Herefordshire Council

Agenda

Cabinet

Date:	**Thursday 24 September 2026**
Time:	**2.30 pm**
Place:	**Conference Room 1 - Herefordshire Council, Plough Lane Offices, Hereford, HR4 0LE**
Notes:	Please note the time, date and venue of the meeting. For any further information please contact: **Samantha Gregory, Democratic Services Officer** Tel: (01432) 260176 Email: samantha.gregory@herefordshire.gov.uk

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Agenda for the meeting of Cabinet

Membership

Chairperson	**Councillor Jonathan Lester, Leader of the Council**
Vice-Chairperson	**Councillor Elissa Swinglehurst, Deputy Leader of the Council**
	Councillor Graham Biggs
	Councillor Harry Bramer
	Councillor Barry Durkin
	Councillor Carole Gandy
	Councillor Dan Hurcomb
	Councillor Ivan Powell
	Councillor Philip Price
	Councillor Pete Stoddart

Agenda

		Pages
1.	**APOLOGIES FOR ABSENCE** To receive any apologies for absence.	
2.	**DECLARATIONS OF INTEREST** To receive declarations of interests in respect of Table A, Table B or Other Interests from members of the committee in respect of items on the agenda.	
3.	**MINUTES** To approve and sign the minutes of the meeting held on 30th July 2026.	11 - 58

HOW TO SUBMIT QUESTIONS

The deadline for submission of questions for this meeting is:

5pm on 18th September 2026.

Questions can be submitted via the Online questions portal Further information and guidance is available at Get involved - Herefordshire Council

Accepted questions and the response to them will be published as a supplement to the agenda papers prior to the meeting.

Full details about asking questions and the deadlines at public meetings can be found here: constitution of the council.

		Pages
4.	**QUESTIONS FROM MEMBERS OF THE PUBLIC** To receive questions from members of the public.	
5.	**QUESTIONS FROM COUNCILLORS** To receive questions from councillors.	
6.	**REPORTS FROM SCRUTINY COMMITTEES** To receive reports from the Council's scrutiny committees on any recommendations to the Cabinet arising from recent scrutiny committee meetings.	
7.	**Q1 2026/27 BUDGET REPORT** To report the forecast position for 2026/27 at Quarter 1 (June 2026), including explanation and analysis of the drivers for the material budget variances, and to outline current and planned recovery activity to reduce the forecast overspend. To provide assurance that progress has been made towards delivery of the agreed revenue budget and service delivery targets, and that the reasons for major variances are understood and are being addressed to the cabinet's satisfaction.	59 - 94

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- Inspect agenda and public reports at least five clear days before the date of the meeting. Agenda and reports (relating to items to be considered in public) are available at www.herefordshire.gov.uk/meetings
- 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.
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- 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. Information about councillors is available at www.herefordshire.gov.uk/councillors
- 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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http://www.herefordshire.gov.uk/downloads/file/1597/hereford-city-bus-map-local-services-

Herefordshire Council

Guide to Cabinet

The Executive or Cabinet of the Herefordshire Council consists of a Leader and Deputy Leader and eight other Cabinet Members each with their own individual programme area responsibilities. The current Cabinet membership is:

Cllr Jonathan Lester (Leader)	Corporate Strategy and Budget
Cllr Elissa Swinglehurst (Deputy Leader)	Environment and Culture
Cllr Ivan Powell	Children and Young People
Cllr Harry Bramer	Community Services and Assets
Cllr Pete Stoddart	Finance and Corporate Services
Cllr Carole Gandy	Adults, Health and Wellbeing
Cllr Graham Biggs	Economy and Growth
Cllr Barry Durkin	Roads and Regulatory Services
Cllr Philip Price	Transport and Infrastructure
Cllr Dan Hurcomb	Local Engagement and Community Resilience

The Cabinet's roles are:

- To consider the overall management and direction of the Council. Directed by the Leader of the Council, it will work with senior managers to ensure the policies of Herefordshire are clear and carried through effectively;
- To propose to Council a strategic policy framework and individual strategic policies;
- To identify priorities and recommend them to Council;
- To propose to Council the Council's budget and levels of Council Tax;
- To give guidance in relation to: policy co-ordination; implementation of policy; management of the Council; senior employees in relation to day to day implementation issues;
- To receive reports from Cabinet Members on significant matters requiring consideration and proposals for new or amended policies and initiatives;
- To consider and determine policy issues within the policy framework covering more than one programme area and issues relating to the implementation of the outcomes of monitoring reviews.

Who attends cabinet meetings?

- Members of the cabinet, including the leader of the council and deputy leader – these are the decision makers, only members of the cabinet can vote on recommendations put to the meeting.
- Officers of the council – attend to present reports and give technical advice to cabinet members
- Chairpersons of scrutiny committees – attend to present the views of their committee if it has considered the item under discussion

- Political group leaders attend to present the views of their political group on the item under discussion. Other councillors may also attend as observers but are not entitled to take part in the discussion.

Herefordshire Council

The Seven Principles of Public Life

(Nolan Principles)

1. Selflessness

Holders of public office should act solely in terms of the public interest.

2. Integrity

Holders of public office must avoid placing themselves under any obligation to people or organisations that might try inappropriately to influence them in their work. They should not act or take decisions in order to gain financial or other material benefits for themselves, their family, or their friends. They must declare and resolve any interests and relationships.

3. Objectivity

Holders of public office must act and take decisions impartially, fairly and on merit, using the best evidence and without discrimination or bias.

4. Accountability

Holders of public office are accountable to the public for their decisions and actions and must submit themselves to the scrutiny necessary to ensure this.

5. Openness

Holders of public office should act and take decisions in an open and transparent manner. Information should not be withheld from the public unless there are clear and lawful reasons for so doing.

6. Honesty

Holders of public office should be truthful.

7. Leadership

Holders of public office should exhibit these principles in their own behaviour and treat others with respect. They should actively promote and robustly support the principles and challenge poor behaviour wherever it occurs.

Herefordshire Council

Draft - Minutes of the meeting of Cabinet held at Conference Room 1 - Herefordshire Council, Plough Lane Offices, Hereford, HR4 0LE on Thursday 30 July 2026 at 1.30 pm

Cabinet Members Physically Present and voting:	**Councillor Jonathan Lester, Leader of the Council (Chairperson)** **Councillor Elissa Swinglehurst, Deputy Leader of the Council (Vice-Chairperson)** **Councillors Graham Biggs, Barry Durkin, Carole Gandy, Dan Hurcomb, Ivan Powell, Philip Price and Pete Stoddart**
Cabinet Members in remote attendance	**Councillor Harry Bramer** *Cabinet members attending the meeting remotely, e.g. through video conferencing facilities, may not vote on any decisions taken.*

Group leaders / representatives in attendance	Councillors Stef Simmons, David Hitchiner (substitute for Cllr Harvey), Terry James
Scrutiny chairpersons in attendance	Councillors Pauline Crockett, Louis Stark, Toni Fagan
Officers in attendance:	Councillors R Allonby, G Dando, H Hall, J Hobbs, C Porter, T Russell, R Sanders and P Satoor S Gregory and J Preece (democratic Services)

104. APOLOGIES FOR ABSENCE

There were no apologies from members of the cabinet.

105. DECLARATIONS OF INTEREST

None.

106. MINUTES

Resolved: That the minutes of the meeting held on 25 June 2026 be approved as a correct record and signed by the Chairperson.

107. QUESTIONS FROM MEMBERS OF THE PUBLIC (Pages 21 - 44)

Questions received and responses given are attached as appendix 1 to the minutes.

108. QUESTIONS FROM COUNCILLORS (Pages 45 - 48)

Questions received and responses given are attached as appendix 2 to the minutes.

109. REPORTS FROM SCRUTINY COMMITTEES

SMB recommendations regarding Adult Social Care and CQC

Councillor Stark as vice chair to Scrutiny Management Board (SMB) referred to the findings of the SMB and urged Cabinet to take active steps in response to the Adult Social Care Improvement Plan rather than simply noting its contents. It was highlighted that the Board's five recommendations were closely aligned with the improvement plan and reflected a similar improvement approach to that taken within Children's Services.

It was noted that, while the challenges were different in scale, successful delivery of the improvement plan was considered essential to improving service performance and managing rising Adult Social Care costs. The importance of implementing the recommendations at pace was emphasised to support progress and deliver the necessary improvements.

The SMB indicated that it looked forward to receiving Cabinet's response to its recommendations and encouraged Cabinet to take their findings into account during consideration of the Adult Social Care Improvement Plan.

The Leader thanked the SMB for their recommendations.

110. CQC ASSESSMENT REPORT AND IMPROVEMENT PLAN

Councillor Gandy cabinet member for adults, health and wellbeing introduced the report.

The Cabinet Member for Adult Social Care outlined the findings of the Care Quality Commission (CQC) assessment, which reviewed services against four themes: working with people, providing support, ensuring safety and leadership. While the assessment visit took place in September, the report was not published until nine months later, by which time a number of improvements had already been implemented. It was noted that the findings contained no significant surprises and identified areas for improvement including support for unpaid carers, assessment waiting lists, occupational therapy capacity and reablement services.

Following publication of the report, information was shared with staff, Members, partners and voluntary sector organisations through a programme of briefings and webinars. The Cabinet Member acknowledged concerns about the impact of the report on staff morale but praised the workforce for responding positively and using the findings as motivation to drive further improvement.

Work on the Improvement Plan began immediately following the assessment visit and has continued through regular performance and transformation meetings involving department leads and the Cabinet Member. Progress was reported, although it was recognised that further improvement is required. The challenges of managing fluctuating demand in Adult Social Care were highlighted, together with the importance of prevention and early intervention.

The Cabinet Member confirmed that the recommendations made by the joint meeting of the Scrutiny Management Board and Health Scrutiny Committee had been accepted and were aligned with the existing improvement plan. The plan includes strengthened delivery, impact and assurance measures to monitor progress and ensure sustainable improvement.

It was emphasised that, while financial sustainability remains important, the council's priority would continue to be protecting and supporting the county's most vulnerable residents, and that budget considerations would not be placed ahead of meeting care needs.

The Leader thanked the Cabinet Member and officers for their work in responding to the CQC findings and welcomed the acceptance of all recommendations made by the Scrutiny Committee. It was noted that significant improvement activity was already underway and that the recommendations supported and strengthened the existing improvement programme.

Comments from cabinet members:

Members welcomed the positive findings relating to safeguarding within the CQC assessment, noting that the report recognised the strength of Herefordshire's safeguarding arrangements. Drawing on experience from wider regional safeguarding work, the member highlighted the importance of maintaining a strong focus on safeguarding and ensuring robust protections remain in place.

The member emphasised that Adult Social Care services support a wide range of residents, not solely older people, and that many younger adults have significant care and support needs.

Members were reminded of the importance of recognising the diverse needs of all service users when considering Adult Social Care provision and improvement activity.

A member commended the Cabinet Member and Director for their leadership and hard work in driving improvements within Adult Social Care. While supporting the principle that care should not be compromised by financial considerations, it was noted that effective service delivery is not solely dependent on increased spending. Drawing parallels with the improvements achieved in Children's Services, the member highlighted the importance of understanding how services are delivered and ensuring they are provided in a compassionate and efficient manner. It was expressed that the improvement plan should support both positive outcomes for residents and the achievement of the council's financial objectives in the coming year.

A member noted that Adult Social Care manages one of the council's largest budgets and emphasised the importance of ensuring services remain financially sustainable. While recognising the commitment to providing high-quality care, it was highlighted that the service should continue to seek opportunities to improve outcomes while managing costs effectively. Drawing comparisons with the improvements achieved in Children's Services, the member expressed the view that service quality and financial performance should be improved in tandem, with careful budget management remaining an important consideration.

The Cabinet Member acknowledged the importance of monitoring both expenditure and income within Adult Social Care, while reiterating that the council's overriding priority must remain supporting those residents with the greatest care needs. It was noted that the service is pursuing a programme of transformation, including changes to access arrangements, commissioning and contracting processes, to improve efficiency and deliver savings without adversely affecting service users.

Members heard that significant efforts are being made to manage demand and expenditure effectively, including measures aimed at reducing cost pressures through service transformation. However, it was emphasised that financial considerations would not be prioritised over the care and support required by vulnerable residents, and that any financial planning assumptions would continue to reflect the council's commitment to meeting those needs.

The Leader noted that a wide range of initiatives and new technologies were being introduced to support residents to live independently for longer, emphasising the importance of balancing innovation and prevention with careful financial management.

