTV infrastructure would also help to maintain a safe environment, particularly for those attending events or accessing the night-time economy.

Resurfacing of the highway will use heritage-sensitive materials that can be easily repaired without detracting from the aesthetic appeal of the town centre, including the use of locally sourced natural stone paving. Additional street furniture will be designed in collaboration with local artists, to connect with the town's history while also celebrating local talent and creating a distinctive sense of place.

The infrastructure in Corn Square will be enhanced, to include Wi-Fi and electricity access points – expanding the options for both events and markets. Electricity access and the installation of improved lighting provision will allow for evening events, which will help to stimulate the town's night-time economy. These include music concerts, theatre performances, and open air cinema screenings.

The scheme will include an initiative to promote new uses for empty shops, while also providing an outlet for the display of local artists, artisans and producers.

Quality retail as well as value for money is key to underpinning the future vitality and viability of Leominster Town Centre. The HSHAZ scheme will provide additional support for retailers through marketing, training and provision of free WIFI within the town centre.

### **3. Background**

Leominster town centre has received no significant investment towards public realm or transport improvements in recent years but the Leominster Area Neighbourhood Plan identifies a number of objectives and possible actions.

Corn Square in particular has the potential to be the jewel in Leominster's crown, as a high quality and improved central space with direct links to the green space at The Grange. The square currently hosts community events, along with a weekly market and monthly farmer's markets. There is scope to expand both market offers, however the lack of Wi-Fi in the area prevents market traders from taking electronic card payments – limiting their customer base and reducing the attractiveness of the market for stall holders. Leominster has a rich base of local food producers who are not adequately served by the current market offer. Sales of local produce in the Tourist Information Centre and the success of the annual food fayre demonstrate an appetite for goods of this sort. The range of events held in the square are similarly limited by a lack of suitable infrastructure, including electricity access, together with traffic management issues, poor surfacing and uneven paving.

Leominster is currently not making the most of the rich heritage that exists in the heart of its high street. Many of the buildings in the town centre are of significant historical and architectural interest. Currently this heritage remains largely hidden, with visitors unable to engage with the stories that lie behind each shop front.

Similarly, Leominster's cultural offer is not currently being fully utilised. Leominster has a wealth of local talent – artists and performers, who lack opportunities in the centre of town to promote their skills. In 2018 Leominster Town Council opened a gallery space within the Council Offices in Corn Square. This space is already oversubscribed, with bookings taken 12 months in advance. The Mapping Leominster's Youth Report (2018) found that there is demand amongst young people for a centrally located space for music events and film screenings. Leominster's community wellbeing statistics (see annexes) demonstrate a considerable interest in culture, heritage and leisure – with a score of 70 (national average is 52)

There is significant potential to increase footfall within the town centre. The current population of Leominster is 12,200 (ONS estimate 2017) and the town is a primary location for food shopping for residents as well as education, retail and services for a wide area Herefordshire and parts of Shropshire and Worcestershire. The range of home to work distances shows that Leominster attracts from a wide catchment area, the majority of people travelling into the town for work travel by car. Leominster is a key tourist destination and served by the A44 and A49 which are important regional routes for freight, commercial and tourism traffic, there is also a mainline train station. In the Herefordshire Core Strategy Leominster is identified as suitable for growth.

Leominster already has some of the basic infrastructure required to support additional visitors and higher footfall levels. There are four public toilet facilities within easy walk of the town centre, two of which are due to be renovated by Leominster Town Council within the next 2 years. There are four car parks near the town centre with on street parking on Broad Street and other streets in the centre. Records show that 75% of stays are for up to two hours, 16% all day. There is considerable scope here to increase the length of the average stay, thereby increasing the average visitor spend. However this will require the high street offer to be appealing, diverse, and accessible for all users. Despite being home to the headquarters of several county-wide disability support organisations, Leominster remains one of the least accessible high streets in the county.

**3.1. Project Drivers and High Level Issues**

Leominster town centre has received no significant investment towards public realm or transport improvements in recent years but the Leominster Area Neighbourhood Plan identifies a number of objectives and possible actions.

The HSHAZ programme is an opportunity to raise funds to deliver the project for Leominster covering the Leominster Conservation Area which covers the town centre area.

The HSHAZ programme is a place-based scheme designed to secure lasting improvements to our historic high streets and the communities who use them. We will use this funding to work with partners to champion and revive the high street, changing perceptions of heritage and high streets. The scheme will support sustainable economic and cultural growth on and around high streets and restore and enhance local historic character, making the high street an attractive, engaging and vibrant place for people to live, work and play. HSHAZ will do this through physical works to buildings, including repair, reinstatement of lost features and conversion to new uses including residential. HSHAZ will improve shared spaces, enacting the lessons learnt in streets for all, creating cultural opportunities through our learning about the history of the high street and its importance to local communities. Critically, local communities will have a key role in deciding what works they want to see happening on their high street and what sort of place they want it to be.

**3.2. High Level Metrics**

<b>Capital cost of project</b>	<b>2020/21</b>	<b>2021/22</b>	<b>2022/23</b>	<b>2023/24</b>	<b>Total</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Capital Expenditure	237.5	1425	1425	712.5	3800
<b>TOTAL</b>	<b>237.5</b>	<b>1425</b>	<b>1425</b>	<b>712.5</b>	<b>3800</b>

<b>Funding streams</b>	<b>2020/21</b>	<b>2021/22</b>	<b>2022/23</b>	<b>2023/24</b>	<b>Total</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
High Streets Heritage Action Zone Programme	125	750	750	375	2000
Herefordshire Council Match	112.5	675	675	337.5	1800
<b>TOTAL</b>	<b>237.5</b>	<b>1425</b>	<b>1425</b>	<b>712.5</b>	<b>3800</b>

## 4. Scope

### 4.1. Included in Scope

Some effort will be needed to develop the project to delivery but if invited to develop a full programme design there will be guidance and support available (from Heritage England) to help develop the project.

Estimated project costs are included in this request and outlined above.

### 4.2. Out of scope

Costs submitted are estimated at this point in time and will be developed should the project be invited to develop a full programme. Out of scope costs will be identified.

## 5. Stakeholders

Key groups listed below. This is not a complete list and a stakeholder engagement strategy would be developed should the scheme progress.

The project will be managed by a steering group, made up of representatives from key departments within Herefordshire Council and Leominster Town Council, these will include:

Herefordshire Council: HSHAZ Project Officer, Economic Development Officer, Head of Economic Development, Engineering Manager (Transport and Access Service), Building Conservation Officer, Planning Officer, Lawyer, Planning and Highways Procurement Officer, Strategic Finance Manager.

Leominster Town Council: Town Clerk, Projects and Grants Officer, Mayor.

Any specialist consultants contracted to advise on the project (e.g. in conservation) and Heritage England

There is broad support for the application to the HSHAZ fund, led by Herefordshire Council with the full support of Leominster Town Council. The town council has been working with local partners to confirm their support and 87 letters of support have been received from market traders, retailers, professional services and community groups in support of the EOI.

## 6. Constraints and dependencies

### 6.1. Initiatives which depend on this project are:

This project could lead to further regeneration projects in Leominster of the highways, public realm and town centre buildings associated with the aspirations of the Leominster Area Plan and the Public Realm Review by Balfour Beatty (2017).

### 6.2. This project depends on:

The project will only go ahead with the support of the HSHAZ funding.

We heard from Heritage England on Friday 13<sup>th</sup> September that our proposal has been successful and have been offered in principle an agreement for a HSHAZ, subject to the successful completion of the Programme Design.

Heritage England will work with us through the Programme Design stage to identify what this means in practice. The final decision as to the level of funding provided to each HSHAZ, and the associated spend profile, will be taken as part of the process to agree the Programme Design, which should be completed by January 2020. Guidance on preparing the Programme Design will be available shortly.

There is potential to receive £2m in grant funding from the HSHAZ which would need to be match funded locally to develop a project valued at up to £4m.

The development of the project will involve key stakeholder groups and their input will shape the proposals developed.

A FTE Project Officer role will be created for the project, initially to help develop the project and then to lead on delivery of the HSHAZ project in Leominster.

The Project Officer will be employed by Herefordshire Town Council and work in close collaboration with Leominster Town Council and a project steering group made up of representatives from key departments within Herefordshire Council, Leominster Town Council and local stakeholder groups

The EOI proposes that the project will be managed by a steering group, made up of representatives from key departments within Herefordshire Council and Leominster Town Council.

## 7. Budget provision

<b>Capital cost of project</b>	<b>2020/21</b>	<b>2021/22</b>	<b>2022/23</b>	<b>2023/24</b>	<b>Total</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
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There is potential to receive £2m in grant funding from the HSHAZ which would need to be match funded locally to develop a project valued at £4m.

## **8. Estimated costs and assumptions**

The costs of the project outlined in the EOI breaks estimates the funding requirements is as follows with the anticipation of recouping match from other sources of funding such as grant applicant match funding:

High Street Heritage Action Zone	£2m
Herefordshire Council match	£1.8m
Other funding match	£0.2m

To reduce the impact on capital borrowing there is an expectation that grant applicants will contribute an element of match funding.

Additional match would be provided from Herefordshire Council to support the project through officer support such Economic Development Officer, Engineering Manager (Transport and Access Service), Building Conservation Officer, Planning Officer, Lawyer, Planning and Highways Procurement Officer, Strategic Finance Manager.

Match from Leominster Town Council would include support from Town Clerk, Projects and Grants Officer, Mayor.

## **9. Benefits**

The anticipated benefits of the proposed project are listed below:

### **9.1. Cashable benefits**

### **9.2. Non-cashable benefits**

The HSHAZ project for Leominster Conservation Area will respond to issues identified in the Leominster Area Plan and the Public Realm Review by Balfour Beatty (2017) and improve the town centre area.

The project will help achieve the vision for Leominster is that it will be one of the country's more sustainable towns, vibrant and bustling with a prosperous and unpolluted environment.

Refurbishment of Leominster town centre supports the corporate policy to support the growth of the local economy.



## **10. High level timeline**

Results of the EOI are due in autumn 2019 at which point successful applicants will be invited to develop a full Programme Design.

The project must be capable of delivery (scheme completion) in four years (April 2020 to March 2024).

## **11. Risks**

### **11.1. The key risks of not doing the project are:**

- The EOI assessment process is competitive and an unsuccessful EOI would mean that there is not sufficient funding to deliver the project as proposed.
- Not progressing the project will reduce the investment in Leominster town centre which is not consistent with the council's corporate policy to support local economy and growth.

### **11.2. The key project risks are:**

- The project will only be able to go ahead if awarded funding from the HSHAZ programme.

## **PROJECT DOCUMENTATION**

## **OUTLINE BUSINESS CASE**

# **Investment in Infrastructure Assets**

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Date: 30/9/2019

Author:

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## **1. Purpose of document**

This outline business case contains information that describes the justification for continuing the development of a detailed business case for investment in infrastructure assets. The Business Case is to be submitted to the Management Board and General Scrutiny and if accepted, a more detailed business case will be developed.

## **2. Project aims and objectives**

The aim of the project is to provide sustained investment and support an ongoing programme of works targeted investment in the asset to manage and to minimise decline before larger more costly repairs are required.

The project is the amalgamation of a number of pressures for the service, the investment will address in part and will be prioritised for the full business case. The project will look to apportion funds to invest in areas subject to initial bids such as Winter Fleet, Bridge and Embankment Works, Vehicle Restraint Barriers, Network safety, Footway Improvements, Playgrounds, PRow Bridge Repairs, Drainage, Network Investment, etc. The prioritisation will be undertaken prior to the full business case being submitted to enable a detailed submission.

Public places should be safe and enjoyable for all to use responsibly. Public places should also remain safe through all seasons of the year. The infrastructure that is vital to a functioning county should be resilient to the impact of weather and climate.

The highway asset should provide a network that facilitates the efficient and safe movement of people and goods whilst protecting the quality of life within communities.

Optimal asset management will enable this vital asset to be maintained for least whole life cost and with a lowest possible carbon footprint.

## **3. Background**

The corporate plan sets out the ambition for Herefordshire in supporting the Community, Economy and Environment.

The project will continue the sustained investment in the network and support the council's corporate plan. The project will enable the asset to be maintained to the appropriate level providing a safe and usable network for communities and businesses. Public places will be safe and enjoyable for all to use responsibly.

The project will also minimise the impact of investment on the environment by using appropriate materials and methods such as lower temperature asphalts and protect the environment by ensuring drainage is sufficient to minimise the risk of pollutants and contamination.

### **3.1. Project Drivers and High Level Issues**

The network is valued with a replacement cost of c£3.8 billion with an estimated backlog of maintenance value of c£87.8m.

The council has implemented the Highway Asset Management Strategy which has the following components:

1. Major Investment
2. Sustained Investment
3. Reduce the need for reactive temporary pothole repairs
4. Shift our routine resources further towards preventative activities.
5. Provide the support that enables routine maintenance work to be delivered locally.

The aim of the strategy will reduce the cost of repairs such as potholes, reduce the whole life cost of maintenance and prevent over 386,000 potholes the 34 year lifecycle of our roads.

The project enables the strategy to be implemented and has the potential to secure further investment in the network through the Local Highway Maintenance Challenge Fund.