The Cabinet Member for Adult Social Care advised that work was underway to promote assistive technology within community hospitals and with health partners, including Wye Valley NHS Trust. This aimed to demonstrate how technology and support services could help residents maintain their independence, avoid or delay admission to residential care, and improve outcomes for individuals while reducing demand on care services.

Group Leaders were invited to offer their views:

The Green Group Leader outlined the views of their group and raised that:

It was noted that both the Adults and Wellbeing Scrutiny Committee and the Scrutiny Management Board had been afforded the opportunity to review and examine the Adult Social Care Improvement Plan. The importance of considering and responding to scrutiny recommendations was highlighted, recognising the role of scrutiny in supporting service improvement and accountability.

It was also noted that the council would need to monitor the development of national adult social care reforms and consider any implications these may have for future service delivery and improvement planning.

It was highlighted the challenges faced by individuals and families in navigating transitions between NHS services, local authority provision and private care providers, noting the complexity and associated costs for both individuals and public services. It was recognised that the Adult Social Care Improvement Plan helps focus attention on the role of partner organisations and public health in supporting effective service delivery, and its implementation was welcomed.

The representative for Independents for Herefordshire outlined the views of their group and raised that:

Councillor Crockett spoke for Independents for Herefordshire and as Chair for Health and Wellbeing Scrutiny Committee.

It was suggested that future versions of the Adult Social Care Improvement Plan could be enhanced through the inclusion of RAG ratings to provide a clearer view of progress against each improvement action. It was also suggested that actions could be presented in chronological order to improve readability and make progress easier to track.

The positive first-quarter Adult Social Care budget position was noted, and thanks were expressed to the Corporate Director for Community Wellbeing for providing an update to the Scrutiny Committee. Members acknowledged that the improvement plan is a live document which will continue to evolve, with feedback and recommendations from scrutiny being incorporated as the programme develops, in a similar manner to the Children’s Services Improvement Plan.

The Liberal Democrat Group Leader outlined the views of their group and raised that:

The overall structure of the Adult Social Care Improvement Plan was welcomed, considering it clearer and more accessible than similar plans produced in previous years. However, concern was expressed about the significant and growing financial pressures facing Adult Social Care, with particular reference to the rising cost of specialist placements and care packages.

It was noted that increasing demand and limited provider availability can lead to very high costs for complex care provision, creating substantial financial risks for local authorities. It was highlighted the need for continued attention to these pressures and suggested that wider changes to the care system and market may be required to support long-term sustainability.

The True Independents Leader outlined the views of their group and argued that:
Did not attend for this item.

In response to the comments made:

The Cabinet Member welcomed the positive recognition received for safeguarding and partnership working within the CQC assessment, noting that these were significant achievements for the service.

In responding to the debate, the Cabinet Member thanked members for their contributions and confirmed that all recommendations from the Scrutiny Management Board would be considered and incorporated into ongoing improvement work. It was acknowledged that revisions to the presentation of the improvement plan, including the ordering of actions and the potential use of RAG ratings, would be explored.

The Cabinet Member provided assurance that efforts to improve financial performance remained a priority, with work continuing to reduce expenditure, achieve savings targets and bring the service closer to budget, while maintaining a focus on delivering effective support for residents who need care and assistance.

A member highlighted the importance of ensuring that partner organisations engage fully and meaningfully in consultations and reviews, noting that the council may have a leadership role in coordinating and encouraging effective partnership involvement.

Reference was made to the forthcoming Casey Review, and it was suggested that the council and its partners should seek opportunities to engage proactively with the process, particularly given the accelerated timetable. Members noted that strong partnership working has been a longstanding feature of the county's approach and could provide a positive foundation for future engagement and improvement activity.

Members noted the opportunity for the council to engage proactively with the forthcoming Casey Review and emphasised the importance of ensuring that partners contribute meaningfully to the process. It was suggested that the council write to Baroness Casey to highlight Herefordshire's experience, including both the challenges faced and the successes achieved through partnership working across the county.

In closing the debate, the Leader reflected on the council's demonstrated ability to deliver significant service improvement, drawing parallels with the progress made in Children's Services. It was noted that, while the challenges facing Adult Social Care differ in scale, there is a clear commitment from both officers and Members to deliver the necessary improvements. Particular recognition was given to the Cabinet Member for Adult Social Care for her leadership and commitment to improving services and safeguarding vulnerable residents.
The Leader of the Council concluded the discussions. Councillor Gandy proposed the recommendations, the Leader seconded the recommendation. The Leader directed that the decision to be put before Cabinet is:

That:

a) **Cabinet notes the outcome of the Herefordshire CQC Assessment;**

b) **Cabinet approves Herefordshire's CQC Assurance improvement plan 2026-2027;**

c) **Cabinet authorises the Corporate Director Community Wellbeing to lead this improvement plan on behalf of the Council and to take all operational decisions, as set out within this report and appendices.**

The recommendations were unanimously approved.

111. CHILDREN'S SERVICES STATUTORY DIRECTION

This agenda item was covered first in the meeting.

Councillor Powell cabinet member for children and young people introduced the report.

The Cabinet Member highlighted key findings from the Children's Commissioner's June 2026 report, noting that the council's improvement plan had been embraced by leaders at all levels and owned by frontline staff. The report recognised the strong engagement of the Chief Executive, Leader and Lead Cabinet Member, and confirmed that children's services remain a high priority for the council.

The Commissioner also noted the council's proactive engagement with national children's social care reforms, including the Families First Partnership programme, with strong partner involvement across the system. Children's voices were reported to be increasingly influencing service design, practice development and strategic priorities through meaningful engagement.

Confidence was expressed in the ongoing leadership and partnership working supporting a well-managed transition, ensuring continued service improvement and avoiding disruption to delivery. Cabinet was assured that, despite significant progress, work would continue to implement national reforms, including Families First and SEND reforms.

The Cabinet Member expressed thanks to the Director of Children's Services, their team and frontline staff, as well as to children and families whose contributions had supported the service's improvement journey and achievements.

Cabinet noted the significant improvements made in Children's Services, as reported by the Children's Commissioner and evidenced through Ofsted inspection outcomes, and noted the formal lifting of the statutory direction previously placed on the service.

Comments from cabinet members:

Members congratulated Councillor Powell and the Children's Services team on the significant progress achieved in improving the service. It was noted that the council had faced considerable challenges, but that strong leadership and sustained commitment had delivered meaningful improvements over a lengthy and demanding improvement journey. Particular thanks were expressed to Councillor Powell for his leadership throughout the process.

Members praised the leadership shown in driving the improvement of Children's Services, noting the significant progress made from a highly challenging position. It was acknowledged that the transformation had been achieved through strong corporate leadership, a focus on addressing issues directly, and sustained effort over time. Thanks were expressed to those involved for their commitment and achievements in delivering the improvements.

Members reflected on the length and challenge of the improvement journey, noting the determination shown in maintaining momentum and driving continuous improvement. Confidence was expressed in the service's future direction, with particular recognition that improvement work continued beyond meeting statutory requirements, demonstrating a commitment to exceeding expected standards.

Reference was made to the Children's Commissioner's observation of a culture of methodical and systematic improvement, representing a significant shift from the crisis-driven approach of the past. Members praised the calm and consistent leadership that had underpinned the transformation and acknowledged the significance of the achievement while recognising that the focus would remain on further improvement and delivering the best outcomes for children and families.

Councillor Fagan, Chair of the Children and Young People Scrutiny Committee, welcomed the revocation of the statutory direction and described it as a significant achievement following a lengthy and challenging period for the council, children and families. She commended the leadership shown throughout the improvement journey and noted the continued importance of robust oversight of Children's Services.

It was noted that the Scrutiny Committee had monitored progress throughout the period of intervention, providing challenge and support as a critical friend. Reference was made to the ongoing Early Help Task and Finish Review, which had examined the evolving early help offer and the implementation of the Families First programme, alongside wider reforms to children's social care, SEND services and Family Hubs.

Members emphasised the importance of sustaining a relational and strengths-based approach to supporting families, embedding early intervention services, and ensuring long-term resilience as funding pressures continue. The challenges associated with delivering national reforms were acknowledged, together with the need to strengthen support for children and young people throughout adolescence and enhance youth services across the county.

The importance of embedding the principles of a Child Friendly Herefordshire across all council services and strategic priorities was highlighted, ensuring that the voices of children and young people are reflected in decision-making and future planning. Congratulations were extended to all those involved in achieving the improvements in Children's Services.

Group Leaders were invited to offer their views:

The Green Group Leader outlined the views of their group and raised that:

The revocation of the statutory direction was welcomed and recognised the significant contribution of the council, partner organisations, families and external stakeholders in achieving this outcome. Particular thanks were expressed to Councillor Powell for his leadership throughout the improvement journey.

It was emphasised that maintaining momentum and striving for excellence across all areas of Children's Services remained essential, with a continued focus on ensuring positive outcomes for all children and young people in Herefordshire.

Members also highlighted the importance of the Child Friendly Herefordshire agenda and raised concerns about the availability of support for young people and youth groups. It was noted that further discussions would take place with relevant Cabinet Members and service leads to explore how support for young people can be strengthened through existing programmes and services.

The representative for Independents for Herefordshire outlined the views of their group and raised that:

The positive outcome was welcomed and congratulated all those involved in the improvement journey. Concerns were raised regarding references in the Commissioner's report to budget alignment with comparable authorities and the need for Children's Services to remain a high-priority risk area, seeking clarification on how these comments aligned with the council's recent financial improvements and reduced overspends.

It was suggested that the reference to maintaining Children's Services as a priority reflected the importance of sustaining progress and ensuring there is no loss of focus in the future, particularly through any changes in administration. Members noted assurances previously provided regarding governance and monitoring arrangements designed to prevent regression and maintain continued improvement. Congratulations were extended to the Leader, Councillor Powell, and all those involved in securing the successful outcome.

The Liberal Democrat Group Leader outlined the views of their group and raised that:

The progress was welcomed but emphasised that there remained further work to do and that future success would be judged on continued improvement rather than past achievements. Particular importance was placed on ensuring that the voices of children and young people continue to be heard and influence service delivery.

Concern was expressed about the continued high number of children in care and the associated human and financial impacts, highlighting the need for sustained focus on early intervention and improved outcomes for families.

The member also commended Councillor Powell for his leadership and practical understanding of the challenges facing Children's Services, recognising his contribution to the improvements achieved to date.

The True Independents Leader outlined the views of their group and argued that:

Did not attend for this item.

In response to the comments made:

The Leader responded to points raised regarding the Children's Commissioner's report, noting that references to financial benchmarking and political commitment should be viewed in the broader context of the expectations placed on local authorities rather than as criticisms of Herefordshire specifically.

It was emphasised that political commitment referred to the ongoing commitment of elected Members to prioritise and support Children's Services, alongside the work of officers responsible for service delivery and improvement. The Leader reflected on the publication of the independent review of family experiences in 2023, noting that the findings had strengthened his determination to secure lasting improvements and the removal of the statutory direction.

Tribute was paid to Councillor Powell for his leadership, commitment and determination throughout the improvement journey, as well as to the Director of Children's Services and the wider workforce for delivering operational improvements. The importance of listening to families and maintaining a systematic, organisation-wide approach to improvement was highlighted.

The Leader also acknowledged the contribution of the former Chief Executive and thanked the Children's Commissioner and the Minister for their support and engagement throughout the process. Cabinet was invited to note the Commissioner's positive report and the formal lifting of the statutory direction.

The Leader of the Council concluded the discussions. The Leader proposed the recommendations, The Leader directed that the decision to be put before Cabinet is:

That:

a) **Cabinet note the improvement made in Children's Services and the positive report completed by the DFE appointed commissioner; and**

b) **Cabinet note the formal lifting of the statutory direction placed on Children's Services.**

The recommendations were unanimously approved.

112. BIG ECONOMIC DELIVERY PLAN

Councillor Swinglehurst chaired the remainder of the meeting

Councillor Biggs cabinet member for economy and growth introduced the report. It noted that the Plan sets out the priorities and actions that partners across the county will focus on over the next three years to support delivery of the Herefordshire Economic Plan 2050. The plan reflects changing national and local circumstances, including the Government's industrial strategies, housing targets, and the council's commitment to progressing the western growth corridor and bypass proposals to support economic growth, reduce congestion, improve access to employment land and facilitate housing delivery.

Members heard that the Delivery Plan had been developed through the Economy and Place Board, bringing together representatives from business, skills, culture, community and environmental sectors. It was noted that the Board was established to strengthen partnership working across the county and ensure greater collaboration between the public, private and voluntary sectors.