Capital maintenance grants from central government are composed of three components, they are:

- The Formula Grant Allocation;
- The Incentive Fund;
- The Challenge Fund.

The formula grant allocation is largely dependent on the extent of the asset. This element was increased in 2014, but we will see it decline over time.

The shortfall in the decline in the formula allocation will (largely) be taken up by the Incentive Fund. This element will be awarded on the basis of each highway authority's proven ability as an efficient and effective asset manager.

There are 3 bands of performance, band 1 will only receive 90% of its allocation under this fund in 2016/17 and see this diminish to 0% by 2020/21, band 2 will receive 100% of its allocation under this fund in 2016/17 and see this diminish to 30% by 2020/21; and band 3 will receive 100% funding throughout.

As a result of Herefordshire's exemplary approach to the development and deployment of asset management we anticipate attaining and sustaining band 3 status.

The final element is the challenge fund, this is a bid process we have attracted an additional £5m of investment through this element to date and further opportunity exists re this fund in this and the next financial year. A bid to the Challenge fund has been submitted, this will be match funded with c£1m which has been identified and approved for investment this financial year.

Revenue funding has been reduced and this has been enabled through a combination of delivery efficiencies and the reduction in demand for revenue based safety repairs as a consequence of major capital investment in accordance with our asset management strategy. As sustained capital investment will curtail an escalation in revenue demand.

Lifecycle planning analysis suggests that sustained additional investment is required to optimise the maintenance regime and minimise whole life costs.

### 3.2. High Level Metrics

Capital cost of project	2020/21	2021/22	2022/23	Future Years	Total
	£000	£000	£000	£000	£000
<i>Investment in Infrastructure Assets</i>	2,000	0	0	0	2,000
<b>TOTAL</b>	<b>2,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,000</b>

Funding streams	2020/21	2021/22	2022/23	Future Years	Total
	£000	£000	£000	£000	£000
Corporately Funded Borrowing	2,000	0	0	0	2,000
<b>TOTAL</b>	<b>2,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,000</b>

## 4. Scope

### 4.1. Included in Scope

The project scope is to invest in the highway network and fleet asset to support communities and businesses. The funding will invest in the network identified through the councils Asset Management Plan.

### 4.2. Out of scope

The project is to invest in the existing network and does not include new infrastructure.

## 5. Stakeholders

The Assistant Director of Highways and Transport is the project sponsor who will be accountable for the operational decisions.

The key stakeholders will be the local members, parish and town councils which will be engaged through delivery through the Public Realm contract Annual and Foreword Plan. The additional investment will

deliver a better environment and improved connectivity for the communities and a more efficient network which will support the economy and accessibility.

## **6. Constraints and dependencies**

This project is not dependent on existing or future projects, this supports the challenge fund bid to the government. The project will support the local communities and businesses who will be engaged through the Public Realm contract annual and forward plan.

## **7. Budget provision**

The budget is required through council investment which will assist in securing external funding central government.

## **8. Estimated costs and assumptions**

The network has an estimated circa £87.8m maintenance deficit, this is based on survey data of the network. The project will deliver schemes which will be subject to audit and review as part of the Public Realm contract.

## **9. Benefits**

The benefit of the project will be the improvement in the network condition, the reduced backlog in the defects affecting the asset the improved accessibility and enjoyment of the public. The scheme will increase the resilience of the council's network which in turn will support the economy and accessibility for the people of Herefordshire.

### **9.1. Cashable benefits**

Reduce reactive maintenance cost and increase the life of the asset, there will also be reduced risk of claims to the council in relation accidents. The network will also be safer with a reduced risk of road traffic collisions which in turn reduce the cost to the community in respect to our partners such as police, fire, ambulance and the health service, it is estimated that an RTC = £98,232 average. (Based on DfT figures)

### **9.2. Non-cashable benefits**

Improved accessibility and enjoyment for local and visitor population.

## **10. High level timeline**

The delivery will be in the 2020/21 Annual Plan.



## **11. Risks**

### **11.1. The key risks of not doing the project are:**

The key risk is the increased backlog of defects in the network and the potential for negative reputation al risk of insurance claims and possibly roads closed due to safety concern.

### **11.2. The key project risks are:**

There are no significant risks in delivery of the project, resourcing and delivery will be managed through the public Realm Contract.

## **PROJECT DOCUMENTATION**

## **OUTLINE BUSINESS CASE**

### **Strangford Welfare Facilities**

Release: Draft

Date: 28<sup>th</sup> June 2019

Author:

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## **1. Purpose of document**

The project is to provide welfare facilities for Officers working on a somewhat remote closed landfill site. The case for undertaking these works is to ensure the Organisation is compliant with The Workplace (Health, Safety and Welfare) Regulations 1992 and The Equality Act (2010) in providing suitable worker facilities for and making reasonable adjustment for an Officer with identified needs and to ensure general accordance with the Health and Safety Approved Code of Practice note 211:

### **Remote workplaces and temporary work sites**

203 For remote workplaces without running water or a nearby sewer, provide enough water in containers for washing, or other means of maintaining personal hygiene, and enough chemical toilets. As far as possible, avoid chemical toilets that have to be emptied manually. If chemical toilets must be used, provide a suitable deodorising agent and ensure they are emptied and recharged at suitable intervals.

204 For temporary work sites, regulation 3(2) requires duty holders to provide suitable and sufficient toilets and washing facilities, so far as reasonably practicable. In other cases, mobile facilities should be provided wherever possible. These should, if possible, include flushing toilets and running water for washing and meet the other requirements of this Code.

## **2. Project aims and objectives**

The overall aim is to ensure Officers have access to welfare facilities when on site. This can be most reasonably achieved by installing a solar powered, self-contained unit on site with toilet and water for washing.

## **3. Background**

An Officer referred themselves to Occupational Health following a medical diagnosis. The outcome of this assessment is that reasonable adjustment should be considered given they can spend more than 4 or 5 hours at a time on site with toilet facilities some 10 to 15 minutes' drive away.

It is also apparent that the Organisation should perhaps be providing water (as per (1) above) whether or not the reasonable adjustment came about. Whilst a tap on site is available, it is just that, a tap in a field.

The proposal is to provide a self-contained welfare unit on site. This leads in to the Organisational priorities of the Health and Safety of Residents, which we could consider the Officers to be and an ability to provide an improved service given the ability to work more effectively and safely on site.

### **3.1. Project Drivers and High Level Issues**

The primary driver is the welfare of Officers and accordance with Health and Safety requirements.

### **3.2. High Level Metrics**

The project is likely to be in the region of £20-25k.

## **4. Scope**

### **4.1. Included in Scope**

The project will include purchase, delivery and installation of a welfare unit. Additional maintenance costs will be provided through the existing revenue budget.

### **4.2. Out of scope**

Ongoing maintenance costs are not part of the project.

## **5. Stakeholders**

Officers will be the key stakeholders in the project with the Health and Safety team, together with Human Resources likely to continue to be important contributors. Facilities Management may wish to provide an input given the site is one owned and operated by the Organisation. It is likely purchase and installation will be carried out through Property Services or H&S with BBLP undertaking any groundworks or pre-installation works required on site.

## **6. Constraints and dependencies**

### **6.1. Initiatives which depend on this project are:**

None although continued works on the landfill will need to be reconsidered if it is not to progress.

### **6.2. This project depends on:**

Officers may opt to change working patterns and restrict activity on site if not delivered in a timely manner.

BBLP, H&S, property and HR will likely be involved to a greater or lesser extent. Together with potential input from Trades Unions and employees.

## **7. Budget provision**

The Project will require corporate funding.

## **8. Estimated costs and assumptions**

Various iterations of units have been considered together with comparative benefits of either rental or purchase and solar or generator power with each element discussed below.

### **Rental or Hire:**

We have compared two solar units on hire cost and purchase cost.

The solar loo has a purchase cost of £14,995 with a hire cost of £85 per week. If we consider the toilet is to be on site permanently and won't need replacing for, say as an absolute minimum, 5 years. The hire cost

would come out at £22,100<sup>1</sup> plus any maintenance cost associated with this option needing funding through the revenue budget. Purchase would represent a saving of £7,105 over that 5 year period.

Moving on to the N solar loo at £11,500, the hire cost of £300 per week is soon outweighed by the purchase. Using the same principle as the solar loo, the cost would be £15,600 over just one year. As such, these haven't been extrapolated to the full minimum lifetime. If hired, this would be an unbudgeted annual commitment from revenue for the site.

<sup>1.</sup> £85 x 52 (weeks per year) x 5 (minimum lifespan in years) = £22,100

### **Power options:**

Solar is the preferred option with it being as minimal maintenance when compared to a generator. Alongside this, we would not need to consider the security of storing fuel on site or need to understand the type of generator. The use of renewable energy to power the unit is also a CO2 saving, in contrast to the generator. Alongside the benefits of solar, given it's to be located on a closed landfill site, a generator which accorded and was certified for use on such a site would be required to mitigate potential risks from ground gases.

Hire of either solar or generator are comparable although broad ranging. With solar hire £85-£300/week and generator £70-c£185/week. The upper scale for the generator type includes a mess facility, however, this is not an essential requirement of the project. As such, there seems little benefit in considering hire of the generator type any further. As a point of note, purchase costs have not been provided but can be sourced if required.

With the above in mind it is considered a solar unit should be the preferred option.

### **Maintenance costs:**

These haven't been included as I believe them to be optional and it is likely any basic cleaning will be carried out by officers when on site. If additional cleaning or maintenance is required, it would likely only be very occasional and be funded through the existing revenue budget.

### **Delivery costs:**

Whilst we currently have costs only for the solar loo, it wouldn't be unreasonable to anticipate similar costs for all at around £295.

### **Groundworks and site preparation:**

We have obtained a budget cost of £2k from BBLP to prepare the site and provide pillar supports together with steps for access. The pillar supports are included to allow for airflow beneath the unit and obviate any risk of gas ingress.

### **Ongoing costs for waste disposal:**

The costs for emptying the unit will be absorbed within the revenue budget for leachate disposal at the site through our current suppliers.

9.

## 10. Benefits

### 10.1. Cashable benefits

10.2. Increased efficiency and use of officer time allowing more on site work and less travelling.

### 10.3. Non-cashable benefits

Accordance with H&S guidance and The Equality Act (2010) and The Workplace (Health, Safety and Welfare) Regulations 1992.

### 10.4. High level timeline

This is a small project likely to be delivered in the following stages and within the next 12 months:

Chose unit and order from supplier.

Enabling works on site and construction of pad/pillars (BBLP)

Delivery to site and commission

Routine maintenance (BBLP or Others)

## 11. Risks

### 11.1. The key risks of not doing the project are:

Potential Organisational non-compliance with H&S guidance and the Equality Act and resultant litigation.

### 11.2. The key project risks are:

A small but ongoing unbudgeted annual maintenance cost.

## 12. Appendices

**Appendix 1 – *Feasibility report (if feasibility study undertaken) - NOT UNDERTAKEN.***

**Appendix 2 – Costing Breakdown**

**Quotes copied below, as included in the main text of the Outline Business Case. This gives an idea of the costs of the units. The excluding install and enabling costs and uplift.**



Option	Description	Purchase Cost	Hire Cost (per week)	Maintenance Cost (per visit)	Delivery Cost
Solar Loo	Portable solar powered toilet with hot hand wash facility	£14,995	£85	£75	£295
N Solar Loo	Portable solar powered toilet with hot hand wash facility	£11,500	£300 (includes maintenance)	£120 (if unit is purchased)	TBC
Groundhog Welfare Unit	Generator powered, W/C cold wash, mess room that has hot wash microwave and kettle	-	£184.89	-	-
Portable Loo	Generator powered toilet with hot hand wash facility	-	£70/80	-	-

Note:

- 1. We are advised that maintenance would be on an 'as needed' basis due to the infrequent use of the facility. This is something discussed in more detail above.**
- 2. Please bear in mind that actual costs will be slightly higher as BBLP will need to add their uplift to any official quote. Costs for the welfare unit and generator powered hot wash toilet will be higher as we don't currently have costs from BBLP for maintenance (if required) and delivery.**

**PROJECT DOCUMENTATION**

**FEASIBILITY BUSINESS CASE**

*Passenger Transport Fleet Procurement*

<b>Release</b>	
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## Stage 0 Business Case

### 1. Purpose of Document

This Feasibility Business Case contains information that outlines the potential opportunities, financial implications, and risks of purchasing vehicles to be operated on contracted and commercial passenger transport services. The proposal has been developed to:

- improve quality of passenger transport services and to encourage greater patronage and reduce reliance on private car transport;
- green the fleet to support the climate emergency agenda; and
- reduce revenue burden on base budgets noting a significant pressure in relation to SEND transport and pressures relating to the application of the Public Service Vehicles Accessibility Regulations (PSVAR).

### 2. Objectives

The options set out in this proposal seek to achieve a number of important objectives:

- Service quality improvement: reduce the risk of service disruption by vehicle break downs, significant improvement in the image of passenger transport in the county to encourage patronage;
- Base budget support: reduce revenue costs on contracted and subsidised transport services, mitigate future year revenue pressures;
- Environmental improvement/climate emergency: reduce environmental impact through fuel efficiency and reduced CO2 emissions
- Value for money and longer term planning: develop a financially sustainable vehicle replacement cycle
- Compliance with regulations and equalities act responsibilities: make available accessible vehicles that meet the requirements of the Public Service Vehicle Accessibility Regulations (PSVAR), allowing the council to continue to charge fares to college, and vacant seat payment scheme students

### 3. Background

Passenger transport service include both statutory and discretionary services with an overall gross expenditure of £9m/ year. This comprises:

- £1.45m public bus (£725k net, income from BSOG, school transport budget and cross border contributions)
- £4.6m mainstream school and college transport (£2.9m net with £1.4m income from post 16, £300k vacant seats)
- £1.6m SEND transport

- £1.25m concessionary travel
- £100k operational support (issuing passes, real time system support, travel line support)

The service is experiencing significant budget pressure due to increasing demand for SEND transport and reduced income from the introduction of the Public Service Vehicle Accessibility Regulations (PSVAR).

1. SEN transport has seen increasing demand since 2015, with the current cost of providing the service in the 2019/20 academic year forecast to be £1.58m, a forecast pressure of £408k.
2. On 1<sup>st</sup> January 2020 the final stage of the PSVAR come in to force which means that all coaches carrying fare paying passengers will need to be accessible vehicles. The implications being that without fleet upgrades the council would no longer be able to carry fare paying passengers on school and college transport. This could create an additional funding pressure through lost income of up to £326k per year (other activities are currently underway to reduce this pressure).

This capital bid seeks corporate capital borrowing funding to purchase passenger transport vehicles (buses and minibuses) to be placed on contracted services. This will:

- help address these pressures by reducing contract costs
- significantly improve services for bus passengers and students, and
- make a contribution to the council’s objective of reducing CO2 emissions and improve air quality

The proposal includes several options relating to specific service types which have varying benefits in relation to these positive outcomes.

### 3.1. Project Drivers and High Level Issues

By utilising capital funding to purchase and supply vehicles, with ongoing maintenance included, the council will be able to secure contracts with operators at a lower cost level than those currently held. In addition new fleet will provide a better user experience for the passengers, will improve reliability and will have environmental benefits through lower emissions. The impact of these could be improved further by the purchase of electric vehicles.

The following table shows the number of in scope vehicles being utilised on passenger transport services and the revenue cost to each service (this excludes taxi and rail based transport provision).

Service	Minibus	Coach/Bus	Revenue Cost
Subsidised public transport	0	20	£1.45m
Mainstream school & college transport	35	40	£2.37m
SEN transport	15	0	£0.51m
Hereford city commercial bus network	0	20	£0*

*\*the bus network operated in Hereford is not funded by the council and is operated commercially by a bus operator.*

The forecast revenue pressures of £734k which is around 17% of spend on the in scope contracts. An estimate of the contract savings which would be achieved by supplying new vehicles with reduced maintenance costs is around 20%. This is based on knowledge of the typical commercial overheads associated with vehicle depreciation and maintenance. Soft market testing would be undertaken to clarify the likely revenue savings relative to anticipated pressures.

The purchase of 10 low floor accessible buses to be placed on the 10 services most affected by the introduction of PSVAR would in itself allow the council to maintain existing revenue from these services addressing a pressure of £300k which would result from lost income. There would be further savings on top of this from anticipated reductions in contract costs.

To achieve the greatest environmental benefits from this scheme electric minibuses and coaches could be considered. These do have obvious benefits in terms of lower admissions, however this would need to be considered against the substantially higher purchase costs, and ongoing cost of replacing the batteries.

## **4. Scope**

### **4.1. Included in Scope**

Purchase of up to 130 new commercial vehicles to be placed on contracted out bus and school transport services, and on Hereford city commercial services.

### **4.2. Not included in Scope**

- School transport provided by private hire/taxi – a large amount of SEND work is undertaken by private taxi. These are not included in this proposals as this fleet will be extensively employed for other work which does not require council support.
- Commercial bus services not operating exclusively in Hereford.

## **5. Stakeholders**

- Bus users
- School and college students using provided educational transport
- Bus and minibus operators
- Schools and colleges

## **6. Dependencies**

### **6.1. Services which depend on these vehicles are:**

- Subsidised public bus services which provide approximately 800,000 journeys per annum;
- Hereford city commercial bus services which provide approximately 720,000 journeys per annum;
- Mainstream school and college transport which provides approximately 660,000 journeys per annum from vehicles in scope of this proposal;

- SEN school transport which provides approximately 70,000 journeys per annum from vehicles in scope of this proposal;
- 120 schools and colleges who's students are transported on these vehicles; and
- 40 Commercial transport operators who hold contracts to provide these services.

## 6.2. This project depends on:

- The requested capital being available to purchase vehicles;
- Further scoping work to define the project objectives, and deliverables;
- An officer decision report will be required for this project to develop a procurement strategy, proceed with procurement and draw down the requested capital; and
- The Passenger Transport team will work with the Commercial team on the procurement strategy and the procurement of the new fleet vehicles, and with other stakeholders to further define the project.

## 7. Benefits

*The anticipated benefits of the proposed project are listed below:*

### 7.1. Quantifiable

- Reduction in contracting revenue costs for passenger transport services

Service type:	Contract savings (Annual)
Bus fleet (subsidised network)	£290k (20% of current costs)
SEND fleet	£102k (20% of current costs)
Mainstream school/college fleet	£474k (20% of current costs)
Hereford commercial bus fleet	£0k (potential for indirect savings)

- Compliance with the PSVAR regulations leading to the retention of current income levels
- Increased bus use leading to a reduction in congestion (only bus usage quantifiable)

### 7.2. Non-quantifiable

- Improved customer satisfaction and public relations - service users and the wider Herefordshire public will have confidence that Herefordshire Council is committed to providing the best service possible to students and public bus users
- Reduction in service disruptions caused by vehicle breakdowns and downtimes for repairs
- Reduction in carbon emissions across all services from more fuel efficient and/or electric vehicles
- Possible increase in commercial services as operators make use of new vehicles outside of contracted work.



## 8. Contribution to Strategic Objectives

<p>Enable residents to live safe, healthy and independent lives</p>	<p>Improved service delivery and better resilience for school, college and public transport enabling parents and bus passengers to work and contribute to the Herefordshire economy</p> <p>Enable better access to services for residents with mobility problems through the increased availability of low floor accessible buses</p>
<p>Keep children and young people safe and give them a great start in life</p>	<p>Improved service delivery and better resilience for school and college transport enabling children to access education and develop skills for the future.</p>
<p>Support the growth of our economy</p>	<p>Improving the passenger transport fleet will help Increase bus patronage which will help reduce congestion and support economic activity in Hereford and market towns.</p> <p>Without this capital investment it is possible that service revenue pressures would need to be funded by cutting bus services. This would have the opposite effect of reducing access for commuters, encouraging more car use and increasing congestion which would not support economic growth.</p>
<p>Secure better services, quality of life and value for money</p>	<p>Reduced contracting revenue costs</p> <p>Improved Service Delivery</p> <p>Reduced carbon emissions</p> <p>Reduced congestion</p>

## 9. Potential Costs and Options for Project

### Potential options

The council has access to national vehicle procurement frameworks which can offer strong rates for purchasing vehicles especially when ordered in bulk.

There are various vehicle types that could be considered, these include standard vehicles, hybrid vehicles, or fully electric. This proposal has provided options based on the service type and a comparison for each between a standard vehicle and an electric vehicle costing. An option for upgrading the commercial bus fleet in Hereford is included which is based solely on electric vehicles and the greater benefits this might deliver in terms of the council's response to the climate emergency.

Option	Number of vehicles	Standard Vehicles		Total	Option	Electric Vehicles		Total
		Minibus	Bus/Coach			Minibus	Bus/Coach	
1	Public bus services	0	20	20	2	0	20	20
3	School and college transport	35	40	75	4	35	40	75
5	SEN transport	15	0	15	6	15	0	15
	Hereford city commercial bus network	0	0	0	7	0	20	20
	<b>TOTAL</b>	<b>50</b>	<b>60</b>	<b>110</b>		<b>50</b>	<b>80</b>	<b>130</b>

Option	Purchase cost of vehicles	Standard Vehicles		Total	Option	Electric Vehicles		Total
		Minibus	Bus/Coach			Minibus	Bus/Coach	
1	Public bus services	0	£4.5m	£4.5m	2	0	£8.5m	£8.5m
3	School and college transport	£2.1m	£9m	£11.1m	4	£3.5m	£17m	£20.5m
5	SEN transport	£0.9m	0	£0.9m	6	£1.5m	0	£1.5m
	Hereford city commercial bus network	0	0	0	7	0	£8.5m	£8.5m
	<b>TOTAL</b>	<b>£3m</b>	<b>£13.5m</b>	<b>£16.5m</b>		<b>£5m</b>	<b>£34m</b>	<b>£39m</b>

The purchase costs quoted are estimates at this stage and would be subject to further project scoping and a procurement process. An allowance has been made for ongoing maintenance costs, and an estimate for infrastructure required to operate electric buses (such as charging facilities).

An assessment of the benefits against the objectives for each option has been made and is detailed in the table below.

**LOW** = Low benefit score 1, **MED** = Medium benefit score 2, **HIGH** = High benefit score 3

Option	Service type	Fuel	Service Quality	Budget Support	ENV	VFM	Score
1	Public bus services	Diesel	HIGH	MED	MED	HIGH	10
2	Public bus services	Electric	HIGH	MED	HIGH	LOW	9
3	School and college transport	Diesel	HIGH	HIGH	MED	HIGH	11
4	School and college transport	Electric	HIGH	HIGH	HIGH	LOW	10
5	SEN transport	Diesel	HIGH	MED	MED	HIGH	10
6	SEN transport	Electric	HIGH	MED	HIGH	LOW	9
7	Hereford city commercial bus network	Electric	HIGH	LOW	HIGH	LOW	8

Points to note from assessment:

- Electric buses can deliver up to 30% lower emissions than Euro 6 diesel buses
- Technology used in electric buses is early stage and problems with batteries are being encountered, as well as limited range of around 70 miles
- The range of electric minibuses available is extremely limited and again the technology is early stage
- Placing purchased buses on the commercial bus network (options 7), would require significant additional project development to take into account anti-competition and procurement rules as contracts for this work are not held by the council. An operating franchise would possibly need to be set up which would take significantly more work than placing buses on the subsidised bus network which is already under the jurisdiction of the council.
- There is no financial payback from option 7 as these are commercially operated with all revenue going to the operator. The council does not currently make payment, or receive income from these services.

## 10. Costs and Timescales to Develop the Full Business Case

Costs: Officer time, professional consultancy support up to £50k to assist with procurement process

Timescales:

<b>Nov/Dec 19</b>	Develop procurement spec and detailed business case
<b>Mar 20</b>	Successful capital bid
<b>Mar 20</b>	Decision report
<b>April/May 20</b>	Procurement process
<b>Late 2020/early 2021</b>	Contract Award
<b>From April 2021</b>	Receipt of vehicles – dependant on number and type ordered

## 11. Risks of not doing the Project

The key risks of not doing the project are:

- Additional options would need to be considered to address budget pressure including cuts in bus service subsidy and support for community transport
- Income would be lost on school/college transport services which would not become PSVAR compliant adding additional budget pressure
- passenger transport services would continue to be operated by older, less efficient vehicles which do not present an attractive image to help increase patronage or retain existing users

- whilst passenger transport is generally less polluting than private car use an upgraded fleet with more efficient diesel or hybrid/electric vehicles will make a much greater contribution to carbon reduction and improved service quality

**The key project risks are:**

- Not securing the required capital allocation
- Vehicle purchase costs inflationary price increases, especially in light of the planned EU Exit
- Operational service changes that will change the required fleet
- Ongoing costs of replacing batteries on electric buses. As the technology is new to the market the cost of replacing buses is high and the life span is being seen to be shorter than expected.
- Identifying and implementing a compliant procurement process to upgrade vehicle fleet on commercially operated network having regard to competition rules, state aid etc.

## **PROJECT DOCUMENTATION**

### **FEASIBILITY BUSINESS CASE**

#### **Super cycle highway and active travel measures**

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## Feasibility Business Case History

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### Revision History

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Date of next revision:

Revision date	Previous revision date	Summary of Changes	Changes marked
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13/11/19	26/09/19	Updated values of capital request	

### Approvals

This document requires the following approvals.

Name	Signature	Title	Date of Issue	Version

### Distribution

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## Stage 0 Business Case

### 1. Purpose of Document

This Feasibility Business Case contains information that describes the justification for setting up a project to deliver a wide programme of active travel measures in Hereford and a county wide network of active travel routes covering the city, market towns and long distance rural links between them. The Business Case is to be submitted to the Capital Strategy Board and if accepted, a more detailed Business Case will be developed.

### 2. Objectives

If the Business Case is approved then the project can be set up and a detailed Business Case can be developed and deliver the following:

- Detailed design of schemes already identified under existing transport packages.
- Consultation with Stakeholders on schemes as they are developed
- Development of a detailed business case as the project progresses
- Recommendations and programming for detailed design and delivery
- Feasibility of additional schemes, and
- Incorporation of these new schemes into the project programme

### 3. Background

A range of cycle schemes are proposed as part of our current transport packages for South Wye and Hereford City. Cycling is promoted as a sustainable travel mode and we have recently launched the Beryl Bikes scheme in Hereford. The Local Transport Plan (LTP) Strategy document sets out our overall approach to promoting active travel as an alternative, especially to short distance car journeys [https://www.herefordshire.gov.uk/download/downloads/id/2912/local\\_transport\\_plan\\_2016-2031\\_strategy.pdf](https://www.herefordshire.gov.uk/download/downloads/id/2912/local_transport_plan_2016-2031_strategy.pdf)

The delivery of these packages is largely supported by capital funding.