The Cabinet Member explained that, while the Economic Plan established the long-term vision for the county, a delivery plan was required to provide a clear focus on short and medium-term actions. The document was described as a partnership plan rather than solely a council plan, with partners collectively committing to deliver their respective actions and contribute to the county's economic growth.

Subject to Cabinet approval, the Delivery Plan would be finalised and published in September, with the Economy and Place Board overseeing implementation and holding partners accountable for delivery.

Thanks were expressed to all those involved in developing the plan, including the members of the Economy and Place Board and the chairs of the Skills Board and Business Growth Board for their leadership and contributions.

Comments from cabinet members:

Members welcomed the progress made in developing and bringing forward the Economic Delivery Plan and recognised the significant contribution of the Cabinet Member in advancing the county's growth and skills agenda. Particular recognition was given to his commitment to tertiary education, including support for initiatives aimed at increasing training opportunities and retaining young people within the county.

It was noted that providing access to education, skills development, well-paid employment and affordable housing is essential to supporting long-term economic growth and encouraging young people to build their futures in Herefordshire. Members also acknowledged the valuable contribution of partner organisations in supporting these objectives and delivering the wider ambitions of the Economic Plan.

A member welcomed the focus of the Economic Delivery Plan on the needs and ambitions of the county as a whole, rather than solely those of the council. It was noted that Herefordshire has a significant opportunity to create the conditions for long-term economic growth by improving access to education, skills and higher-paid employment opportunities.

Members highlighted the importance of retaining young people within the county by providing pathways into education, training and well-paid careers, reducing the need for them to leave the area to pursue opportunities elsewhere. The role of infrastructure investment in supporting economic growth and enabling delivery of the ambitions set out in the Economic Plan was also recognised.

The Cabinet Member and those involved in developing the plan were commended for their work in bringing the Delivery Plan forward.

Group Leaders were invited to offer their views:

The Green Group Leader outlined the views of their group and raised that:

It was noted that the Economic Plan had been refreshed through the new three-year Delivery Plan and reflected on the importance of maintaining focus on delivery and reporting against the plan's objectives. While concerns were expressed about aspects of the previous approach and the extent of engagement with young people, it was acknowledged that the Delivery Plan contains a number of positive measures.

The importance of ensuring that economic development benefits both the economy and the environment was highlighted, together with the need to create high-value, well-paid employment opportunities for residents. The opportunity to build on the Delivery Plan and support its successful implementation was welcomed.

The representative for Independents for Herefordshire outlined the views of their group and raised that:

A member welcomed the Delivery Plan and noted a number of positive aspects, particularly its continued alignment with the long-term vision for Herefordshire as a modern rural county. Members highlighted several encouraging economic indicators, including the county's strong tourism offer, high visitor spend, strong labour market performance and relatively high proportion of high-growth businesses.

It was observed that the plan is a partnership document rather than solely a council initiative, and the importance of collaborative working in delivering economic growth was emphasised. Members noted that key themes within the plan included business growth, infrastructure, housing and skills development.

Concerns were raised regarding the challenges of delivering major housing growth and supporting infrastructure, with recognition that these ambitions would require significant investment and partnership support. The importance of sustainable growth was also highlighted, including retaining businesses and skilled workers within the county and strengthening education and skills opportunities to support future economic prosperity.

The council's role as a facilitator in bringing partners together and enabling growth was recognised, noting that successful delivery of the plan would depend on strong partnership working across the public, private and voluntary sectors.

The Liberal Democrat Group Leader outlined the views of their group and raised that:

A member reflected on the role of local authorities in supporting economic development, noting that councils are often most effective when they facilitate and enable growth rather than attempting to lead it directly. It was observed that removing barriers to development and creating the right conditions for businesses to succeed can be a significant contribution in itself.

Particular emphasis was placed on the importance of NMITE and its potential long-term contribution to the county's economy. Members noted that the institution is helping to educate and retain talented young people who may become future entrepreneurs, business leaders and skilled professionals, thereby supporting economic growth within Herefordshire. While acknowledging the challenges faced by the institution since its establishment, it was suggested that its benefits are increasingly becoming evident and may deliver significant opportunities for the county in the years ahead.

The True Independents Leader outlined the views of their group and raised that:

Not present.

In response to the comments made:

The Cabinet Member explained that the governance arrangements underpinning the Economic Delivery Plan had been deliberately designed to bring together key partners while remaining manageable and focused. Representatives on the Economy and Place Board act as conduits for wider stakeholder groups, gathering and feeding in views from across their respective sectors and networks.

Members heard that the Skills Board had developed into a strong collaborative forum, bringing together organisations including education providers, employers and government agencies to identify skills needs and gaps within the county.

Work had been undertaken to better understand pathways from education into employment, align training provision with employer demand and ensure businesses are equipped to support young people entering the workforce. It was acknowledged that there may be further opportunities to strengthen the voice of young people within these arrangements.

The Cabinet Member highlighted a range of achievements already delivered or in progress, including the establishment of the Business Growth Board and Skills Board, progress at Skylon Park, the introduction of apprenticeship awards, development of the county tourism destination programme, business engagement forums, commissioning discussions with local organisations, and the implementation of inward investment initiatives to promote Herefordshire as a destination for business growth and investment.

Particular recognition was given to the contribution of partners, businesses and stakeholders who had helped drive these initiatives forward through collaborative working. Members noted that the Delivery Plan had been developed in response to partner feedback, providing a focused three-year programme of action to support delivery of the longer-term Economic Plan 2050.

It was emphasised that the Delivery Plan provides a clear framework for delivery and accountability over the next three years and will also provide a foundation for future administrations to review progress and develop subsequent delivery plans in support of the county's long-term economic ambitions.

The Deputy Leader of the Council concluded the discussions. Cllr Biggs proposed the recommendations, Cllr Swinglehurst seconded. The Deputy Leader directed that the decision to be put before Cabinet is:

That Cabinet:

a) **Consider and approve the Big Economic Delivery Plan**

b) **To delegate to the Director for Growth, in consultation with the Cabinet Member for Economy and Growth, the ability to make any final minor amendments to the Economic Delivery Plan in finalising for publication**

c) **To delegate to the Director for Growth, in consultation with the Cabinet Member for Economy and Growth, any operational decisions required to implement the Plan.**

The recommendations were unanimously approved.

113. CORPORATE PEER CHALLENGE PROGRESS REVIEW

Councillor Stoddart cabinet member for finance and corporate services introduced the report.

The findings of the Local Government Association (LGA) Corporate Peer Challenge Progress Review, undertaken on 28 May 2026 were presented. Members were reminded that the original review in June 2025 concluded that Herefordshire Council was a good council with a strong commitment to continuous improvement and identified five key areas for further development. In response, Cabinet had approved an action plan comprising 24 actions.

The Progress Review found that all actions within the plan were either complete or on track for completion and reinforced the positive assessment of the council's performance and direction of travel.

Members noted the significant progress made over the preceding year, including the achievement of a Good Ofsted rating for Children's Services, continued strong financial management, progress in delivering the council's transformation programme, improvements in data use and performance management, and strengthened partnership working across the county and wider region.

The review also recognised the council's effective financial management, enhanced transformation arrangements and active role in regional devolution discussions. While identifying areas for further development, particularly relating to data and organisational capacity, the peer team was positive about the progress being made and the council's ongoing improvement journey.
Thanks were expressed to officers, Members and partner organisations for their contribution to delivering the improvement programme and supporting the council's continued development.

Comments from cabinet members:

Members noted that the Leader had engaged fully with the Corporate Peer Challenge process and demonstrated a strong commitment to continuous improvement. The review process was described as a positive and constructive experience for the council.

The findings of the review were welcomed and highlighted the value of embracing external challenge and feedback as a means of driving improvement. The importance of listening to partners and stakeholders through engagement forums and using their feedback to identify issues and shape solutions was positively noted. Members agreed that open and constructive challenge helps strengthen the council's performance and supports ongoing improvement across the organisation.

Group Leaders were invited to offer their views:

The representative for Independents for Herefordshire outlined the views of their group and raised that:

It was noted that, while the Corporate Peer Challenge review was positive overall, it also contained important areas for improvement that should not be overlooked. Key observations included the need for a clear transformation delivery plan, continued work to strengthen the use of data and performance information, and ensuring the council has sufficient capacity and capability to deliver its ambitions.

Positive findings were highlighted in relation to staff engagement, awareness of the need for transformation, and the council's continued strong financial management. Members welcomed recognition of efforts to engage staff in understanding the council's financial position and acknowledged the positive feedback regarding partnership working and the development of the Business Growth Board.

It was recognised that the purpose of the Peer Challenge process is to identify opportunities for further improvement as well as areas of success. Members therefore emphasised the importance of maintaining focus on the recommendations relating to transformation, data, organisational capacity and future challenges, including those associated with devolution and service delivery. While progress to date was welcomed, it was noted that further work remains to be done to achieve the council's longer-term ambitions.

The Green Group Leader outlined the views of their group and raised that:

No Comment

The Liberal Democrat Group Leader outlined the views of their group and raised that:

No comment

The True Independents Leader outlined the views of their group and raised that:

Not present

In response to the comments made:

A member observed that the Corporate Peer Challenge should be viewed as a constructive check on the council's progress rather than an expectation of perfection. It was noted that the council had actively sought external feedback to assess its direction of travel, identify areas for improvement and ensure continued progress. Members welcomed the willingness to reflect on the findings and take action, recognising that the council remains committed to learning, improving and delivering the best possible services for residents.

It was acknowledged that the Corporate Peer Challenge findings formed part of an ongoing improvement journey rather than a one-off exercise. It was noted that the council reports regularly on its performance and has been open and transparent about the need to further improve its use of data and delivery of the transformation programme.

Members heard that work is underway to address these areas and confidence was expressed that significant progress would be made over the coming months.

The Deputy Leader of the Council concluded the discussions. Councillor Stoddart proposed the recommendations, the Deputy Leader seconded. The Leader directed that the decision to be put before Cabinet is:

That:

a) **Cabinet receives and notes the report arising from the Local Government Association Corporate Peer Challenge Progress Review held on 28 May 2026; and**

b) **Cabinet endorses the continued delivery of the council's action plan in response to the original recommendations.**

The recommendations were unanimously approved.

114. HEREFORDSHIRE PARKING STRATEGY 2026 - 2041

Councillor Durkin cabinet member for roads and regulatory services introduced the report.

The Cabinet Member presented the Herefordshire Parking Strategy 2026-2041, noting that parking plays a vital role in supporting access to town centres, businesses, schools, healthcare services, workplaces and tourist destinations across the county. The strategy was developed to provide a clear long-term framework for parking policy and decision-making, replacing the previous piecemeal approach.

Members heard that extensive public consultation had been undertaken, including online engagement, social media campaigns and stakeholder communications, which generated approximately 500 responses. Feedback highlighted priorities including safer streets, improved provision for disabled users, better parking management around schools and junctions, proportionate enforcement and more user-friendly services. These themes have informed both the strategy and its associated delivery plan.

Particular recognition was given to council officers for developing the strategy in-house. The Cabinet Member noted that the document had been produced by Herefordshire Council staff who understand local communities and had carefully considered feedback from residents, businesses, workers, parish councils, Members and visitors.

The strategy promotes a positive approach to parking, emphasising education, communication and partnership working alongside targeted enforcement where necessary to protect safety, accessibility and fairness. Members were advised that the strategy is intended to support communities, economic growth, accessibility and sustainable transport choices, while ensuring parking continues to contribute positively to life in Herefordshire.

Cabinet was invited to support the strategy as a modern, evidence-led framework to guide future parking decisions across the county.

Comments from cabinet members:

A member welcomed the Parking Strategy and placed on record their appreciation for the work undertaken by council officers in developing the document in-house. Particular thanks were expressed to the lead officer for producing a high-quality strategy, with members noting that this approach had delivered a significant cost saving by avoiding the need for external consultants. Full support for the strategy was expressed.

A member welcomed the Parking Strategy, noting its balanced approach to parking management. While recognising that enforcement remains an important element of the strategy, it was highlighted that the emphasis is on encouraging safe and responsible parking behaviour through education, communication and engagement, with enforcement used where necessary.

The important role of Civil Enforcement Officers was also acknowledged. Members noted that these officers act not only in an enforcement capacity but are often the public-facing representatives of the council, providing assistance and information to residents and visitors. Concern was expressed regarding incidents of abuse directed towards enforcement staff, and it was emphasised that such behaviour is unacceptable. The importance of supporting staff and ensuring appropriate action is taken where incidents occur was highlighted. Overall, the strategy was warmly welcomed.