This project would enable the active travel measures developed, proposed and consulted upon in the current transport packages to proceed even as the road elements of these packages are reviewed.

In addition, we have sought £3.7m from Highways England through a bid to their Designated Funds Cycling, Safety and Integration programme. This is specifically for a package of cycling and walking measures to improve access within the city, along the A49 trunk road corridor. The trunk road bisects the city from north to south and runs immediately to the west of the city centre resulting in severance for cyclists and pedestrians impacting our ability to increase local journeys by these sustainable modes.



Highways England have indicated they are supportive in principle of this bid but require further confirmation of the detail of some of the elements of the bid. If successful the funding would become available in their RIS2 funding period which covers the years 2020 to 2025.

The promotion of sustainable travel through the ‘choose how you move’ campaign [https://www.herefordshire.gov.uk/info/200136/travel\\_and\\_transport/544/choose\\_how\\_you\\_move](https://www.herefordshire.gov.uk/info/200136/travel_and_transport/544/choose_how_you_move) is funded through the awarded of £1.5M from the Government’s Sustainable Travel Access Fund.

We also have a rural cycle network map showing existing and aspirational county wide cycle routes here: [https://www.herefordshire.gov.uk/download/downloads/id/2530/rural\\_cycling\\_map.pdf](https://www.herefordshire.gov.uk/download/downloads/id/2530/rural_cycling_map.pdf)

Under its Paths for Everyone banner, Sustrans are in the process of reviewing the National Cycle Network to establish a minimum standard of route and deliver over 50 activation projects by 2023 to improve the network. We are already on the local regional steering group.

These improvements would be delivered through the review and development of our transport strategy and the commissioning of a series of transport packages. Revenue budget would be required to develop the strategy and sustain investment in the promotion of the super cycle highway beyond the availability of the funds received through the Designated Fund and the Sustainable Travel Access Fund.

Further external funding opportunities would be identified and bids developed. This project will also confirm our commitment to promoting active travel measures within the county which will attract and provide matched funding for external funding opportunities. Capital will be required to deliver the identified network improvements as described below.

### 3.1. Project Drivers and High Level Issues

The project meets the following strategic objectives

	Yes (strongly supports)	No	Someway towards
Wellbeing (all ages)	Y – Promotes and enables healthy lifestyles. Improves air quality		
Children and young people	Y – Helps provide a safe environment		
Environment and sustainability	Y – Reduces carbon emissions, promotes access to the rural environment.		
Promoting social mobility	Y – encourages and enables low cost travel choices for all		
Financial sustainability			Y – supports growth in tourism and other sectors

The identified network if delivered would provide attractive alternatives to car use across the county, improve health by encouraging active travel and meets the following Core Strategy objectives:

- support the provision of an accessible, integrated, safe and sustainable transport network
- facilitate a genuine choice of modes of travel including walking, cycling and public transport as alternatives to the private car, particularly for short distance journeys
- improve health, wellbeing and the environment by encouraging sustainable transport modes, particularly for short distance journeys.
- improve access to services in rural areas
- ensure cycling, walking and heritage tourism is encouraged by facilitating the development of long distance walking and cycling routes
- reduce the impacts of transport on air quality and noise.

We have already identified three active travel components in our city transport projects: South Wye Transport Package, Hereford Transport Package and the emerging Local Cycling and Walking Infrastructure Plan and while there is some overlap between these components, there are also other schemes included outside their individual scopes. For the city and market towns we would want to ensure other local journeys by active travel modes are also catered for including, for example, journeys to school, leisure, shopping and access to services and this project would ensure we have considered them.

### 3.2. High Level Metrics

High level figures for the construction of the super cycle highway network projects are described below:

<b>Element</b>	<b>£m</b>
Hereford	73
Market Towns	46
<b>Urban total</b>	<b>119</b>
Rural (without the Herefordshire & Gloucestershire canal)	67 -112
Rural (with the H&G canal)	77 -122
<b>Urban + Rural</b>	<b>186 – 241</b>

The Rural route figures are given as a range as exact routing and level of provision is yet to be confirmed. Rural routes, particularly off-road provision may also require land purchase (e.g. former rail lines). This cost is not included in the above figures.

As well as a comprehensive urban walking and cycling network in the city and market towns, this project aims to deliver over 300 km (190 miles) of rural routes across the county connecting them.

## 4. Scope

### 4.1. Included in Scope

The capital bid, if approved, will fund the development to detailed design of existing routes already identified in the Hereford Transport Package, the schemes from the South Wye Transport Package that are additional to the preferred package of measures and schemes identified in our emerging Local Cycling and Walking Infrastructure Plan, taking them through consultation with stakeholders, detailed design, any planning consents or legal agreements required and construction of the works subject to an appropriate procurement process. As an on-going programme it will also allow the investigation and development of schemes yet to be brought to the design stage to include them in the on-going programme and complete the network.

Costs submitted are based on the level of detail known at this time and may change. Costs will be regularly reviewed if the project progresses.

### 4.2. Not included in Scope

Land costs and costs have not been included as required land take outside of highway is not yet known.

South Wye Transport ATM package schemes costs have not been included as there are currently funded through SWTP budget. If this funding is now confirmed these schemes could be progressed using this funding and overall costs would need to be reviewed.

## 5. Stakeholders

For the Full Business Case:

- Cabinet and local members
- Members of the public
- Parish councils
- Interest groups including:
  - Herefordshire Ramblers
  - Cycling groups
  - Sustrans
  - Herefordshire & Gloucestershire Canal
- Affected landowners and tenants
- Statutory stakeholders
- Utilities
- HC planning officer

If this Capital bid is approved a stakeholder list will be further developed as the project progresses

For the Feasibility Business Case:

- Cabinet and local member
- Parish councils
- Interest groups including:
  - Herefordshire Ramblers
  - Cycling groups
  - Sustrans
  - Herefordshire & Gloucestershire Canal
- HC planning officers

If this Capital bid is approved a stakeholder list will be further developed as the project progresses

## **6. Dependencies**

### **6.1. Initiatives which depend on this project are:**

The development of the Cycle superhighway network depends on being able to demonstrate its feasibility and being able to prepare a full business case for the network which demonstrates value for money. The ability to confirm the full extent of the network is also dependent on the development of schemes proposed in the current transport packages.

### **6.2. This project depends on:**

The development of the network will require key stakeholder input which will shape the project to be taken to full business case.

There is a synergy with related projects currently in progress: Hereford City Centre Transport Package, Highways England Designated Funds programme, the Department for Transport Sustainable Travel Access Fund and the emerging Local Cycling, Walking Infrastructure Plan.

## **7. Benefits**

Completing the feasibility business case will enable a programme to be developed of consultation, detailed design and delivery of the Hereford active travel measures and cycle superhighway network. This provides benefits to the following areas as described below:

- Wellbeing (all ages)
- Children and young people
- Environment and sustainability
- Promoting social mobility

- Financial sustainability

### 7.1. Quantifiable

If this application is successful a full business case will be developed to confirm the scheme benefits and costs to establish a benefits cost ratio which will be assessed to determine if this value represents value for money.

### 7.2. Non-quantifiable

Completing the feasibility business case will enable a programme to be developed of consultation, detailed design and delivery of the cycle superhighway network which will promote and enable healthy lifestyles. The network will encourage people to use active travel modes and the reduction in traffic will improve in air quality and reduce carbon emissions.

The dedicated infrastructure will help to provide a safe environment, promote access to the rural environment and encourage and enable low cost travel choices for all and support growth in tourism and other sectors.

## 8. Contribution to Strategic Objectives

Completing the feasibility business case will enable a programme to be developed of consultation, detailed design and deliver of the cycle superhighway network which will:

- Promote and enable healthy lifestyles. Improves air quality
- Help to provide a safe environment
- Reduce carbon emissions, promote access to the rural environment.
- encourage and enable low cost travel choices for all
- support growth in tourism and other sectors

## 9. Potential Costs and Options for Project

We have already identified three active travel programme components for the city: South Wye Transport Package, Hereford Transport Package and the emerging Local Cycling, Walking Infrastructure Plan. While there is some overlap between the packages, there are also other schemes included outside their individual scopes. For the city and market towns we would want to ensure other local journeys by active travel modes are also catered for including, for example, journeys to school, leisure, shopping and access to services and this project would ensure we have considered them.

Having established costs for Hereford, we have used population as a proxy to develop costs for the **market towns** determining spend /resident. This has allowed us to quantify costs for similar provision in the Market Towns.

Longer distance rural routes are calculated by length, based on previous scheme costs per km – note these exclude any land acquisition costs.

High level figures for the construction of the super cycle highway network are:

<b>Element</b>	<b>£m</b>
Hereford	73
Market Towns	46
<b>Urban total</b>	<b>119</b>
Rural (without the Herefordshire & Gloucestershire canal)	67 -112
Rural (with the H&G canal)	77 -122
<b>Total for Urban + Rural</b>	<b>186 – 241</b>

The Rural route figures are given as a range as their exact routing and level of provision will be determined as the route is developed. Rural routes, particularly off-road provision may also require land purchase (e.g. former rail lines). This cost is not included in the above figures.

The costs outlined in the table below reflect the initial capital costs associated with the development and delivery of an initial package of schemes within the overall proposed super highway network

<b>Capital cost of project</b>	<b>2020/21</b>	<b>2021/22</b>	<b>2022/23</b>	<b>Future Years</b>	<b>Total</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<i>Development of design and delivery of initial programme of cycle route improvements</i>	<b>1000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1000</b>
<b>TOTAL</b>	<b>1000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1000</b>

<b>Funding streams</b>	<b>2020/21</b>	<b>2021/22</b>	<b>2022/23</b>	<b>Future Years</b>	<b>Total</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<i>Capital Programme</i>	<b>1000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1000</b>
<i>Designated Funds (unsecured) *</i>				<b>3700</b>	<b>3700</b>
<b>TOTAL</b>	<b>1000</b>	<b>0</b>	<b>0</b>	<b>3700</b>	<b>3700</b>

\*would be offered during Highway England's RIS2 period 2020/25

<b>Revenue budget implications</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	<b>Future Years</b>	<b>Total</b>

<i>As new schemes are brought forward initial feasibility and assessment would need revenue funding – this would be the subject of a separate revenue bud but is included here for information.</i>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<i>note any impact on revenue budget, good or bad</i>					
	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>TOTAL</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## 10. Costs and Timescales to Develop the Full Business Case

The estimated costs for 2020/21 will enable a full business case to be developed, and to identify and develop an initial package of schemes for delivery. Future year's capital bids will develop and deliver further packages of schemes within the super cycle highway network proposals. Other schemes will be added as budget allows and follow a similar rolling process as for the elements already identified.

## 11. Risks of not doing the Project

### 11.1. The key risks of not doing the project are:

- Further severance within the community due to greater levels of traffic
- Lower accessibility to public transport and less use of roads for walking and cycling resulting in less physical activity
- Longer public transport journey times due to buses being stuck in greater queues
- An increase in heavy goods vehicles creating more noise, air pollution and further reduction in perceived pedestrian and cyclist safety
- Lack of improvement in public health and well-being from using active travel
- Further social deprivation as a result of continued isolation and constrained economic and housing development

### 11.2. The key project risks are:

- Failure to secure funding
- Failure to secure landowner agreement to detailed design
- Failure to secure required consents
- Costs increase beyond approved budget

## 12. Appendices

### Appendix 1 – Capital Bid request

**Appendix 2 – Equality and Diversity considerations**

To be developed as part of the full business case.

**Appendix 3 – Privacy and information security considerations**

To be developed as part of the full business case.

**Appendix 4 – Sustainability considerations**

To be developed as part of the full business case.



**PROJECT DOCUMENTATION**

**OUTLINE BUSINESS CASE**

# ***Better Ways of Working***

Release: Final draft

Date: November 2019

Author:

Document Number: 0.01

## Document History

### Document Location

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04/11/2019	First issue	All pages
14/11/2019	Second draft	All pages

### Approvals

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		Sponsor		0.01
		Senior project lead		
		Digital		
		Property		
		Finance		
		Workforce		

### Distribution

Name	Title	Date of Issue	Version
	Children services representative		
	Facilities management		
	Communications		
	Property services		

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### **13. Purpose of document**

This outline business case contains information that describes at a high level the Better Ways of Working project in support of the capital bid submission. The document outlines the project aims and objectives, the costs and timeline.

### **14. Project aims and objectives**

The Better Ways of Working project aim is to drive a change in working practice to achieve the following objectives:

- Reduce capital and operational costs through optimised use of fewer buildings.
- Extend the agile working culture across the county and maximise the investment already made in technology. Over 1,000 staff are laptop and phone enabled.
- Provide the right kind of workspace for staff when working at one of the council's main sites or at a Multi-Agency Office (MAO).
- Reduce wasted lengthy, unproductive travel times for staff by enabling more agile options.
- Make better use of space – better ways of working, greater flexibility of space utilisation, more open, appealing and Wi-Fi connected.
- Change the culture requiring employees to come to a specific place of work in order to be seen to be working, where appropriate.
- Remove the culture of 'desk-ownership' and create more flexibility.
- Make possible and establish a clear desk approach.
- 'Keep going digital' and enable the removal of unnecessary filing cabinets, pedestals and other storage. This in itself will allow us to make better use of office space.
- Move the work culture to focus on productivity and outputs rather than 'presenteeism'.