A member commended the Parking Strategy, recognising it as a balanced and proportionate document that provides choice while supporting the needs of residents, businesses and visitors. It was noted that the strategy represented an important and much-needed piece of work, and congratulations were extended to the Cabinet Member and the officers involved in its development. Support for the recommendations was expressed.

Group Leaders were invited to offer their views:

The Green Group Leader outlined the views of their group and raised that:

Welcomed the development of the Parking Strategy but highlighted a number of areas where further improvements could be considered. It was suggested that the strategy should place greater emphasis on influencing travel behaviour and supporting modal shift, rather than primarily responding to parking demand.

Stronger alignment with the objectives of the Local Transport Plan, particularly in relation to carbon reduction and active travel was encouraged.

The potential role of workplace travel planning, park and choose facilities, and park and ride provision in reducing congestion and supporting sustainable travel was emphasised. It was suggested that these initiatives should be developed further and progressed at pace to encourage alternatives to car travel, particularly for journeys into Hereford.

It was highlighted the need for greater clarity regarding the rollout of electric vehicle charging infrastructure, including a clear implementation timetable and assurance that rural communities and market towns would benefit alongside Hereford city. It was noted that improved charging infrastructure would be important in supporting residents to transition to electric vehicles.
Further opportunities were identified to integrate renewable energy generation within council car parks, including the use of solar canopies to provide vehicle charging, generate electricity and offer shade for users. It was noted that such measures could contribute to both sustainability and climate adaptation objectives.

The representative for Independents for Herefordshire outlined the views of their group and raised that:

The strategy's strong focus on safety, noting that public consultation responses had highlighted safety and appropriate enforcement as key priorities was welcomed. However, it was observed that there can be tension between calls for stronger enforcement and concerns about the extent of enforcement measures, and members sought reassurance that the strategy strikes the right balance between education, engagement and enforcement.

The importance of Civil Enforcement Officers as both ambassadors for the council and officers responsible for ensuring compliance with parking restrictions was reiterated. It was noted that the balance between these roles should be clearly understood within the delivery of the strategy.

Support was expressed for the further consideration of park and ride proposals, with a request that this work be progressed as soon as practicable. It was acknowledged that such schemes may not be suitable in all locations but considered that further investigation would be beneficial.

Concerns were also raised regarding future parking provision should existing parking facilities be redeveloped, and it was suggested that reviews of parking capacity and alternative provision should be undertaken in a timely manner to support future planning decisions.

The Liberal Democrat Group Leader outlined the views of their group and raised that:

A member expressed reservations about the practicality of introducing a park and ride scheme in Hereford, noting that successful schemes elsewhere often depend on supporting infrastructure, such as ring roads and high-frequency bus services. Reference was made to experiences in other areas where park and ride schemes have required significant public subsidy and, in some cases, have not proved viable.

It was suggested that Hereford's road network and travel patterns present particular challenges for the operation of a cost-effective park and ride service. However, it was noted that improved transport infrastructure could increase the feasibility of such schemes in the future, although they would likely continue to require substantial investment and ongoing support.

The True Independents Leader outlined the views of their group and raised that:

Not present.

In response to the comments made:

The Cabinet Member responded to points raised during the debate and emphasised that the Parking Strategy provides a strategic framework, with specific proposals and interventions to be considered and developed through future work programmes and consultation.

Members were advised that options such as park and ride would be subject to further assessment and public consultation to ensure they are both practical and financially viable. The importance of working with partners in developing and delivering any future schemes was highlighted.
The Cabinet Member welcomed the contributions made by members and thanked officers for producing a comprehensive and high-quality strategy.

It was noted that the council's approach to parking management would continue to follow the principles of informing, educating and enforcing, with a focus on encouraging compliance and promoting safer parking behaviour. The importance of supporting Civil Enforcement Officers and strengthening working relationships with the police to address incidents of abuse towards staff was also emphasised.

Members were assured that comments received through consultation, scrutiny and the debate would be taken into account as the strategy is implemented. It was confirmed that the strategy aligns with wider transport and planning policies, including the Local Transport Plan, and that further work on matters such as park and ride, parking provision and infrastructure improvements would be brought forward in due course.

The Deputy Leader of the Council concluded the discussions. Cllr Durkin proposed the recommendations, the Deputy Leader seconded. The Deputy Leader directed that the decision to be put before Cabinet is:

That:

a) **That the new Parking Strategy for Herefordshire is adopted by cabinet;**

b) **Delegated authority be given to the Chief Operating Officer for Economy and Environment in consultation with the Cabinet Member for Roads and Regulatory Services to take all operational decisions to implement the Parking Strategy and its delivery plan.**

The recommendations were unanimously approved.

115. FOOD WASTE COLLECTION IMPLEMENTATION

Councillor Swinglehurst cabinet member for environment and culture introduced the report, noting that the requirement arises from the Environment Act 2021. The aim of the legislation is to reduce the amount of food waste disposed of through residual waste streams and to support more environmentally sustainable treatment methods, including anaerobic digestion.

Members heard that Herefordshire has already significantly reduced landfill disposal through investment in energy-from-waste infrastructure, with less than 1% of waste now sent to landfill. Nevertheless, the legislation requires separate collection and treatment of food waste.

Government funding had been received to cover the majority of the capital costs associated with introducing the service, and the council had originally anticipated receiving additional revenue funding. However, following the final local government finance settlement, no specific new burdens funding was provided, requiring the council to review implementation options to ensure value for money and affordability.

A range of delivery approaches were considered, including phased implementation and alternative start dates. Following discussions with operational partners, the preferred option was identified as a single countywide rollout in September 2027. Members were advised that this approach would provide a clear and consistent message to residents, simplify communications, avoid implementation during peak summer and Christmas periods, and support public confidence in the new service.
It was noted that approximately 6,000 households would require tailored arrangements, and work would be undertaken to ensure suitable collection solutions are provided. The report identified key risks and mitigating actions, including additional preparation time for recruitment, service planning, operational readiness and public engagement.

Members were advised that diverting food waste from residual waste collections would reduce disposal costs, as food waste collected separately would not require treatment through the energy-from-waste facility. The importance of achieving high levels of public participation was emphasised in order to maximise environmental benefits and ensure value for money.

Cabinet was asked to approve the proposed implementation strategy and recommendations for the introduction of the food waste collection service.

Comments from cabinet members:

A member raised a concern regarding the future use and disposal of digestate produced through anaerobic digestion. It was noted that restrictions on spreading digestate within the River Wye catchment could create challenges in the future, particularly if similar approaches are adopted by other authorities.

Members observed that this could affect the availability of suitable outlets for digestate and potentially result in additional costs or the need to consider alternative treatment and disposal methods. The comments were offered as a consideration for future planning and risk management.

Group Leaders were invited to offer their views:

The representative for Independents for Herefordshire outlined the views of their group and raised that:

Expressed support for the implementation of the food waste collection service, recognising that the council is required to introduce the scheme and acknowledging the work undertaken to develop the proposals.

Concerns were raised regarding references to the management of digestate, noting the importance of ensuring that the council does not simply transfer environmental impacts to other areas and that opportunities should be explored to work collaboratively with other authorities and partners to identify sustainable solutions.

Clarification was sought regarding estimated food waste collection tonnages and made observations on the risk management section of the report. It was suggested that risks and mitigation measures could be more clearly articulated to strengthen decision-making and provide greater assurance regarding how identified risks will be managed and addressed.

The Green Group Leader outlined the views of their group and raised that:

Noted disappointment that the rollout of the food waste collection service had been delayed, while recognising that Herefordshire was not alone in facing challenges arising from the national funding arrangements.

Concerns were raised regarding the requirement for the council to contribute additional capital funding, including borrowing and the use of reserves, alongside the Government grant, and clarification was sought as to whether further capital investment would be required in future years.
The member welcomed the option appraisal undertaken and supported the proposed countywide rollout as the most cost-effective approach.

Questions were also raised regarding the intended use of digestate, including whether it would be used outside the county or outside the River Wye and River Lugg catchments, and whether opportunities existed to generate income from digestate given the increasing cost of fertilisers.

The Liberal Democrat Group Leader outlined the views of their group and raised that:

Expressed concern about the practical and environmental implications of the food waste collection service, particularly in a large rural county such as Herefordshire. It was noted that collection vehicles may be required to travel significant distances along rural roads to collect relatively small quantities of food waste from individual households, raising concerns about the associated financial costs, vehicle movements and overall carbon and energy impacts of the service.

It was highlighted the importance of monitoring these impacts as the scheme is implemented.

The True Independents Leader outlined the views of their group and raised that:

Not present.

In response to the comments made:

Members acknowledged that the introduction of the food waste collection service is a statutory requirement and that the council must implement the scheme. Whilst supporting its introduction, concerns raised during the debate regarding the potential environmental impacts of collection arrangements, particularly in a rural county, were noted and will be kept under consideration as the service is developed and implemented.

The Deputy Leader of the Council concluded the discussions. Cllr Swinglehurst proposed the recommendations, Councillor Durkin seconded. The Deputy Leader directed that the decision to be put before Cabinet is:

That Cabinet

- **a) Cabinet approves the commencement of a new food waste collection service from September 2027 as a countywide service implementation;**

- **b) Cabinet authorises the revenue expenditure detailed in paragraphs 49 and 50 to mobilise the service,**

- **c) Cabinet authorises the capital expenditure detailed in in paragraphs 43 and 50, to purchase and deliver the new food containers and caddy liners and to undertake the required depot improvements works;**

- **d) Cabinet delegate all operational decisions to implement the above recommendations to the Chief Operating Officer - Economy and Environment.**

The recommendations were unanimously approved.

It was confirmed the next meeting of cabinet was 10 September 2026 at 2:30pm.

The meeting ended at 4.10 pm **Chairperson**

Agenda item no. 4 - Questions from members of the public

Question No.	Questioner	Question	Question to
PQ 1.	**Paul Newman, Hereford**	**The Year of Delivery report says that the Holme Lacy Road scheme costing £7.9million “Anticipating to underspend on this project and for the LUF funding to be shifted over to the Commercial Road scheme budget for delivery next year”.** **With planned improvements to the Great Western Way South of the Wye abandoned and with little to no walking and cycling upgrades on or around the Belmont Road as promised in the original South Wye Transport Package (and mentioned in the Bypass Scheme Information Report as having been progressed and delivered) how and why has it been decided that any remaining LUF funding is to be used for the already heavily overspent Hereford City Centre Transport Package and Commercial Road, rather than for delivering such improvements in the Belmont area?**	**Councillor Price, cabinet member for transport and infrastructure**
Response: The Levelling Up Fund (LUF) programme is a ringfenced package of funding that must be used to deliver the schemes set out within the approved Hereford Transport Package programme. The council cannot redirect LUF funding to unrelated transport projects, even where those projects may be considered desirable or beneficial locally. Any underspend from individual Levelling Up Fund schemes must remain within the approved programme and be used to support delivery of the remaining Levelling Up Fund projects. This includes ongoing and planned major schemes such as Commercial Road, the Hereford transport hub, Aylestone Hill and other approved improvements within the Hereford Transport Package. The council remains committed to improving walking, cycling and sustainable transport opportunities across Hereford. However, any future proposals for schemes outside the approved Levelling Up Fund programme would need to be considered through alternative funding sources and future transport investment programmes.			
Supplementary Question:			

MINUTE ITEM 107

<table>
<tr><td colspan="4">The Hereford Southern Link Road is now being built just for motorised vehicles, at a cost of over £45million, paid by all residents of Herefordshire, whether or not they own a car or live anywhere near this new road scheme.

With the Hereford Southern Link Road forecast to significantly increase car use in South Hereford, if the Active Travel Measures of the South Wye Transport Package are not being funded by the Levelling Up Fund, what planned investment is being made in walking and cycling infrastructure in the Belmont area in order to link these residents with the new jobs in Hereford Enterprise Zone and the city centre, without the need for a car?</td></tr>
<tr><td colspan="4">Supplementary Response:

A series of Quiet Route schemes have been designed that will connect the Belmont area to the new cycle improvements being constructed on the Holme Lacy Road. Furthermore, Phase One is expected to deliver benefits well beyond private car users. The scheme will provide a more direct and reliable route for freight traffic serving the Hereford Enterprise Zone, reducing the need for HGVs to travel through residential areas such as Walnut Tree Avenue and Holme Lacy Road, improving conditions for local communities while supporting business and logistics activity. Meanwhile, for public transport we expect key benefits, with reduced congestion on key bus corridors including Belmont Road, Ross Road and Holme Lacy Road expected to improve bus journey reliability and punctuality, making bus travel a more attractive option. Together, these benefits support economic growth, improve access to jobs and employment sites, reduce traffic impacts in neighbourhoods and contribute to a more efficient and resilient transport network for all users, not just motorists.</td></tr>
<tr><td>PQ 2.</td><td>Huw Sherlock, Hereford</td><td>It is noted that in the Year of Delivery Review at item 7 of Connected Communities agenda for 7th July that it is proposed to make £3.5m worth of savings (known as 'value engineering'), nearly 10% of the construction project cost.

With the Council looking to detrunk the A49 onto this road when Phase 2 is built, precisely what is proposed not to be done that had previously been included in the design to effect this £3.5m saving on the Southern Link Road (aka 'Bypass Phase 1')?</td><td>Councillor Price, cabinet member for transport and infrastructure</td></tr>
<tr><td colspan="4">Response:

The Full Business Case for the Hereford Bypass Phase One project has now been published on the Council's website. In the Financial Dimension section, page 3 table 1-2 sets out the list of value engineering options.</td></tr>
<tr><td colspan="4">Supplementary Question:</td></tr>
</table>

Thank you but with no revised drawings and with the limited information on page 3, is it not clear to a member of the public the impact the Value Engineering options will have on the final design of Phase 1 of the Bypass. At the Scrutiny meeting it was made clear that the road design is now out of date and did not comply with trunk road standards, but to avoid delay the Council will proceed with the out of date plans. In view of these comments, and along with the proposed value engineering options, what agreement does Herefordshire Council have with Highways England that the Council's preferred road construction will result in the Southern Link road being acceptable to be adopted as part of the new A49 trunk road?			
Supplementary Response: At no time during the Scrutiny meeting were the road designs said to be out of date. A review of the original design found it to be compliant with standards including the DMRB trunk road standards a couple of minor changes were made to drainage designs but nothing that would make it non-compliant. The designs of Phase One are in compliance so that they could potentially be adopted as trunk road in the future.			
PQ 3.	**Stephen Mason, Madley**	**Have the proposals put forward by Herefordshire Council regarding the proposed southern link road incorporated evidence about induced travel demand and the use of alternative routes, in particular, the increased traffic that will use the Bridge Sollars road via Madley and Clehonger, in the light of my background paper?**	**Councillor Price, cabinet member for transport and infrastructure**
Response: The Full Business Case (for phase one) is supported by detailed traffic modelling, which indicates some modest increases in traffic in a small number of roads connecting to the new route, including through Bridge Sollars, Madley and Clehonger. It is important to note that these forecasts are for 2043 and therefore sit within a wider picture of population growth and increased vehicle movements over the next two decades. The increases identified are not considered significant in that context and do not currently warrant mitigation measures.			
Supplementary Question: None			
Supplementary Response:			
PQ 4.	**Andrew Barnes, Madley**	**What mitigation, if any, has been considered by the Council to offset the adverse impact on residents and schools as a result**	**Councillor Price, cabinet member for transport and infrastructure**

		of the expected increase in traffic, and in particular commercial traffic, switching from the A438 to/from Hereford to the proposed Southern Link Road (Phase One of the Hereford Western Bypass) via Bridge Sollers, Lulham, Madley and Clehonger?	

Response:

The Full Business Case (for phase one) is supported by detailed traffic modelling, which indicates some modest increases in traffic in a small number of roads connecting to the new route, including through Bridge Sollars, Madley and Clehonger. It is important to note that these forecasts are for 2043 and therefore sit within a wider picture of population growth and increased vehicle movements over the next two decades. The increases identified are not considered significant in that context and do not currently warrant mitigation measures.

Supplementary Question:

Thank you for your response. Whilst I acknowledge that the Council has commissioned detailed traffic modelling as part of this project, from the publicly disclosed documents it is not evident that the modelling has considered the scenario referred to in my question. Furthermore, it must be recognised that frequently real life outcomes differ from the prior modelling, however detailed. In the Council's reports many references are made to the difficulties faced by residents and the school along Walnut Tree Avenue, I am concerned that the Council should not inadvertently create a similar or worse situation along the route that I have described in my original question.

On the assumption that the Council will exercise its responsibility to proactively measure and monitor the effect on traffic patterns and volumes of the introduction of the new Southern Link Road, if, as is very possible, traffic in practice behaves so as to materially adversely impact the communities referred to in my original question, what assurance can the Council provide that it will take prompt and effective action to ensure that the safety of these communities is not degraded?

Supplementary Response:

The same assurance that is given to all Herefordshire residents. The Council as the highway authority has a duty to manage the highway network to keep it as safe and functioning as possible and will continue to do so into the future.

PQ 5.	**Susie, Laan, HR4 7PR**	**The Draft Big Economic Delivery Plan on page 9 says that Herefordshire has "strong economic ties to Worcestershire, Gloucestershire and the West Midlands to the West".** **All three locations referred to are located to the East/Southeast of Herefordshire not the West! It further explains that strong**	**Councillor Price, cabinet member transport and infrastructure**

		economic ties, particularly aligned with defence and security, lie to the East of the County. **With massive housing growth on the West of Hereford commuters will be required to travel right across the City to the East side, in order to take up these new, well paid jobs, focussed on defence and security.** **Would the Cabinet member explain why major transport investment is not focussed on improving the connectivity of the enterprise parks in South East Hereford and Ross-on-Wye with Worcestershire, Gloucestershire and the West Midlands and minimising travel across a congested City?**	

Response:

Thank you for highlighting the slight mis-phrasing in the document; this will be corrected in future versions. The council's transport ambitions are focused on supporting economic growth across the county and strengthening connections to key employment locations and strategic transport corridors, including the Hereford Enterprise Zone, Ross Enterprise Park, the M50, South Wales and the wider Midlands economy.

The Hereford Bypass is a key part of that strategy, with phase one alone improving access to the Hereford Enterprise Zone while reducing traffic on a number of residential routes in South Wye at peak times. It would also allow traffic travelling from South Wales, such as Abergavenny, to access the expanding Enterprise Zone directly, without needing to travel through the heart of Hereford.

More broadly, the bypass would help unlock the Growth Corridor, creating up to 300 hectares of employment land, supporting around 10,000 jobs, and enabling new homes, infrastructure and public services needed to support sustainable growth. Alongside the continued development of Ross Enterprise Park and other strategic employment sites, this will improve connectivity, attract investment and help residents access economic opportunities both within Herefordshire and across the wider region.

Supplementary Question:

Sorry, but the answer seems to ignore that a Western Bypass does not build on and develop the strong economic ties that are referenced in the Big Economic Plan, all of which lie on the East of the City and the County. The answer gives no explanation as to what important and vital economic and strategic ties are located on the West of Hereford.

In order to minimise the movements of freight across and around the City, what goods and materials has the Big Economic Plan identified and taken into account that will be brought into the County purely from the West to supply the new businesses in the Western growth corridor and where are the major customers for these new large businesses located?

Supplementary Response

The current Hereford Enterprise Zone is located to the south of the city and is the primary area for current employment in the county. As per the previous answer, this employment land is almost fully developed out. Through the Local Plan process we therefore need to identify new employment land of provision to support the long term growth of the county. Due to flooding and environmental protections to the east of Hereford, future employment land sites are likely to be to the north west of the city in the proposed Growth Corridor.

There continues to be significant demand from local businesses for additional employment land, and the council has established a new Inward Investment service to attract new businesses to the county (Invest In Herefordshire | Entrepreneurship, Skills And Culture) in seeking to create more better paid jobs.

PQ 6.	**Paul Eathorne, Madley**	**The Western by-pass, which enables North - South traffic to avoid the city, seems likely to deliver the greatest cost benefit.** **The Southern link road is effectively a short extension of the B4399 (Rotherwas road) and as traffic on the latter is extremely light, it seems reasonable to expect traffic on Phase 1 to be similarly light until the entire by-pass is complete, offering little or no reduction in city centre traffic volumes.** **Obtaining funds for road projects is a very volatile process and subject to political whim, offering the risk that funds to complete the full by-pass may not be available for many years, if ever.** **Therefore, should we focus investment on the section offering the greatest cost / benefit by building Phase 2 first, rather than start by building a road to no-where?**	**Councillor Price, cabinet member for transport and infrastructure**

Response:

Phase One alone creates a strategically important west-east link on the southern edge of the city, improving access to key employment centres including the Hereford Enterprise Zone. It establishes the southern anchor point from which future phases can continue. Phase two, subject to funding, planning and other statutory approvals west and north of the city, will unlock employment land, jobs and housing.

Although the full value of the bypass will be realised when all phases are completed, the latest modelling indicates that Phase One alone provides a strong case for investment, and for pursuing it first.			
Supplementary Question: None			
Supplementary Response:			
PQ 7.	**Gill Jinman, Golden Valley South**	**The Big Economic Plan Delivery Plan** **The Leader of the Council has previously told me and stated publicly that a railway station at Pontrilas - the Golden Valley Parkway station - is a priority of this administration. Other Councillors have promoted the improvement of rail connections, and the Pontrilas station would not only improve but also in many cases enable access for young people to jobs and education, particularly as NMite was founded as not being reliant on car transport.** **Why is there no mention in the Plan of the Golden Valley Parkway station or improving rail connections across the county, or beyond to Cardiff & Gloucester, rather than just doubling the number of trains to Worcester?**	**Councillor Biggs, cabinet member Economy and Growth**
Response: The Economic Delivery Plan has been developed by the Economy and Place Board, to identify priority actions over the next three years in delivering the overarching long term Herefordshire Economic Plan 2050. The Economic Plan/ Strategy does identify a need for improved connectivity across the whole county. A separate Herefordshire Rail Strategy is also currently being developed which will explore the viability of improved rail connections.			
Supplementary Question: I am grateful to Councillor Biggs for his response to my question, but given that the Leader has publicly described the Golden Valley Parkway station as a priority for this administration, why is that priority absent from the Economic Delivery Plan?			

<table>
<tr><td colspan="4"></td></tr>
<tr><td colspan="4">Supplementary Response:

The Economic Delivery Plan is focussed on the next three years only, in delivering the next phase of the Economic Plan 2050. The Golden Valley Parkway station can't be delivered in the three year timeframe. The separate Herefordshire Rail Strategy will identify priorities for improved infrastructure and how these will be taken forward.</td></tr>
<tr><td>PQ 8.</td><td>Kate Seekings, HR4 0LQ</td><td>The Big Economic Plan (Appendix 2 page 3) says that "within 3 years we will have delivered our redeveloped Hereford Museum & Art Gallery".

Will the Cabinet member please provide an update as to what the plans of the redevelopment of the Hereford Museum & Art Gallery look like if this work is to be completed by the Summer of 2029 and will be opened in the next 3 years, along with the Shirehall library and learning resource facilities?</td><td>Councillor Bramer, cabinet member community services and assets</td></tr>
<tr><td colspan="4">Response:

The Hereford Museum and Art Gallery redevelopment project is a priority for the council. Following a period of re-scoping the project to ensure it remains affordable, we are about to commence the final stages of design, which will finalise the programme period. However, we fully anticipate that it will be completed within the 3 years identified in the Economic Plan Delivery Plan.</td></tr>
<tr><td colspan="4">Supplementary Question:

The Museum and Library building in Broad Street has been closed for several years, and it now seems it will remain closed for at least a further three years. During this time, the four ground floor display windows have been left empty and uncared for. Why have the Council not used this key town centre display area to exhibit for residents the plans and progress of the building, rather than leaving the impression that the building is permanently closed, and when will the Council fill the windows with up to date and ongoing communication about the Museum and Library services for residents?</td></tr>
<tr><td colspan="4">Supplementary Response:

There are regular works undertaken in the building, such as the investigations required to inform the design of the building. This has identified that there is significant asbestos in the building, which is a health and safety risk so whilst these works are going on it will not be possible access and use of the building is restricted while these works are on-going.</td></tr>
</table>

There are regular monthly updates regarding the project on the council website, and the museum service are proactively and regularly engaging thousands of residents across the county.

PQ 9.	**Jim Hardy, Hereford**	**Under Environmental Impact in the report on The Big Economic Plan it says that "The Climate and Nature Partnership are represented on the Economy and Place Board, and have been consulted during the development of the Delivery Plan."** **The Climate and Nature Partnership was replaced in January 2026, by a new Herefordshire Environment Board, due to meet quarterly, but there seem to be no published minutes of this Board or details of its membership.** **Where can the response of this Board to the consultation on the Big Economic Plan be found?**	**Councillors Biggs, cabinet member Economy and Growth**

Response:

The Economic Delivery Plan has been developed through a county-wide partnership approach led by the Economy and Place Board. The Board brings together representatives from Herefordshire Council, the Herefordshire Business Growth Board, Skills Board, Environment Board (formerly the Climate and Nature Partnership), Cultural Partnership and Community Partnership.