### **15. Background**

#### **15.1. Project Drivers and High Level Issues**

Herefordshire Council has previously rolled out a 'Better Ways of Working' model within some sites including Plough Lane which resulted in mixed adoption levels within teams and directorates. Further review of the use of accommodation and the way in which people are now working has resulted in both a need and desire to refocus the initiative, learning the lessons from the previous project whilst building on what is already in place.

The council's property portfolio includes a mix of rented and owned buildings. The council's accommodation strategy aims to consolidate the estate and move out of expensive rented properties and maximise investment and usage of council owned buildings.

The council's main headquarters is the council owned site at Plough Lane. This site provides the most modern office environment in terms of its structure and layout. It allows for open plan office accommodation, a collaborative space for meetings and social activity and flexibility in the use of the space.

Other buildings with small offices, corridors which break up the space and limited light are less adaptable and inviting. The changes proposed will maximise the use of Plough Lane and enable additional staff to be based there.

Creating a modern, vibrant working environment will demonstrate the council's commitment to being a good employer and attract and retain a highly engaged workforce.

In addition to reconfiguring the space available at Plough Lane to increase the number of people who are able to work from there, the project will also review and encourage the use of MAOs around the county. This will reduce the amount of unnecessary travelling which supports better productivity of the workforce and reduce traffic congestion coming into the city.

The planned changes to Plough Lane will enable the 230 children services staff currently based at the nearby rented accommodation at Nelson House to be relocated. This move will deliver cashable savings in future years from the ceasing of rental and running costs at Nelson House.

## **15.2. High Level Metrics**

The following metrics will be used to monitor the progress and benefits of the project:-

- Revenue cost for Nelson House.
- Reduced travel and the time taken
- Reduction in mileage claims resulting in reduced revenue expenditure
- Staff will be more engaged which can be monitored via the staff opinion survey.

## **16. Scope**

### **16.1. Included in Scope**

The following items are within the scope of this project:

1. Remodelling of Plough Lane including associated building works, IT infrastructure, smaller workstations and more collaborative meetings spaces
2. Development of revised guidance supporting the change of culture to allow staff to work in locations other than their base whilst continue to deliver the services
3. Development of revised guidance on clear desk policy
4. Guidance to managers on how to manage staff that are not always present in the office
5. Changes to the Elgar House site facilities to improve the quality of the working environment at the site to increase productivity

6. Additional electrical power to be installed in the Plough Lane atrium
7. Roll out of additional tools to support more flexible working e.g. laptops, Lapsafe
8. Office moves to bring additional staff into Plough Lane and also reconfiguration of team areas within Plough Lane
9. Review of the MAO facilities around the county to increase options of work and meeting spaces

## 17. Stakeholders

All staff who work for Herefordshire Council are stakeholders for this project with those based in Plough Lane, Elgar House and Nelson being the most impacted by the changes that will be made.

The project delivery group includes senior staff from key areas in the organisation including Performance, HR, Corporate Services, Finance, Communications Team, Property and Facilities Management.

The Management Board are also provided with updates at their regular meetings on the progress of the project and their views are sought at this time. Meetings have been, and will continue to be held, with directors to ensure that the project is delivering to their requirements.

Hoople are also stakeholders and work to enable ICT Services to move from the main Plough Lane site to the annex is included within the project.

Additional stakeholders include all other tenants and landlords in the three properties along with third parties such as the police some of whom use Nelson House.

## 18. Constraints and dependencies

### 18.1. This project depends on:

- Additional fire escape project at Plough Lane (work currently underway)
- Additional capacity being available in the annexe to enable the move of IT storage facilities and turn the current storage space into an additional meeting room on the ground floor at Plough Lane (work due for completion 2021)

## 19. Budget provision

The budget for the project is anticipated to come from existing revenue streams such as property services and IT and capital funding. The building costs for changes to the annexe at Plough Lane will be funded by Hoople.

The budget for the project is £1.065m.

The breakdown of these costs is as follows:

Description	Cost in £'000
Remodelling of Plough Lane	779

<b>IT cost to carry out work</b>	65
<b>Office move of staff</b>	6
<b>Changes to Elgar House</b>	30
<b>Building works to accommodate children services</b>	20
<b>Electrical works</b>	15
<b>Extensions for annexe</b>	150
<b>Total</b>	1,065

The funding streams to be used for the project are outlined below:-

<b>Description</b>	<b>£'000</b>
<b>Capital bid</b>	850
<b>Revenue budgets</b>	65
<b>Hoople funding</b>	150
<b>Total</b>	1,065

## **20. Estimated costs and assumptions**

Initial costs estimates for the redesign of Plough Lane have been provided following soft market testing and through initial space planning design by an office design company. This initial design stage has enabled floor plans for the Plough Lane site.

Assessments of the building works required have been provided by Property Services based on their experience of similar works they have carried out in the past and their knowledge of the contract with other third parties e.g. Balfour Beatty.

The cost of moving from one site to another has been estimated by Facilities Management based on past experience.

The high level estimated cost of £150k for an extension to the annex to accommodate ICT Services is expected to be covered by Hoople budgets.

## **21. Benefits**

The anticipated benefits of the proposed project are listed below:

**21.1. Cashable benefits**

The cashable benefit from this project is the elimination of the cost for Nelson House including rent, heating, lighting and other accommodation related costs. The annual running costs of Nelson House are currently £155k per annum.

**21.2. Non-cashable benefits**

The following non-cashable benefits are expected:

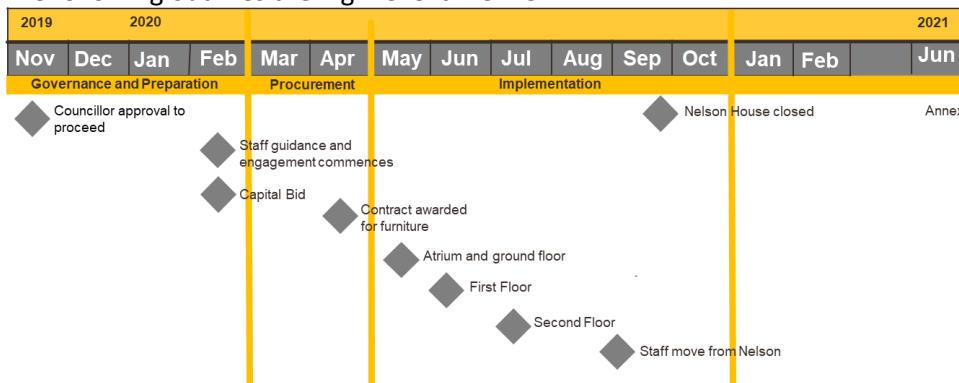
- Increased productivity and engage workforce
- Positive working environment to attract and retain the best staff
- Reduced travel time and cost
- Reduce congestion from staff choosing not to travel into Plough Lane and Nelson House
- Environmental impact

**22. High level timeline**

It is expected that the changes to Plough Lane will take place during May – August 2020.

Staff from Nelson House will move to Plough Lane during September 2020 with the lease on Nelson House ceasing at the end of September 2020. The work to provide an extension to the annex to provide additional storage capacity for ICT Services is likely to continue until 2021. The impact of this is reduced meeting rooms but will be mitigated through additional meeting spaces in the atrium and upper floors in Plough Lane.

The following outlines the high level timeline:-



**23. Risks**

**23.1. The key risks of not doing the project are:**

- Unable to release the revenue savings from Nelson House
- Unable to use the incentive of modern working environment to attract children services staff
- Although not a risk, is there a lost (or reduced) opportunity to break the cultural issues identified in the project objectives.



**23.2. The key project risks are:**

- Adoption of principles of better ways of working is limited and demand for workstations exceeds those available. Stakeholder engagement including meetings with staff groups will be carried out throughout the project initially to assist in developing the vision and then to identify and address any staff barriers there may be to delivering the project.
- Dilapidations for Nelson House have not been agreed

These risks along with others, particularly in relation to project dependencies have been included on the project risk register and will be monitored and mitigation put in place with its effectiveness tested regularly.



**Budget 20/21 and corporate  
priorities (2020 -2024)**

General Scrutiny committee

*29<sup>th</sup> November 2019*

# Development of corporate priorities

**Herefordshire Council** *Our ambition for Herefordshire*

“Respecting the past, shaping our future - we will help build vibrant **communities**, create a thriving local economy and protect and enhance our **environment**”.

**Community**  
Build communities to ensure everyone lives well and safely together

- Ensure all children are healthy, safe and inspired to achieve
- Help keep our families and communities healthy and independent
- Ensure that children in care, and moving on from care, are well supported and make good life choices
- Protect and improve the lives of vulnerable adults
- Join up health and social care services in communities
- Create environments that make wellbeing inevitable
- Use technology to enable independent living
- Get the right mix of housing for our communities
- Build our own sustainable council houses

**Economy**  
Support an economy which builds on the county's strengths and resources

- Use council assets to create more jobs
- Develop environmentally sound infrastructure that attracts investment to our county
- Invest in education and the skills needed by employers
- Raise the average wage of people working in Herefordshire
- Encourage younger people to build their lives here
- Enhance digital connectivity for communities and business
- Protect and promote our heritage, culture and natural beauty to increase tourism and attract new businesses
- Invest public money locally wherever possible

**Environment**  
Protect our environment and keep Herefordshire a great place to live

- Understand our carbon footprint and act to reduce it
- Lead our transition to a low carbon economy
- Improve and extend travel options throughout the county
- Ensure the best use of the county's natural resources
- Reduce waste and increase reuse, repair and recycling
- Protect the county's biodiversity, value nature and uphold environmental standards
- Address the climate emergency and support behaviour change of residents and businesses

**Our principles**

Partnership | We collaborate to maximise our strengths and resources  
Sustainability | We use resources wisely so Herefordshire is preserved for future generations  
Integrity | We make decisions based on evidence and work with respect, openness and accountability  
Democracy | We strengthen local democracy, decision making and service delivery and involve more young people  
Communication | We listen to and learn from our communities and help people connect through culture, creativity and care

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- Series of workshops held to develop the overarching plan and identify the key themes of Economy, Community, Environment
- “1 page plan” developed to set out the ambition of the council and the principles of ways of working
- The themes and 1 page plan then tested through a series of public engagement events held throughout the county
- Public engagement feedback is continuing to inform the proposed budget 20/21, corporate plan and MTFS

# Key themes

Priority theme	
<b>Sustainability (environmental)</b>	Enabling the county to operate differently/different future offer – fundamental review of Core Strategy Alternative travel options Sustainable house building
<b>Sustainability (financial)</b>	Investing money from small holdings principle must provide long term return on investment
<b>Connectivity</b>	Public transport schemes to connect city and market towns and complement regional and national networks Development of walking and cycle networks to enable alternative travel options Development of network of physical places (community hubs) for people to connect face to face Digital connectivity to enable the use of assistive living technology and online trading

# Public engagement – approach taken and feedback

- 16 Pop-up events in all Market Towns in high footfall locations
- Voting on 6 priorities using tokens in ballot boxes
- Sticky dot exercise for sub-priorities
- Comments sheet
- 3 small group discussions with seldom heard groups
- 1 roundtable group discussion (Parish Summit)
- On-line consultation replicating pop-up methodology

230

## Numbers engaged

- **1,056** people engaged in face-to-face consultation
- **271** young people engaged (19% of total no. engaged)
- **358** people engaged in on-line consultation
- Total number of people engaged in consultation **1,414**

## Net Revenue Budget 2020/21

	£k
Council Tax assumed 4%	109,397
Business rates	36,726
Rural services delivery grant	5,101
Adult social care grant	4,875
<b>Total net budget</b>	<b>156,099</b>

# Budget proposals

## Funding:

- 4% Council Tax
- Provisional settlement
- Deferral of rate retention

£000s

156,099

## MTFS Base Budget

146,601

Known pressures

- Contract inflation
- Fee uplift
- Increments
- Savings

5,055

(2,350)

Additional pressures

- Looked after children
- Social care pool
- Legal structure
- Edge of Care
- Improving social care services

1,100

2,054

350

1,000

1,000

## Base Budget requirement

154,810

## Funding for Wish list / Pressures

1,289



## The Base Net Budget requirement

Directorate	19/20 revised base £k	Pressures £k	New Initiatives £k	Savings £k	Base Budget £k
Adults and Communities	53,965	2,717	200	(600)	56,282
Social care pool			2,054		2,054
Children and families	27,185	714	3,100	(300)	30,699
Economy and Place	27,594	1,364	1,070	(873)	29,155
Corporate Services	15,086	169	425	(77)	15,603
<b>Total Directorate</b>	<b>123,830</b>	<b>4,964</b>	<b>6,849</b>	<b>(1,850)</b>	<b>133,793</b>
Central	22,771	91	(56)	(500)	22,306
<b>Total Net Budget</b>	<b>146,601</b>	<b>5,055</b>	<b>6,793</b>	<b>(2,350)</b>	<b>156,099</b>