Throughout the development process, board members gathered views and feedback from their respective sectors and networks. This feedback, alongside comments from a series of council-facilitated workshops with board members and partners, has been reviewed and incorporated into the final Delivery Plan. The Economy and Place Board has considered and endorsed the final plan on behalf of the wider partnership. The Cabinet decision seeks agreement for Herefordshire Council to formally adopt the Delivery Plan and lead delivery of those actions for which the council is responsible.

The Economic Delivery Plan is a three-year programme focused on delivering the immediate priorities of the Herefordshire Economic Plan 2050. It builds on the extensive engagement and consultation undertaken during the development of the Economic Plan, which involved a broad range of partners, businesses, organisations and stakeholders across the county before its adoption in 2023.

Supplementary Question:

Your response to my original question clearly avoids answering where the response of the Environment Board to the consultation on the Big Economic Plan can be found. This does not accord with the Nolan principle of openness.

The vision of the Big Economic Plan includes that 'In 2050 Herefordshire is a vibrant, healthy, zero carbon place' and 'We have protected our rich natural environment'.

If the Environment Board has in fact met, where can the public access a record of its membership and its response to the consultation?

Supplementary Response:

As per the previous response, a representative from the Herefordshire Environment Board is a member of the Economy and Place Board that has led the development of the delivery plan. They attended and directly fed in views on behalf of the Environment Board into the development of the strategy, including attending a number of workshop sessions. These views have been reflected in the finalised delivery plan, which was approved by all of the Economy and Place Board prior to coming to the cabinet meeting for council adoption.

PQ 10.	**Mr Dave James, Hereford**	**It's clear that the infrastructure in Herefordshire has failed. Will the council put the infrastructure in place to cope with demands put on an already overloaded system.** **My main concern is the planned development of 27,000 more homes on top of what is still in process. We all know that the existing water, sewage infrastructure is too small to deal with today's demands.** **So what is planned to ensure to ensure existing and future needs will be in place before another house is built in Herefordshire.**	**Councillor Swinglehurst, cabinet member culture and environment**

Response:

We understand residents' concerns about pressure on utilities, roads, schools, healthcare and other infrastructure. The requirement to plan for more than 27,000 new homes comes from national housing targets, which the council has a legal duty to address through the Local Plan. This growth would be phased over the next 15 to 20 years, not delivered all at once. The Local Plan is designed to ensure housing growth is supported by the infrastructure communities need, which is why we are working with developers, utility providers, health leaders, education providers, transport authorities and other partners to assess and meet future requirements.

New development is expected to contribute towards the infrastructure it creates demand for, including transport, education, healthcare, drainage, flood mitigation and community facilities.

Infrastructure needs will be assessed alongside housing requirements and the Local Plan will be subject to extensive public consultation before any decisions are made. Our aim is to support sustainable growth that benefits communities, the local economy and Herefordshire's environment.

Supplementary Question:

None

Supplementary Response:

PQ 11.	**Mrs E Morawiecka, Hereford**	**The Cabinet report on the Big Economic Plan says at para 7 "The plan includes the cross-cutting delivery principles of ensuring sustainability, maximising investment and delivering through partnership working, ensuring that we retain a focus on the environment and collaboration".** **The plan promotes 14,000 new homes and a massive new "bypass" going through the middle of these new housing estates to the West of Hereford, over some of the County's highest grade agricultural land and potable aquifers supplying existing businesses. With no mention in the plan for delivering the infrastructure and resources for the necessary increase in water supplies or sewerage whilst protecting the county's watercourses and environment, how does this plan deliver sustainability?**	**Councillor Swinglehurst, cabinet member culture and environment**

Response:

The Economic Delivery Plan does not sit in isolation. It forms part of a connected framework of strategies, including the Council Plan, Local Plan, Local Transport Plan and environmental policies, which together guide how growth is delivered across the county. Decisions about housing, employment, transport, infrastructure and environmental protection are therefore considered as part of a single strategic approach, not in isolation.

The proposed Hereford Growth Corridor will be considered through the Local Plan process and will be subject to detailed technical assessment, statutory consultation and public engagement. This includes ongoing engagement with infrastructure providers, utility companies, environmental regulators and other key stakeholders to ensure growth is planned, coordinated and sustainable. Like the first phase, the bypass and growth corridor schemes would also be required to include robust measures to protect communities, landscapes, heritage and wildlife, with environmental assessments, habitat protection, biodiversity net gain, watercourse safeguards and mitigation measures forming part of the design and planning process.

Our approach is based on strategic, managed growth that supports thriving communities, a strong economy and the protection of Herefordshire's environment, rather than piecemeal or ad hoc development.

Supplementary Question:

Thank you. Sadly, the answer does not address why the Big Economic Delivery plan is silent about water and waste infrastructure, essential for supporting businesses and residents of the County.

The Council is aware the Western Growth Corridor poses a significant risk to polluting the fresh water supplies for two of the County's major employers, risking the loss of over 3,000 jobs.

With the current heatwaves and drought conditions Herefordshire is experiencing, and which are likely to be the new normal under Climate Change, fresh water is being tankered around the City and County. The River Wye is dangerously low and too hot for many of its protected species to survive.

Would the Cabinet member please explain what and where is the strategy and delivery plan for increasing water supplies and sewerage capacity to sustainably underpin the Big Economic Plan?

Supplementary Response:

As per the previous answer, the development of the Local Plan is the statutory strategy for identifying future land use and infrastructure requirements for the county in consultation with the utility providers. Economic priorities are fully considered in the development of the Local Plan. Once adopted, Welsh Water are responsible for ensuring that water supplies and sewerage capacity is then in place to meet this long term growth.

PQ 12.	**Deuce McBride, HR2 0NY**	**The village of Clodock has been flooded twice in November 2024 and November 2025. Herefordshire Council arranged an independent survey of the problem which has been submitted to the Council some months ago, suggesting measures that could be taken to lessen/prevent such a re-occurrence in future; one such proposal was the removal of some of the debris under one of the arches of the bridge over the river Monnow to increase flow of the river.** **Since that time nothing seems to have been done and yet with the river so low this summer, now would be an ideal time to take such measures.**	**Councillor Hurcomb, Local Engagement and Community Resilience**

		Is the Council intending to act on any of the survey's proposals to support the village or is this survey going to be ignored?	

Response:

Although commissioned by Herefordshire Council, the Section 19 Flood Investigation Report considered flooding across all relevant authorities. It examined the causes and sources of flooding, clarified the roles and responsibilities of the various Risk Management Authorities, reviewed actions already taken or proposed, and identified potential measures to reduce future flood risk and impacts.

In relation to the recommended action to remove rocks from the watercourse, the council has assessed the location and concluded that their removal is not currently necessary. The deposits occupy only a limited proportion of the channel and are not considered likely to have a significant effect on flood risk. The flooding affecting most properties in Clodock occurs where the River Monnow overtops its banks approximately 150 metres upstream of the bridge, meaning it is not influenced by either the bridge or the deposits at this location. As the rocks are not beneath the bridge, responsibility for their removal rests with the adjacent riparian landowner. Given the limited flood risk posed, the council does not consider formal enforcement action to be justified.

The council has also reviewed concerns about highway gullies. While gullies drain surface water from the highway network, they are not designed to convey river flood flows and are therefore unlikely to have a significant effect during major flooding events of the scale experienced in recent years.

It is important to recognise that Clodock lies within Flood Zone 3 and therefore remains at a high risk of flooding from the River Monnow. With the increased frequency and intensity of extreme weather events, improving community flood resilience is increasingly important. The council can support residents in developing a Community Flood Plan to help the community prepare for, respond to, and recover from future flooding.

The Environment Agency is arranging initial Lot 1 surveys for flood-affected residents to assess the suitability of Property Flood Resilience (PFR) measures. The implementation of any recommended measures will depend on the availability of funding, with potential funding opportunities currently being explored.

Supplementary Question:

Many thanks for your reply to my question about the River Monnow flooding in Clodock.

I was interested to read that the flooding occurred 150 metres upstream of the bridge. In fact the flooding first occurred at Monnow Cottage which is approximately.20/30 metres from the bridge.

Could it possibly be that the sheer quantity of water could not pass through the arches of the bridge because one of them is partially blocked and so backs up and floods further upstream? By taking away the concrete debris it would increase the flow and may well prevent flooding or certainly reduce its impact by allowing more water to flow.

<table>
<tr><td colspan="4">Our own councillor Mattew Engels has been here when the river was high and has seen the difference in flow between the two arches.

You state that it is the responsibility of the riparian landowner except I understand that any attempt to discover who it is has been unsuccessful. If the owner cannot be traced, should it not be the responsibility of the Council to try to protect its' public. In the light of the above information, would it not be responsible for the Council reconsider their reply or is Clodock too insignificant a community to warrant their attention?</td></tr>
<tr><td colspan="4">Supplementary Response:

We note your observations regarding the location where flooding was first experienced, together with your comments on the differing flow conditions. We would emphasise that the council's approach is not influenced by the size of the community affected. The available evidence suggests that removing the deposited material from the watercourse is unlikely to materially reduce flood risk. Furthermore, the council does not have a legal responsibility to undertake works at this location. Nevertheless, given the uncertainty regarding ownership and maintenance responsibility for this section of watercourse, together with the relatively low cost of removal, the Flood Risk Management Team will seek to arrange these works. This should not be interpreted as an acknowledgement of liability, nor as evidence that the deposited material is a cause of flooding. Any such intervention would remain subject to environmental, legal and resource considerations.</td></tr>
<tr><td>PQ 13.</td><td>Mr and Mrs Haywood, Clodock</td><td>I am concerned that following the flooding of Clodock that occurred late last year, and the subsequent survey by the council, that no action or remedial work has been actioned.

Please would you inform me what post-flooding action has been taken, in particular the removal of the large stone boulders under the bridge over the river Monnow at Clodock.

We are approaching the time of the year when flooding is most likely to be repeated, and action is therefore important to prevent further flooding of Clodock.
Please would you inform me details of what flood prevention work will be taking place in the next few months to help prevent a repeat of the situation late last year that resulted in the flooding of most houses in the village of Clodock.

I am sure you can understand my concern, and I am more than happy to attend any Council meetings that may assist with the above.</td><td>Councillor Hurcomb, Local Engagement and Community Resilience</td></tr>
<tr><td colspan="4">Response:</td></tr>
</table>

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In relation to the recommended action to remove rocks from the watercourse, the council has assessed the location and concluded that their removal is not currently necessary. The deposits occupy only a limited proportion of the channel and are not considered likely to have a significant effect on flood risk. The flooding affecting most properties in Clodock occurs where the River Monnow overtops its banks approximately 150 metres upstream of the bridge, meaning it is not influenced by either the bridge or the deposits at this location. As the rocks are not beneath the bridge, responsibility for their removal rests with the adjacent riparian landowner. Given the limited flood risk posed, the council does not consider formal enforcement action to be justified.

The council has also reviewed concerns about highway gullies. While gullies drain surface water from the highway network, they are not designed to convey river flood flows and are therefore unlikely to have a significant effect during major flooding events of the scale experienced in recent years.

It is important to recognise that Clodock lies within Flood Zone 3 and therefore remains at a high risk of flooding from the River Monnow. With the increased frequency and intensity of extreme weather events, improving community flood resilience is increasingly important. The council can support residents in developing a Community Flood Plan to help the community prepare for, respond to, and recover from future flooding.

The Environment Agency is arranging initial Lot 1 surveys for flood-affected residents to assess the suitability of Property Flood Resilience (PFR) measures. The implementation of any recommended measures will depend on the availability of funding, with potential funding opportunities currently being explored.