## Economy and Place

	19/20 revised base £k	Savings £k	Contract inflation £k	Core strategy review £k	Other new initiatives £k	Total £k
Proposed budget	27,594	(873)	1,364	600	470	29,155

## Corporate

	19/20 revised base £k	Savings £k	Contract inflation £k	Legal structure £k	Community engagement £k	Digital infrastructure £k	Total £k
Proposed budget	15,086	(77)	169	350	50	25	15,603

## Central

	19/20 revised base £k	Savings £k	Contract inflation £k	Council tax charging policy £k	Total £k
Proposed budget	22,771	(500)	91	(56)	22,306

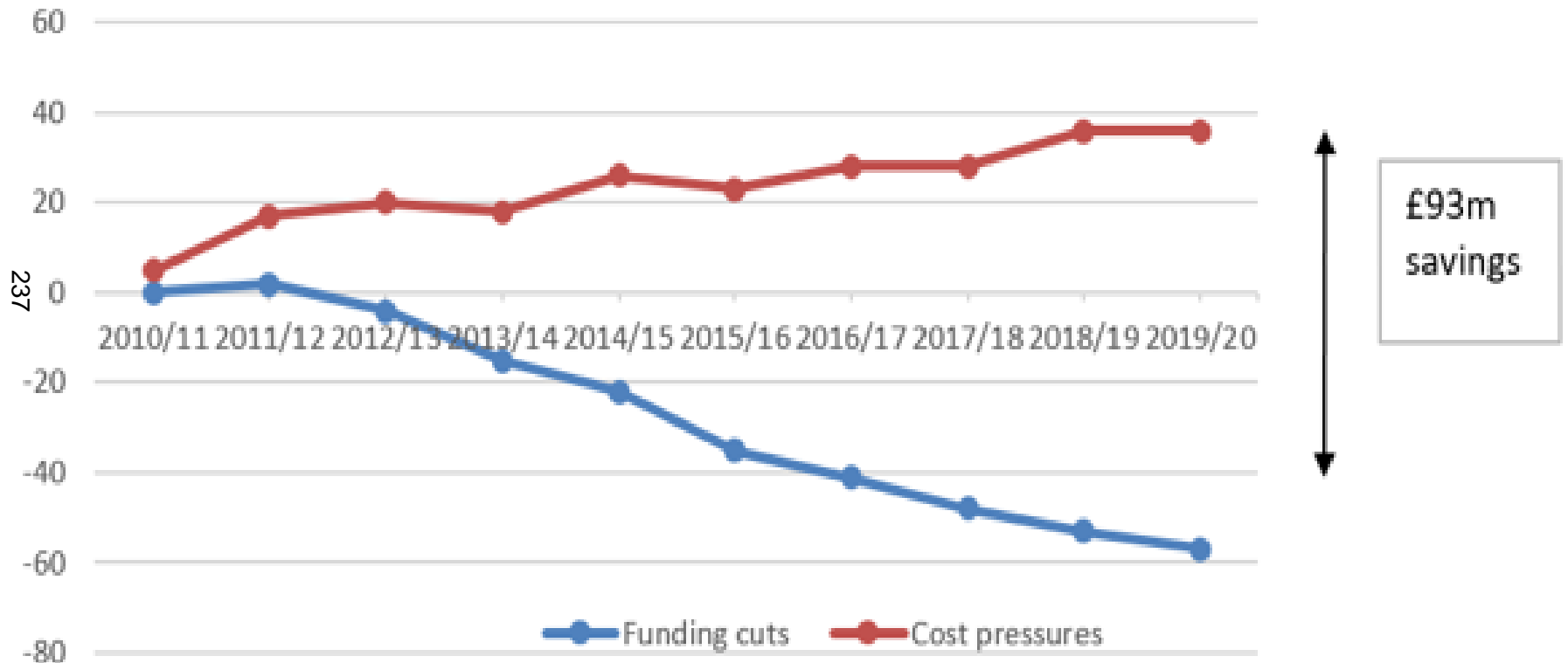
# Savings

- The 2020/21 savings target of £2.4m is on track to be delivered
- 235 • It is proposed to amend the savings plan to remove the £250,000 savings from Museums and Archives to be replaced with contract efficiencies that have been identified within the public realm contract

# 2020/21 Assumptions

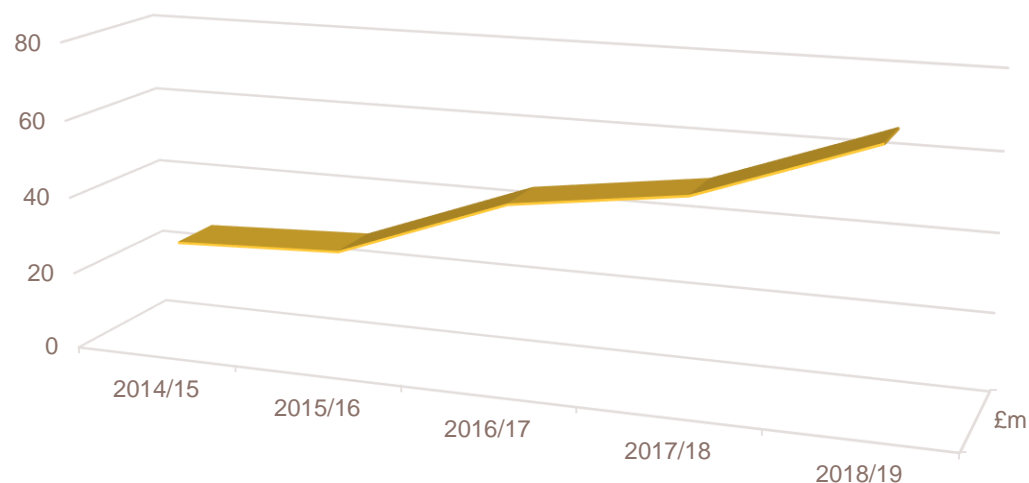
- 4% increase in Council Tax ( 2% general, 2% Adults Social Care)  
Band D = £1,575.29 increase of £1.17 per week;
- Improved better care fund (ibcf) £5.7m (£4.5m Adults and £1.2m new schemes);
- Public Health grant of £9.2m, ring fence to continue;
- 236 • The Governments proposed local government settlement for 2020/21 included;
- Business rate reform and fair funding review delayed;
- The savings for 2020/21 outlined in the MTFS agreed in Feb 2019 are delivered;
- 200 additional new homes above assumed growth in new homes included in MTFS :

## Savings achieved/required from 2010/11 to 2019/20 (cumulative) £m



# Where we are...

## earmarked reserves



238

- Earmarked reserves

- These include unspent grants (e.g. Dedicated Schools Grant £8.9m)
- Established for specific future commitment
- Expected to total £66.7m as at 31.3.19
- Cabinet to review annually, last reviewed in Oct 2019

Charges per month (average Band D property)  
2019/20 Monthly Council Tax receipt

<b>** Daily life **</b>	<b>£'s</b>
* Bin collections and Environment	13,72
* Roads, bridges and care of public spaces	7,35
* Schools and education	104,61
* Buses and community transport	6,39
* Libraries, records and customer services	1,30
<b>** Looking after adults **</b>	
* Older People in residential/nursing care	13,28
* Older people supported at home	9,17
* Disabled adults	27,55
* Lifestyles services (substance abuse, sexual health)	2,64
* Health improvement (Public Health nursing, health checks, smoking cessation)	5,61
* Housing	0,52
<b>** Looking after children **</b>	
* Child protection	4,72
* Children in care	15,19
* Children with special needs	3,53
<b>** Local government running costs **</b>	
* Election, governance and legal services	3,24
* Directors & Staff costs	0,65
* Organisational administration	1,41
* IT, Transactions and billing (Hoople)	5,19
* Insurance and property maintenance	5,08
* Capital finance - Debt repayment	7,35
* Capital finance - Interest payments	7,20
<b>** Economic growth **</b>	
* Economic development and regeneration	1,27
* Broadband - rural rollout	0,13
* Planning	2,42
	<b>249,52</b>
*****	
<b>** VOUCHER **</b>	
<b>** Other income to supplement council tax **</b>	
* Investment Property income	-2,92
* Car parking	-5,33
* Planning	-2,10
* Capital finance - Interest received	-2,01
* Public Health grant	-7,70
* National Education funding (schools)	-103,24
*****	
<b>TOTAL TO PAY (per month)</b>	<b>£126,22</b>
*****	
MORE INFORMATION AT	
WWW.HEREFORDSHIRE.GOV.UK/COUNCILTAX	
01/04/19 09:00 1234 23 42	
*****	

# Current spending - Till Receipt

	20-21 £s		20-21 £s
<b>** Daily life **</b>		<b>** Local government running costs **</b>	
* Bin collections and Environment	13.87	* Election, governance and legal services	3.50
* Roads, bridges and care of public spaces	6.97	* Directors & Staff costs	0.56
* Schools and education	99.16	* Organisational administration	1.39
* Buses and community transport	5.97	* IT, Transactions and billing (Hoople)	5.25
* Libraries, records and customer services	1.22	* Insurance and property maintenance	4.84
<b>** Looking after Adults **</b>		* Capital finance - Debt repayment	6.97
* Older People in residential / nursing care	14.39	* Capital finance - Interest payments	9.57
* Older people supported at home	9.89	<b>** Economic growth **</b>	
* Disabled adults	28.92	* Economic development and regeneration	1.74
* Lifestyles services (substance abuse, sexual health)	2.84	* Broadband - rural rollout	0.15
* Health improvement (Public Health nursing, health checks, smoking cessation)	5.67	* Planning	0.35
* Housing	0.53		<b>246.32</b>
<b>** Looking after children **</b>		<b>Income that supplements council tax</b>	
* Child protection	4.29	* Investment Property income	(2.94)
* Children in care	14.97	* Car parking	(5.42)
* Children with special needs	3.31	* Capital finance - Interest received	(2.01)
		* Public Health grant	(7.70)
		* National Education funding	(96.98)
			<b>131.27</b>



# Proposed areas for investment

Title	Narrative	Revenue costs				Capital investment	Capital Bid £000s	
		2020-21 £000s	2021-22 £000s	2022-23 £000s	2023-24 £000s			
1	Assisted living	Implementing technology enabled living (TEL) at scale	Funded from reserves				x	1,500
2	Super-hubs	Super hubs to support communities. Capital investment plus resource to manage and develop community engagement.	200				x	2,000
3	Tourism	Tourism - Destination Business Improvement District (BID development)						
		Tourism - Marketing and Visit Herefordshire website budget allocation						
		Fund for staffing to deliver the Leominster Heritage Action Zone project	200	40	40		x	3,800
4	Community Engagement	Creating a greater understanding within services of what will make a positive difference to people's lives. Resource for staff and engagement promotion	50	50	50	50		
5	Employment Land & Incubation Space	The acquisition of employment land would facilitate the expansion or relocation of local businesses potentially leading to a higher business rates income and the generation of more and better paid jobs. delivery options, legal implications, market assessments, constraints.	100	100	100		x	13,631
6	Leominster Urban Extension	Completing the design, approvals and business case for the Leominster Southern Transport Package would result in the council having a definitive infrastructure package, including sustainable measures.	Deferred				x	
7	Core strategy review	Full review, assessed needs of the county. Staff resource and evidence based research. Including transport options for cycling and walking and new schemes such as Eastern Link	600	500	500	550		-
8	New models of Housing	Undertake evaluation of directly investing in the development and delivery of new homes including homes for private rent, market sale and affordable housing. Cost for a consultant to develop options.	Funded from reserves				x	800
9	Public transport service	Revenue budget to protect existing bus services and frequencies	100	100			x	8,500
10	Council Tax charging policy	Variation to the local council tax discount scheme. The policy decision change could increase the council tax income.	(56)	(100)	(100)	(100)		
11	Digital – Transformation, infrastructure and knowledge management	More services delivered digitally including linked to back office systems. More people using the internet to access services. Digital Transformation Unit – to really drive digital transformation it needs a dedicated team to work with services to change how they operate		400	280	280		
		Fibre network across Herefordshire for businesses to be able to trade globally. Households to be connected to support learning, communication, access to services and aid health and well being. Greater adoption and exploitation of the existing and planned fibre network.	25	25	25	25		
		Work to integrate data, internally between service areas within the council and alongside partners (such as health), and application of artificial intelligence, will allow the opportunity for a better understanding of our residents and allow us maximise preventative opportunities for individuals, families and communities, and inform decision making.		500	150	150		-
12	Energy models and green energy efficiency	Renewable heating technologies: Biomass (wood fuelled) boilers, Biomass pellet stoves with integrated boilers providing space heating, Ground to water heat pumps, Air to water heat pumps, Solar thermal panels	Manage within existing budget					
13	Climate change	Continue natural flood management work within the 7 (current) catchment areas beyond March 2021 and extend the offer and grant funding all across Herefordshire	70	70				
<b>Total of Revenue</b>			<b>1,289</b>	<b>1,685</b>	<b>1,045</b>	<b>955</b>	<b>0</b>	<b>28,731</b>

# Economy & Place New Initiatives funding

Revenue funding has been allocated to fund new initiatives - £1,070k in 20/21

	<b>New Initiative</b>	<b>20/21 £000</b>
4	Tourism	200
5		
6		
242	Employment Land & Incubation Space	100
8		
10	Core strategy review	600
13	Public transport service	100
	Climate change	70
21		
	<b>Total Funding</b>	<b>1,070</b>

# Tourism and Leominster Heritage Action Zone

£200k revenue to be spend on

- Supporting the tourism industry to develop their own Destination Business Improvement District providing support across the whole county
- Maintaining support for Visit Herefordshire ahead of the outcome of the Destination Business Improvement District
- 243 • Supporting the development and implementation of the Leominster Heritage Action Zone project

£3.8m capital for Leominster Heritage Action Zone project to achieve vision for Leominster to become one of the country's more sustainable towns, includes refurbishment of the town centre

# Employment Land and Incubation Space

£100k revenue has been allocated together with £13.6m capital

Will enable the growth of the Herefordshire economy addressing the lack of provision of suitable employment land and business space in market towns. The allocated budget will

- 244 • Prepare the business case for employment land and business incubation space including seeking external funding
- Bring forward suitable high quality employment land and business space in the market towns facilitating the expansion or relocation of local businesses

# Transport and Core Strategy Review

£2,150k has been allocated over four years with £600k allocated in 20/21

Core strategy review commenced in 2019 and Hereford transport schemes identified for review

Will be used for developing land use and transport strategies for the long term sustainability and development of the county. This funding will enable work to proceed with this review including

- Development of evidence base
- Consideration of options
- Consultation
- Statutory processes
- Environmental assessments including consideration of climate emergency

# Transport

## Public transport service support

£100k to enable support for existing rural services and frequencies which provide essential connectivity to market towns and services, particularly for vulnerable groups

## Active travel measures and super cycle highways

<sup>246</sup> £1m capital allocation will enable programme of improvements providing a network of active travel routes across the county

## Passenger transport fleet

£30.5m subject to grant funding for procurement of vehicles to place with contracted services. Will reduce contract costs and upgrade services whilst reducing environmental impacts

# Hereford Transport Package

£4m capital allocation that will be used to enable further development of the Hereford Transport Package including progressing measures to improve transport within the city and the package of walking, cycling, bus and public realm schemes.

Programme is subject to further governance and guided by the outcome of the review of the bypass scheme

# Affordable Housing

£800k has been allocated to

- Bring empty properties back into use with a focus on long term empty properties
- Increase available housing for local people
- Reduce spend of the Housing Prevention fund and the use of temporary accommodation

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<b>Meeting:</b>	<b>General scrutiny committee</b>
<b>Meeting date:</b>	<b>Monday 29 November 2019</b>
<b>Title of report:</b>	<b>Work programme</b>
<b>Report by:</b>	<b>Governance services</b>

## Classification

Open

## Key decision

This is not an executive decision.

## Wards affected

Countywide

## Purpose and summary

To review the committee's work programme.

## Recommendation(s)

THAT:

- (a) the draft work programme as set out at appendix 1 to the report be approved, subject to any amendments the committee wishes to make;
- (b) the committee considers establishing a task and finish group on waste management strategic review to undertake the work outlined in the draft scoping statement (Appendix 2 to the report) and confirming the membership; and
- (c) the committee determines any other matter in relation to the appointment of task and finish groups their chairmanship and any special responsibility allowance or the undertaking of a spotlight review.

## Alternative options

- 1 It is for the committee to determine its work programme to reflect the priorities facing Herefordshire. The committee needs to be selective and ensure that the work programme is focused, realistic and deliverable within existing resources.

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Further information on the subject of this report is available from  
Governance Services on Tel (01432) 260239

## **Key considerations**

### **Draft work programme**

- 2 The work programme needs to focus on the key issues of concern and be manageable. It must also be ready to accommodate urgent items or matters that have been called-in.
- 3 Should committee members become aware of any issue they think should be considered by the Committee they are invited to discuss the matter with the Chairman and the statutory scrutiny officer.
- 4 The draft work programme is attached at appendix 1.
- 5 The Committee on 23 July authorised the statutory scrutiny officer, following consultation with the chairperson and vice-chairperson, to add items to the work programme where it is necessary to ensure their timely consideration where there is no scheduled meeting to approve their inclusion.

### **Constitutional Matters**

#### **Task and Finish Groups**

- 6 A scrutiny committee may appoint a task and finish group for any scrutiny activity within the committee's agreed work programme. A committee may determine to undertake a task and finish activity itself as a spotlight review where such an activity may be undertaken in a single session; the procedure rules relating to task and finish groups will apply in these circumstances.
- 7 The relevant scrutiny committee will approve the scope of the activity to be undertaken, the membership, chairman, timeframe, desired outcomes and what will not be included in the work. A task and finish group will be composed of a least 2 members of the committee, other councillors (nominees to be sought from group leaders with un-affiliated members also invited to express their interest in sitting on the group) and may include, as appropriate, co-opted people with specialist knowledge or expertise to support the task. In appointing a chairman of a task and finish group the committee will also determine, having regard to the advice of the council's monitoring officer and statutory scrutiny officer, whether the scope of the activity is such as to attract a special responsibility allowance.
- 8 The Committee is asked to determine any matters relating to the appointment of a task and finish group and the chairmanship and any special responsibility allowance or undertaking a spotlight review including co-option (see below).

#### **Request to establish a task and finish group - Waste Management Strategic Review**

- 9 The Cabinet Member – commissioning, procurement and assets has invited the committee to consider establishing a task and finish group to undertake a strategic review of waste management. A draft scoping statement and additional background information is attached at appendix 2.

- 10 A review of the waste disposal contract is included within the work programme. Members of the Committee did informally discuss in July how this work might be undertaken and the consensus was not to establish a task and finish group.
- 11 Since that time a scrutiny/executive protocol has been developed and this provides for Cabinet members to invite the scrutiny committees to consider items – for example, to undertake pre-decision scrutiny, a spotlight review or task and finish group.
- 12 The protocol provides that the executive should not try to exercise control over the work of the scrutiny committee. The executive cannot ‘order’ scrutiny to look at, or not look at, certain issues. It can, and should, however, seek to influence the work programmes of the scrutiny committees.
- 13 The Committee is accordingly invited to consider the cabinet member’s invitation.

### **Co-option**

- 14 A scrutiny committee may co-opt a maximum of two non-voting people as and when required, for example for a particular meeting or to join a task and finish group. Any such co-optees will be agreed by the committee having reference to the agreed workplan and/or task and finish group membership.
- 15 The Committee is asked to consider whether it wishes to exercise this power in respect of any matters in the work programme.

### **Tracking of recommendations made by the committee**

- 16 A schedule of recommendations and action in response is attached at appendix 2.

### **Forward plan**

- 17 The constitution states that scrutiny committees should consider the forward plan as the chief source of information regarding forthcoming key decisions. Forthcoming decisions can be viewed under the forthcoming decisions link on the council’s website:

<http://councillors.herefordshire.gov.uk/mgdelegateddecisions.aspx?XXR=0&DAYS=28&RP=0&K=0&DM=0&HD=0&DS=1&META=mgdelegateddecisions&V=0>

### **Suggestions for scrutiny from members of the public**

- 18 Suggestions for scrutiny are invited from members of the public through the council’s website, accessible through the link below. Any suggestions received are referenced in Appendix 2.

[https://www.herefordshire.gov.uk/info/200148/your\\_council/61/get\\_involved/4](https://www.herefordshire.gov.uk/info/200148/your_council/61/get_involved/4)

## **Community impact**

- 19 The topics selected for scrutiny should have regard to what matters to residents.

## **Equality duty**

- 20 The topics selected need to have regard for equality and human rights issues.

**Resource implications**

21 The costs of the work of the committee will have to be met within existing resources. It should be noted the costs of running scrutiny will be subject to an assessment to support appropriate processes.

**Legal implications**

22 The council is required to deliver an overview and scrutiny function.

**Risk management**

23

Risk/opportunity	Mitigation
There is a reputational risk to the council if the overview and scrutiny function does not operate effectively.	The arrangements for the development of the work programme should help mitigate this risk.

**Consultees**

24 The work programme is reviewed at every committee meeting. The Chairman and statutory scrutiny officer also review the work programme.

**Appendices**

Appendix 1 – draft work programme

Appendix 2 – draft scoping statement – waste management strategic review

Appendix 3 - Schedule of recommendations made and response

**Background papers**

- None identified.

**Draft GSC Work programme 2019**

**Nmite**

**LEP annual report**

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Meeting/items	Purpose	Invitees	Type of Scrutiny	Notes
TBC				
<ul style="list-style-type: none"> <li>• Climate Emergency</li> <li>•</li> </ul>	<p>To consider building into the work programme and/or establishing a task and finish group to:</p> <ul style="list-style-type: none"> <li>• review the draft carbon management plan;</li> <li>• review partners' plans and strategies to recommend how best to develop a joint countywide strategy</li> <li>• develop and propose a checklist of criteria for the development of new and review of existing council strategies to assess their suitability to deliver on carbon reduction.</li> </ul>	<p>Cabinet Member – Infrastructure Cabinet member Environment, economy and skills Director Economy and Place</p>	<p>Task and Finish</p>	<p>Executive response (September 19) to Climate Emergency Motion to Council (March 19)</p> <p>The executive will invite general scrutiny committee to consider building into their work programme and/or establishing a task and finish group to:</p> <ul style="list-style-type: none"> <li>• review the draft carbon management plan;</li> <li>• review partners' plans and strategies to recommend how best to develop a</li> </ul>

				<p>joint countywide strategy</p> <ul style="list-style-type: none"> <li>develop and propose a checklist of criteria for the development of new and review of existing council strategies to assess their suitability to deliver on carbon reduction.</li> </ul>
TBC				
<ul style="list-style-type: none"> <li>Sustainable Transport</li> </ul>	To explore planned and implemented sustainable transport measures.	<p>Cabinet member Infrastructure</p> <p>Director Economy and Place</p>	Task and Finish	Scoping statement to be prepared
TBC				
Public Realm Service Provision (Council contract arrangements with Balfour Beatty Living Places – and stakeholder communication	<p>To explore how Councils communicate effectively with the public, explaining service levels, costs and delivery that can be expected under the contract, performance measures in place, and evidence that the contract is delivering to the required standard within the agreed framework.</p> <p>Consider results of customer satisfaction performance data</p> <p>Ways of improving feedback to the public – so that they know</p>	<p>Cabinet Member Infrastructure</p> <p>Cabinet Member – commissioning, procurement and assets</p> <p>Director Economy and Place</p>	Policy Development and Review	

	when they can expect work that has been requested and can track delivery.			
29 November 2019				
• Budget		Cabinet Member Finance and Corporate Services Cabinet Member Infrastructure Other Cabinet members as appropriate Chief Finance Officer Director Economy and Place	Policy Development and Review	First consideration of draft budget.  Second consideration January 2020
20 January 2019				
• Budget		Match with 29 Nov		
27 January 2019				
• Budget		Match with 29 Nov		Retained provisionally in diaries
23 March 2019				
• NMiTE	To review progress with the Schem	Leader Cabinet Member Finance and Corporate Services Other Cabinet members as appropriate Chief Finance Officer Director Economy and Place		
Noted that flexibility needs to retained within the work programme to consider Pre-Decision Call in items/post Decision call-in.				

TBC				
<ul style="list-style-type: none"> <li>Climate Emergency</li> <li></li> </ul>	<p>To consider building into the work programme and/or establishing a task and finish group to:</p> <ul style="list-style-type: none"> <li>review the draft carbon management plan;</li> <li>review partners' plans and strategies to recommend how best to develop a joint countywide strategy</li> <li>develop and propose a checklist of criteria for the development of new and review of existing council strategies to assess their suitability to deliver on carbon reduction.</li> </ul>	<p>Cabinet Member – Infrastructure Cabinet member Environment, economy and skills Director Economy and Place</p>	<p>Task and Finish</p>	<p>Executive response (September 19) to Climate Emergency Motion to Council (March 19)</p> <p>The executive will invite general scrutiny committee to consider building into their work programme and/or establishing a task and finish group to:</p> <ul style="list-style-type: none"> <li>review the draft carbon management plan;</li> <li>review partners' plans and strategies to recommend how best to develop a joint countywide strategy</li> <li>develop and propose a checklist of criteria for the development of new and review of existing council strategies to assess their suitability to</li> </ul>



				deliver on carbon reduction.
TBC				
<ul style="list-style-type: none"> <li>Sustainable Transport</li> </ul>	To explore planned and implemented sustainable transport measures.	Cabinet member Infrastructure Director Economy and Place	Task and Finish	Scoping statement to be prepared
TBC				
Public Realm Service Provision (Council contract arrangements with Balfour Beatty Living Places – and stakeholder communication	To explore how Councils communicate effectively with the public, explaining service levels, costs and delivery that can be expected under the contract, performance measures in place, and evidence that the contract is delivering to the required standard within the agreed framework. Consider results of customer satisfaction performance data Ways of improving feedback to the public – so that they know when they can expect work that has been requested and can track delivery.	Cabinet Member Infrastructure Cabinet Member – commissioning, procurement and assets Director Economy and Place	Policy Development and Review	
<b>Unscheduled</b>				
Police and Crime Commissioner	Need to specify what is to be considered	Police and Crime Commissioner Cabinet Member – housing regulatory		Suggested Performance indicator - killed and seriously injured on roads is one possible topic.