Supplementary Question:

None

Supplementary Response:

PQ 14.	**Olga McBride, HR2 0NY**	**Two years ago, a road drain just outside of the lytch gate (Clodock Church) and Church House (a private dwelling) was assessed by the council as having collapsed and no longer functioning properly. Since then, Clodock has flooded seriously twice, (45 cm of dirty water inside Church house, and houses of the hamlet, similar).** **1). When is the Council going to mend the road drain?**	**Councillor Hurcomb, Local Engagement and Community Resilience**

<table>
<tr><td></td><td></td><td></td><td></td></tr>
<tr><td colspan="4">Response:

The drains were last cleansed in January 2026. Whilst no works have previously been proposed for the gully outside the church, the Flood Risk Management Team has now raised this location for further investigation and will liaise with colleagues in Highways Maintenance to determine whether any remedial action is required. However, it is important to recognise that this gully will not make any meaningful or measurable difference to the flooding caused by the River Monnow. The flooding experienced in this area is driven by elevated river levels, and this individual gully is not a contributing factor to that flooding mechanism.</td></tr>
<tr><td colspan="4">Supplementary Question:

Thank you for your reply, though it does not answer the question. While the collapsed drain outside of Clodock church lych gate may not prevent the Monnow from flooding, it does help keep the road drained and safe by reducing the amount of water that fills the road with every heavy rainfall. While I welcome that once again there are white arrows pointing out our drains, this specific one was identified by the council services as collapsed and malfunctioning in 2025 if not 2024. Last year the white paint brigade added the word "collapsed" and indicated that it no longer functioned properly. No remedial works has taken place since. So my question remains: when will this drain be mended?</td></tr>
<tr><td colspan="4">Supplementary Response:

Working with colleagues in Highways Maintenance, the Flood Risk Management Team will seek to have any necessary repair works completed before the end of the year, subject to operational and resource constraints.</td></tr>
<tr><td>PQ 15.</td><td>Sharon Lee, Clodock</td><td>SECTION 19 FLOOD INVESTIGATION REPORT – Longtown & Clodock - Flood Incident Date: 24 November 2024

This report was published in November 2025, shortly after another devastating flood on 14 November 2025. It included several recommendations for Herefordshire Council and the Highways Authority.

The more minor recommendations for residents, such as registering for flood warnings and inspecting gullies and ditches, were already being carried out. However, residents of Clodock who were severely affected by these floods are unaware of any progress or plans to implement the more significant recommendations.</td><td>Councillor Hurcomb, Local Engagement and Community Resilience</td></tr>
</table>

		We would like to know what actions Herefordshire Council intends to take, and the expected timescale for delivering them.	
Response: Although commissioned by Herefordshire Council, the Section 19 Flood Investigation Report considered flooding across all relevant authorities. It examined the causes and sources of flooding, clarified the roles and responsibilities of the various Risk Management Authorities, reviewed actions already taken or proposed, and identified potential measures to reduce future flood risk and impacts. In relation to the recommended action to remove rocks from the watercourse, the council has assessed the location and concluded that their removal is not currently necessary. The deposits occupy only a limited proportion of the channel and are not considered likely to have a significant effect on flood risk. The flooding affecting most properties in Clodock occurs where the River Monnow overtops its banks approximately 150 metres upstream of the bridge, meaning it is not influenced by either the bridge or the deposits at this location. As the rocks are not beneath the bridge, responsibility for their removal rests with the adjacent riparian landowner. Given the limited flood risk posed, the council does not consider formal enforcement action to be justified. The council has also reviewed concerns about highway gullies. While gullies drain surface water from the highway network, they are not designed to convey river flood flows and are therefore unlikely to have a significant effect during major flooding events of the scale experienced in recent years. It is important to recognise that Clodock lies within Flood Zone 3 and therefore remains at a high risk of flooding from the River Monnow. With the increased frequency and intensity of extreme weather events, improving community flood resilience is increasingly important. The council can support residents in developing a Community Flood Plan to help the community prepare for, respond to, and recover from future flooding. The Environment Agency is arranging initial Lot 1 surveys for flood-affected residents to assess the suitability of Property Flood Resilience (PFR) measures. The implementation of any recommended measures will depend on the availability of funding, with potential funding opportunities currently being explored.			
Supplementary Question: None			
Supplementary Response:			
PQ 16.	**Catherine Boardman, Clodock**	**In Clodock, we have had two major floods in the last two Novembers (2024 and 2025). Since then, the Environment agency, Herefordshire council, independent surveyors and**	**Councillor Hurcomb, Local Engagement and Community Resilience**

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<td>flood defense consultants have been to visit. However, nothing has changed and no progress has been made against any further flooding, which I am sure will happen. There is a need to move large boulders from below the bridge in Clodock, which have been swept down and are now blocking the flow of the river. In addition we have heard that using fields to contain flood waters further upstream might be an idea.

Please may you update us asap as to what the plans are to try and avoid further flooding moving forward and also of any grants that are available to help us pay for the damage from flooding and improvements we are making to our homes to help make them better defended against the next flood? Thanks.</td>
<td></td>
</tr>
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<td colspan="4">Response:
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</table>

Supplementary Question:

None

Supplementary Response:

PQ 17.	**Mrs J Morris, HR4 0SP**	**The car parking strategy makes reference to Pay on Exit and how this supports the local economy, particularly the High Street but this does not appear to be mentioned once in the Delivery Plan.** **Would the Cabinet member please explain why there is mention of pay on exit car parking in the strategy, but apparently no intention of delivering it in the next 15 years?**	**Councillor Durkin, Cabinet member roads and regulatory services**

Response:

Pay on Exit remains part of the council's long-term vision for modernising parking services and is referenced within the Parking Strategy. However, the fact that it sits within a 15-year strategy does not mean implementation is expected to take 15 years. The strategy sets the overall direction of travel, while the delivery plan identifies the practical steps needed to enable future improvements.

The first phase of delivery includes the introduction and trial of technologies such as Automatic Number Plate Recognition (ANPR), alongside wider technology-enabled parking improvements. These are important building blocks for modern parking systems, including potential barrier-free Pay on Exit arrangements.

Year 1 of the Parking delivery plan specifically includes the introduction of Automatic Number Plate Recognition (ANPR) technology, which is a key enabling technology for the delivery of modern barrier-free Pay on Exit systems. This will help create a more convenient parking experience that supports residents, visitors and town centre businesses.

Supplementary Question:

None

Supplementary Response:

PQ 18.	**Jeremey Milln, Hereford**	**According to recent BBC research Herefordshire Council still allows driving and parking on footways, theoretically only in signed spaces, but in practice ubiquitously; an increasing problem of motonormativity and the 'car-spreading' phenomenon. This damages surfaces creating tripping hazards. Taken with the proliferation of bins left on pavements, blind and partially sighted persons are endangered, with wheel & push-chair users obstructed. Rule 244 of the Highway Code says drivers should not do this.** **The 2026 Community Empowerment Act promises local authorities greater power to address pavement parking yet the Strategy hints only vaguely at reducing the practice and the Delivery Plan at item 11, appendix 2 says nothing on the subject. So by what percentage does the Council intend to reduce pavement parking, in what timescale and by what means?**	**Councillor Durkin, Cabinet member roads and regulatory services**

Response:

The council does not condone obstructive pavement parking. As both the Highway Authority and parking authority, we recognise the impact that vehicles, bins and other obstructions can have on people with visual impairments, wheelchair users, parents with pushchairs and anyone who relies on clear and accessible pavements.

The Parking Strategy supports the principle that roads and pavements should be safe and accessible for all users, but pavement obstruction is not solely a parking enforcement matter. The council also has responsibilities as the Highway Authority and will investigate concerns and take action where this is reasonable, proportionate and supported by the powers available to us, while working with the police on any criminal matters. While the government is considering further measures in relation to pavement parking, our focus remains on maintaining safe access to the highway network and responding to instances of obstruction where intervention is justified. For that reason, the strategy does not set a specific percentage reduction target, but it is clear that obstructive pavement parking is not behaviour the council supports and we will continue to use the powers available to us to address issues where appropriate.

Supplementary Question:

The response to my question on the Parking Strategy at agenda item 11, makes it clear this Council has no measurable delivery plan to reduce pavement parking, and continues to condone the practice provided it is not '*obstructive*' in spite of the fact driving on pavements (necessary to park on them) is illegal under section 34 of the Road Traffic Act 1988.

One wonders what it considers to be *'obstructive'* pavement parking. How much space would it expect to be left by vehicles parked on the pavement before it considers them obstructive and what action would it take, bearing in mind the DfT's Mobility Guidance recommends a minimum of two metres to allow wheelchair users to pass safely?

Supplementary Response:

The enforcement of obstructive pavement parking is carried out by the Police, the question about the definition of obstruction and the action that would be taken against obstructive pavement parking should be redirected to West Mercia Police. If the council receives reports of obstructive parking we would redirect this to the Police. The Government are proposing to introduce new powers for councils and should this be introduced to tackle pavement parking as outlined in the response above, the council will be able to have a more proactive role in enforcement of pavement parking obstructions.

PQ 19.	**Ms Reid, Hereford**	**The recent letter from the Minister for Children and Families to the Leader includes: "You should be proud of what has been achieved, while remaining focused on sustaining and building on this improvement – in particular I am sure you will share my desire to ensure that more children are supported to remain safely within their family networks, and recognise the importance of bringing service budgets more closely in line with comparable services elsewhere."** **How will you ensure that these will be actualised?**	**Councillor Powell, cabinet member children and young people**

Response:

We welcomed the letter from the Minister which recognised the significant progress that Childrens Services has made delivering Good Services with Outstanding Leadership. We remain committed to building on this improvement. One of our key principles is to ensure children remain with their family where it is safe to do so, with support available throughout a child’s and family’s journey within our service. Where children cannot remain with their parents or legal guardians, family based, for example kinship care, is considered at the first and all ongoing opportunities

As a Children's Service we have successfully delivered our savings targets over the past two years and remain on track to achieve our savings for 2026/27. At the same time, we have ensured that our current service budget is aligned to meet the needs of children and families while maintaining service delivery.

Supplementary Question:

The minister’s letter highlights the “importance of bringing service budgets more closely in line with comparable services elsewhere”. I interpret this as meaning to reduce the budget to be in line with Statistical Neighbours (similar areas to Herefordshire). According to LAIT (Local Authority Interactive Tool) the looked after child rate per 10,000 on 31 March 2025 (latest data) is:

- Herefordshire: 100.0
- Statistical Neighbours: 67.0

The financial cost of children in care is very high. Of course, there are detrimental effects to the children and their families.

How are you going to reduce the rate of children in care to that of Herefordshire’s Statistical Neighbours, for example, by reunification at pace of as many children as possible with their families and Family Networks?

Supplementary Response:

The children's services budget is more than just the placement budget for children in care.

Whilst investment has been made to enable improvement of children's services, the budget for the past two years has included savings targets which have been delivered in full and on time, and additional investment reduced so that the services are now working on what is an appropriate budget for children's services.

There is no comparative budget for children's services with regard to Statistical Neighbours and England averages.

Ofsted has previously commented that the budget for children’s services in Herefordshire is both appropriate and realistic.

You are correct in your assertion that the rate of looked after children in Herefordshire is higher than in the statistical neighbour group. However, it is important to understand that over the past three years the rate of looked after children have seen a continued reduction.

In March 2023 the rate was 114 per 10,000 population, as at Q1 in this current year the rate has reduced to 94.4 per 10,000.

The reduction is a result of the service working to achieve safe and timely permanence for children in care. Permanency incudes rehabilitation to family care where it is safe to do so and also includes Adoption and Special guardianship.

The service has also embraced a model of Relationship Based practice which is a strength-based approach to working with families to first and foremost help them to care where it is safe to do so for their children, and importantly to avoid children having to come into care.

<table>
<tr><td colspan="4">The combination of this work is showing a continued trajectory of reduction towards the level of statistical neighbours, however it is important to state that the statistical neighbour average of children in care is but one of many indicators monitored by the service.</td></tr>
<tr><td>PQ 20</td><td>Ruth Sherlock, Hereford</td><td>The Big Economic Plan Appendix 2 makes reference to “Support older workers to remain in the workforce through partner working” but has no action to improve access to hospitals, dentists or doctors.
The biggest barrier for many older people remaining in the workforce is often related to poor health and delays in accessing medical treatment, including emergency treatments.

Would the Cabinet member explain why the plan is silent on addressing the lack of medical infrastructure, particularly hospital capacity & NHS dentistry for existing residents, let alone the residents of 27,000 new homes to be built across the County?</td><td>Councillor Biggs, cabinet member Economy and Growth</td></tr>
<tr><td colspan="4">Response:

The Economic Delivery Plan recognises the important contribution that older workers make to Herefordshire's economy and includes actions to help people remain in, return to and access employment, including those living with health conditions or disabilities. Through the Herefordshire Growth Hub, the council supports programmes such as Connect to Work and works closely with NHS partners through initiatives such as WorkWell to help people overcome barriers to employment.

The Economic Delivery Plan does not sit in isolation. It forms part of a wider framework that includes the Council Plan, Local Plan, Health and Wellbeing Strategy and the work of the Integrated Care System. Together, these support a joined-up approach to economic growth, public health and community wellbeing.