		services and community safety Director		
• Waste Disposal	To consider review of waste disposal contract	Cabinet member – commissioning, procurement and assets	Policy Development and Review	Waste Disposal Contract review in preparation for end of current contract in 2023 Timescale dependent upon commissioning programme
Budget and Policy Framework items to be scheduled			Policy Development and Review	
• Minerals and Waste Plan				
• Hereford Area Plan				
• Rural Areas Development Plan Document				
• Core Strategy				
• Community Safety remit				
• Corporate challenge peer		Cabinet Member - Finance and Corporate Services - Chief Executive Assistant Director Transformation Performance and Business Improvement	Performance Review	GSC considered on 6 March 2019. Recommended: a review of progress in response to the corporate peer review is included for consideration in work programming for the Committee in June 2019. The planned return by the LGA team is end of Oct. Consider after

				that if anything merits consideration.
•				

Briefing notes	
Executive Response	
<ul style="list-style-type: none"> <li>Task and Finish Group - Highways Maintenance – Pothole Repairs (expected to be circulated as briefing note for information)</li> </ul>	Executive decision awaited

DRAFT



## Schedule of General Scrutiny Committee recommendations made and action in response (May 2019 on)

Meeting	item	Recommendations	Action	Status
23 July	Gambling Policy 2019-22 Review	<p><b>RESOLVED TO RECOMMEND TO THE EXECUTIVE THAT:</b></p> <p><b>a) Officers review the wording in Para 1.1 of the policy to ensure it places clear emphasis on promoting compliance with the principles set out in the Act, and make clear that it is not about promoting gambling;</b></p> <p><b>b) Officers include a glossary of terms to cover all technical and legal terms set out in the report before it goes on to cabinet and full Council;</b></p> <p><b>c) a sentence be added to the policy document to highlight where people can be directed to apply for a license;</b></p> <p><b>d) a new category (i) be added to the itemised list in para 15.6 to include training in child protection and child safeguarding;</b></p>	<p>Done</p> <p>Done</p> <p>Done</p> <p>(We don't recommend it's mandatory because it's not proportionate to the evidence locally but we can make licensee's aware of the risks to</p>	Completed

		<p>e) <b>officers look at all of the suggested various changes to wording of the policy suggested in bullet point 7 above and update the policy to ensure there is clarity in the phraseology used.</b></p> <p>f) <b>the various references to children and young persons should – for consistency – be changed to children and young people throughout the policy document.</b></p> <p>g) <b>officers revise the wording to highlight that the gambling policy is ‘reviewed’ every three years and to add clarity to the reference of policy review from ‘time to time’ – with the additional context that this will happen when/if there are changes to legislation during the three year period;</b></p> <p>h) <b>officers remove the reference to ‘the governance team’ in para 4.5 of the policy;</b></p>	<p>CYP and the training opportunities that are available.)</p> <p>The phraseology used within the Policy reflects the terms used within the Act and the use of different terminology within the policy may cause confusion).</p> <p>(the term children and young persons is the term used within the Act and again may cause confusion if different terms are used within the policy) .</p> <p>Done</p> <p>Done</p>	
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		<p>i) officers state clearly what the deadline timeframes are in para 5.2.</p> <p>j) grounds for a review of a premises license as set out at section 18 of the policy should also include any breaches to the principles that the licensing authority, upholds in overseeing and this policy and any related enforcement action; and</p> <p>k) details on rights of appeal should be included in the policy document.</p>	<p>Done</p> <p>Done</p> <p>Done</p>	
9 September 2019	Call-in of cabinet member decision on hereford transport package and south wye transport package	<p><b>RESOLVED: That the decision be referred back to the cabinet member to reconsider, and in doing so:</b></p> <p><b>The cabinet member seeks clarification from the funders, of both the South Wye Transport Package and the Hereford Transport Package, of the funding implications of a review and ensures that both projects are not interdependent of each other;</b></p> <p><b>Ongoing planned activity, programmed in to take place during</b></p>	<p>THAT, having regard to the recommendations made by General Scrutiny Committee on 9 September 2019:</p> <p>(a) a review of the South Wye Transport Package be undertaken to determine next steps, and work on the Southern Link Road and active travel measures (the scope of which will be determined in a further report and be subject to the agreement of funders to draw down funding or provision being made within the capital programme) is continued whilst the review is undertaken;</p>	Complete

		<p><b>the pause, continues while the review is underway;</b></p> <p><b>The cabinet member hosts a time limited series of ‘open days’ with parish councils, businesses and members of the public to ensure their views are taken into account on all of the evidence under consideration as part of the review; and</b></p> <ul style="list-style-type: none"> <li><b>That all council, and council contractors, contact databases, as far as is practicable, are kept up to date ahead of contacting members of the public</b></li> </ul>	<p>(b) a review of the bypass project to determine next steps be undertaken, and work on the Hereford Transport</p> <p>package active travel measures and the other bypass work as listed below is continued whilst the review is undertaken;</p> <p>Phase 2a consultation report completion £12,000</p> <p>Geophysical survey report completion £3,000</p> <p>Ground Investigation Report (GIR) completion £6,000</p> <p>Walking and Cycling (WCHAR) assessment completion £5,000</p> <p>Traffic Modelling £22,000</p> <p>Large Local Major Bid completion £18,000</p> <p>(c) discussions continue with funding organisations to clarify the</p>	
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			<p>funding implications of a review and to seek to minimise the risk of loss of any secured funding;</p> <p>(d) consultation with parish councils, businesses and members of the public be included within the scope of the review;</p> <p>(e) the acting director for economy and place be authorised to take all operational decisions necessary to scope the review work for both road schemes within a budget of £50k (Southern Link Road) and £70k (Hereford By-pass) to inform a further decision in this calendar year on the scope of the review to be undertaken; and</p> <p>(f) the acting director for economy and place be authorised to take all operational decisions necessary to undertake the bypass work listed in recommendation (b) above within a budget envelope of £66,000 and to approve variance between the activities within a tolerance of £5,000.</p>	
22 October 2019		<p><b>RESOLVED:</b></p> <p><b>(a) to recommend to the executive that:</b></p>	tbc	

		<ul style="list-style-type: none"><li><b>i. the LEP be encouraged to declare a climate emergency as a priority;</b></li><li><b>ii. the LEP be encouraged to raise its profile through engagement with Parish and Town Councils and business forums;</b></li><li><b>iii. the LEP be requested to focus on promoting available schemes to the market towns; and</b></li></ul> <p><b>(b) provision be made in the Committee's work programme for an annual report from the LEP.</b></p>		
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## General Scrutiny Committee – 29 November 2019

<b>Title of review</b>	<b>Waste Management Strategic Review</b>
<b>Scope</b>	<p>The review will focus on the following issues and future challenges:</p> <ol style="list-style-type: none"> <li>1. The council's option to extend its existing joint waste disposal service with Worcestershire County Council</li> <li>2. Future service options for the waste collection service</li> <li>3. Different service delivery options, external provider(s), in house management &amp; operation and partnering options</li> </ol>
<b>Reason for review</b>	The review will support policy development by providing the task and finish group findings and recommendations to the cabinet member for contracts and assets (Cllr. Gemma Davies) and the waste management team.
<b>Links to the corporate plan</b>	<p>The review contributes to the following objectives contained in the Herefordshire corporate plan and other key plans and strategies:</p> <ul style="list-style-type: none"> <li>• Reduce the amount of household waste per person (kg) per year</li> <li>• Preparing for changes proposed in <b>Resource and Waste Strategy for England 2018</b></li> </ul>
<b>Summary of the review and terms of reference</b>	<p><b>Summary:</b></p> <p>As a Unitary Authority the council has statutory functions as both a Waste Collection Authority (WCA) and Waste Disposal Authority (WDA).</p> <p>Existing contracts for the provision of the councils waste management services expire at the end of 2023/start of 2024. Alongside current contracts ending, the government's Resource and Waste Strategy for England 2018 promises the greatest change to waste policy in a generation, including a more consistent approach to waste management with the rest of Europe, Scotland and Wales.</p> <p>Although uncertainty exists while our relationship with Europe remains unresolved and policy is still in development, the council will still need to decide what waste services it wishes to provide in future and how future challenges are considered.</p> <p><b>The Current Service</b></p> <p>Waste management is a multi-disciplinary service featuring facility design and operation, maintenance and engineering, logistics, materials handling and staff management. The service is also the most significant contributor to council's carbon footprint (if included in measurement). Services provided include:</p> <p>Waste Collection (Herefordshire Council)</p> <ul style="list-style-type: none"> <li>• Fortnightly collection of mixed dry recycling from green wheeled bins</li> <li>• Fortnightly collection of residual waste from black wheeled bins</li> <li>• Commercial waste and recycling collection service</li> <li>• Bulky waste collection service</li> <li>• Clinical waste collection</li> <li>• 2 Waste collection depots</li> </ul>

	<p>Waste Disposal (with Worcester County Council)</p> <ul style="list-style-type: none"> <li>• 6 Household waste &amp; recycling centres</li> <li>• 2 waste transfer stations</li> <li>• Joint waste transport</li> <li>• Joint energy from waste plant</li> <li>• Joint materials reclamation facility</li> <li>• Treatment and re-processing arrangements*</li> </ul> <p>Overarching (HC)</p> <ul style="list-style-type: none"> <li>• Waste awareness, education and promotion</li> </ul> <p>*For example sub contracts with scrap metal merchants, paper re-processors and timber merchants.</p> <p><b>Key Issues</b></p> <ol style="list-style-type: none"> <li>1. The waste collection contract expires on 1 November 2023, there is no further option to extend.</li> <li>2. The waste disposal contract is a joint contract with Worcestershire County Council, it will expire on 10 January 2024 but has a 5 year extension option (if triggered will take it to 10 January 2029).</li> <li>3. The Resource and Waste Strategy 2018 proposes significant changes with the government committing to implement: <ul style="list-style-type: none"> <li>• Mandatory weekly food waste collection services from 2023</li> <li>• Extended producer responsibility requirements for packaging producers to pay for the cost of dealing with waste packaging</li> <li>• Deposit return scheme for all drinks containers up to 3 litres</li> <li>• Funding to meet any net additional costs to Local Authorities</li> </ul> </li> </ol> <p>There are also further measures on which there is likely to be further consultation before decisions are made, including:</p> <ul style="list-style-type: none"> <li>• Minimum service standards, which could impose limits on collection frequency and what materials must be collected separately.</li> <li>• Whether separate garden waste collections are to be required free to householders or chargeable</li> </ul> <p>The impact of these changes will be significant in terms of resourcing, performance and cost. Practical implications are also significant, including likely changes to waste composition, new fleet requirements, waste treatment needs and of course the public expectation and acceptance of changes to the service.</p> <p><b>Terms of Reference:</b></p> <p><b>The review will:</b></p> <ol style="list-style-type: none"> <li>1. Understand the issues and future challenges relating to the waste management service for Herefordshire Council</li> <li>2. Provide findings and recommendations on issues and challenges to the council's executive, cabinet member contracts and assets and waste management team</li> </ol> <p><b>Membership:</b>  TBC  Cllr Gemma Davies (Cabinet Member)  3 to 4 Cross Party Members</p>
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What will NOT be included	<ul style="list-style-type: none"> <li>• Changes/improvements to existing services</li> </ul>
Potential outcomes	<ul style="list-style-type: none"> <li>• Understanding of future challenges</li> <li>• Greater member awareness</li> <li>• Cross party involvement</li> <li>• Informed future decision making</li> <li>• Future service provision more likely to reflect needs of Herefordshire</li> </ul>
Key Questions	<ol style="list-style-type: none"> <li>1. What do we want our service to be in future?</li> <li>2. What is the best way of providing this service?</li> <li>3. How can we minimise environmental harm?</li> <li>4. How best can it contribute to wider council objectives on the environment, economy and people?</li> </ol>
Cabinet Member(s)	Cabinet member for Contracts and Assets Cabinet member?
Key stakeholders / Consultees	Internal – Director for Economy and Place  External – Public (if consultation is wanted at this stage)
Potential witnesses	Waste Management Team (9 Staff) Paul Morris/Grant Harvey, Contract Managers FCC Environment Defra (if possible) for view on future
Research Required	<ul style="list-style-type: none"> <li>• Understanding existing service performance and costs</li> <li>• Reviewing waste policy and policy direction</li> <li>• Local Authority Benchmarking – to compare performance and cost with other to show what is possible</li> <li>• Learning from experience elsewhere</li> </ul>
Potential Visits	Energy from Waste Facility Materials Recovery Facility Household Recycling Centres Collection Crews Low cost and high performing authorities
Publicity Requirements	TBC

Outline Timetable:	
<i>Activity</i>	<i>Timescale</i>
Confirm approach, Terms of Reference, programme of consultation/research/provisional witnesses/meeting dates	December 2019
Policy Review	December 2019
Review and compare existing service provision	January 2020
Consider Options	February 2020
Service Delivery Options	March 2020
Initial Report	May 2020
Further work and Actions as Required	June 2020 onward

members –	
Chair	
Support Members	
Co-optees	

Support Officers	Waste Operations Team Leader, Nicola Percival Waste Disposal Team Leader, Kenton Vigus Member Support Staff x 1
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