The council has a significant role in public health, prevention and health and care partnerships, and we recognise that access to healthcare can affect people's ability to remain active, independent and in work. While NHS organisations are responsible for healthcare provision, the council works closely with health partners to plan for future needs.

Through the Local Plan process, healthcare infrastructure is considered alongside housing, employment, transport and other infrastructure requirements so that future growth is supported by the services communities need.
Strong economic performance and good health outcomes are closely linked. Supporting investment, skills, employment and healthier communities is therefore an important part of delivering long-term prosperity for Herefordshire.</td></tr>
</table>

Supplementary Question:

The last Local Plan did not have any focus on investing in healthcare infrastructure. As the local population has grown residents regularly face issues with continued pressure on Hereford’s A&E and other hospital departments and trying to access good healthcare.

Expanding NHS dentistry and medical care would provide new, well paid jobs across the County, improve health outcomes, retain more residents in the workforce and make the County an attractive place for investors, all of which aligns with the objectives of the plan.

If the Economic Delivery Plan does not sit in isolation and there is a joined up approach, what investment in health infrastructure does the Delivery plan promote to ensure residents enjoy healthy lives into older age?

Supplementary Response:

As per the previous response, the Economic Delivery Plan is focussed on supporting economic growth over the next three years and not health care infrastructure. The development of the Local Plan has and will continue to have engagement with and input from all health care providers to understand their growth land use needs. Plans to then establish new these facilities lie with the NHS/ Wye Valley Trust and the wider healthcare sector, its not a council lead responsibility.

Agenda item no. 5 - Questions from Councillors

Question No.	Questioner	Question	Question to
MQ 1.	**Cllr Toynbee**	Item 9 on Cabinet's agenda is entitled Big Economic Plan - To consider and approve the Big Economic Delivery Plan. The Council's website tells us that the Big Economic Plan Delivery Plan was "previously known as the Big Economic Plan". But we are also told in the cabinet papers that the Big Economic Delivery Plan is a route map to achieving the overarching vision in the Economic Plan. So are they two separate things, or one thing that has changed its name? The papers remind us that The Herefordshire Economic Plan published in 2023 sets our long-term 2050 aspiration for Herefordshire, including a vision for the county to be an exemplar 21st century rural economy, and that cabinet's decision is to translate this long-term strategy into prioritised delivery. But the original Big Economic Plan emphasised active travel, equal opportunities, reduced emissions, quality of life and the circular economy. We now see a very different focus. Where can we find details of which elements of the long-term strategy have been removed, and what has been added, and why?	**Councillor Biggs - Cabinet member Economy and Growth**

Response:
The title on the Forward Plan is misleading, when the issue was first raised the title was added as the 'Big Economic Plan' in error, the 'Delivery' word was missed. When the Forward Plan title was corrected, the previous title is shown in brackets as part of the audit trail for the item.

The Herefordshire Economic Plan launched in 2023 remains in place, setting a long term over-arching vision for growth of the County. The Big Economic Delivery Plan (being considered at Cabinet on the 30th July) is a three year delivery Plan to deliver implement the over-arching strategy over the next few years. Although the Delivery Plan considers at the start the impact of changes in the intervening period, such as new National Industrial Strategy, the Defence Industrial Strategy, the new mandatory housing targets for Herefordshire, and the revised priorities of the Council Plan 2024 to 2027.

The Delivery Plan has been established at the request of the Economy and Place Board, and developed with the Herefordshire Business Growth Board, Skills Boad, Environment Board, Cultural Partnership and the Community Partnership.

Supplementary Question:

Thank you for the clarity that in fact Herefordshire’s 2023 Big Economic Plan has not been supplanted, but remains in force, and that the Big Economic Delivery Plan being considered by Cabinet today is to enact this strategy. However, the delivery plan extends well beyond implementation, and implies significant changes in the original plan, notably a shift away from a holistic economic approach, as referenced in my original question.

So I repeat my question – where can we find details of which elements of the long-term strategy have been removed, and what has been added, and why?

Supplementary Response:

None of the existing Herefordshire Economic Plan 2050 has been removed, and there are no plans to change its overarching long term strategy. Theres a lot of work completed on that for its adoption in January 2023. The Delivery Plan actions will directly deliver the original vision for 2050 for the county.

The original strategy identified our sectoral strengths and opportunities, the Delivery Plan considers how this is consistent with and can support the delivery of the new National Industrial Strategy and Defence Industrial Strategy. In particular the county’s strengths in defence and security and cyber.

The Herefordshire Economic Plan 2050 identifies that infrastructure constraints and the lack availability of employment land are significant issues in terms of growth. The commitment in the Council Plan 2024 to 2028 now seeks to address these issues through the commitment to bringing forward the bypass and the Growth Corridor, these are reflected in the Economic Delivery Plan.

Question No.	Questioner	Question	Question to
MQ 2.	**Cllr Tully**	***Herefordshire Parking Strategy*** **On behalf of Bishops Frome and Cradley residents travelling to the County Hospital from the east of the county: residents, including those with mobility issues have told me directly they would shift to a shuttle-based 'last-mile' service if it were reliable. The strategy describes "sustainable onward travel" at future mobility hubs without specifying what that means, where the hubs will be, or what demand assessment underpins the proposals.**	**Councillor Durkin, Cabinet member roads and regulatory services**

		Will the Cabinet Member commit to publishing the locations being considered, specifying what onward travel options (including shuttle or demand-responsive services) are planned for each, and confirming that a demand assessment of east-of-city / rural residents with mobility impairments will be completed before sites are finalised?	

Response:

I recognise the importance of ensuring that residents from rural communities, including Bishop's Frome, Cradley and other parts of the east of the county, can continue to access essential destinations such as Hereford County Hospital conveniently and safely, particularly those with mobility impairments.

The Parking Strategy does not identify specific mobility hub locations, shuttle services or demand-responsive transport schemes for implementation at this stage. Rather, it establishes a long-term policy framework which supports the integration of parking with wider transport choices and allows future opportunities to be developed and assessed as part of the Local Transport Plan and other transport programmes. The Strategy states that opportunities for Park and Choose sites and mobility hub features will be explored where they can improve travel choices and reduce traffic pressures, but that locations and facilities will be considered on a case-by-case basis and informed by future evidence and business cases.

Any future proposals for mobility hubs, Park and Choose sites, shuttle services or demand-responsive transport provision would be subject to further feasibility work, engagement with stakeholders and assessment of local need before implementation. Accessibility and inclusion are central objectives of the Parking Strategy, which specifically seeks to support residents with mobility impairments and improve access to essential services.

I am happy to commit to publishing locations that are being considered as they emerge through the engagement and feasibility processes.

Supplementary Question:

Thank you for your answer, and your commitment to sharing sites when they emerge. I'm concerned about where sites that have already emerged exist in the strategy however Planning permission (P201446/RM) for a Park and Choose facility north of Roman Road was approved in 2021. That site isn't a future proposal, it's an agreed piece of infrastructure.

Can you reassure my residents on this side of Herefordshire that the strategy can credibly plan for new hubs without accounting for locations that already exist?

Supplementary Response:

The strategy commits to improving and setting the standard for park and choose locations – this will apply to existing sites, sites that have already been agreed, and new sites. Some sites may need retrospective work which would need to be built into financial planning, but the intention is for all existing and future park and choose sites to meet the same standards.

Herefordshire Council

Title of report: Q1 2026/27 Budget Report

Meeting: Cabinet

Meeting date: Thursday 24 September 2026

Cabinet Member: Cabinet member finance and corporate services

Report by: S151 Officer

Report Author: Director of Finance (S151 Officer)

Classification

Open

Decision type

Non-key

Wards affected

(All Wards);

Purpose

To report the forecast position for 2026/27 at Quarter 1 (June 2026), including explanation and analysis of the drivers for the material budget variances, and to outline current and planned recovery activity to reduce the forecast overspend.

To provide assurance that progress has been made towards delivery of the agreed revenue budget and service delivery targets, and that the reasons for major variances are understood and are being addressed to the cabinet's satisfaction.

Recommendation(s)

That: Cabinet

a) **Reviews the financial forecast for 2026/27, as set out in the appendices A-D, and identifies any additional actions to be considered to achieve future improvements;**

b) **Notes the management action identified to reduce the forecast outturn position for 2026/27; and**

c) **Agrees the continuation of management actions to reduce the forecast overspend as identified in this report.**

Further information on the subject of this report is available from
Rachael Sanders, Tel: 01432 383095, Tel: 01432 383775, email: stacey.carter@herefordshire.gov.uk, Rachael.sanders@herefordshire.gov.uk

Alternative options

1. Cabinet may choose to review financial performance more or less frequently; or request alternative actions to address any identified areas of variance from budget, including referral to the relevant scrutiny committee.

Key considerations

Revenue Outturn

2. The council's approved net revenue budget for 2026/27 is £234.1 million which includes planned savings of £20.0 million. Detailed explanations for variances from budget are set out in Appendix A by Directorate and Service area.

3. This report presents the first revenue forecast outturn position for 2026/27 and highlights continuing budget pressures to support increases in demand across social care budgets, temporary accommodation, and Special Educational Needs and Disabilities (SEND), and home to school transport services.

4. The Quarter 1 revenue outturn position for 2026/27 shows a forecast variance from budget of £11.6 million (5.0% of net budget), before management action. It is expected that planned management activity will reduce the forecast overspend to £10.7 million.

5. This variance represents cost pressures of £11.6 million comprising £3.6 million in-year net cost pressures and £8.0 million of Savings Targets assessed as 'at risk' as at Quarter 1.

6. Despite activity to manage demand at the 'front-door' of adult social care and increased use of technology enabled care and community-based provision, pressures continue in adult social care budgets with a corresponding reliance on agency staff to enable the council to meet its responsibilities under the Care Act. Further cost pressures represent continuing demand for temporary accommodation with the number of households approaching the service exceeding the number of households rehoused into permanent accommodation in Quarter 1.

7. The forecast outturn position for 2026/27 by Directorate, is shown in Table 1 below.

Table 1: 2026/27 Forecast Revenue Outturn before management recovery action

2026/27 Forecast Revenue Outturn at Quarter 1 (June 2026)			
	Revenue Budget £m	**Forecast Outturn £m**	**Forecast Variance £m**
Community Wellbeing	89.2	94.1	4.9
Children & Young People	58.6	58.6	-
Economy & Environment	24.2	25.1	0.9
SEN/Home to School Transport	14.1	17.1	3.0
Corporate Services	22.5	24.6	2.1
Directorate Total	**208.6**	**219.5**	**10.9**
Central	25.5	26.2	0.7
Total	**234.1**	**245.7**	**11.6**

Management Activity and Recovery Actions

8. Any overspend which cannot be resolved via recovery actions by 31 March 2027 will need to be funded from Earmarked Reserves.

9. A Budget Resilience Reserve of £11.0 million was established in 2024/25 to manage the impact of in-year cost pressures and volatility in demand across social care budgets. In the financial years ended 2024/25 and 2025/26, £6.8 million of this reserve was applied to cost pressures in the Community Wellbeing Budget, reducing the balance to £5.2 million.

10. The Contract Inflation Fund, established to manage inflationary increases in 2026/27, includes £4.2 million transferred from the Budget Resilience Reserve, reducing the balance available to manage in-year cost pressures to £1.0 million. **This reserve is not sufficient to manage the overspend forecast at Quarter 1.**

11. Reserves available to manage risk include the Financial Resilience Reserve (£2.5 million at 1 April 2026) and Business Rates Risk Reserve (£10.0 million at 1 April 2026).

12. The General Fund balance (£10.1 million at 1 April 2026) is not allocated, or earmarked, for a specific purpose but represents a strategic reserve to be used in the event of a major incident or emergency.

13. **These balances are not sufficient to mitigate the forecast overspend at Quarter 1 without significant impact on the council's overall financial resilience and therefore corrective action must be taken immediately to recover in-year forecast cost pressures and mitigate 'at risk' savings.**

14. Recovery actions expected to reduce the forecast overspend in 2026/27 include:

    i. continued activity to deliver savings assessed as 'at risk' at Quarter 1;
    ii. identification of mitigations to manage Directorate cost pressures and savings assessed as at risk; and
    iii. challenge of forecast expenditure over the remainder of the financial year through Directorate expenditure control panels to reduce, defer and stop spend.

15. Expenditure controls first implemented during 2023/24 remain in place to support recovery activity and robust control over expenditure in 2026/27. Directorate panels will continue to review expenditure on goods and services as well as changes in staffing arrangements and delivery of approved savings to maintain the increased level of rigour and challenge over expenditure and performance for the remainder of the financial year.

Table 2: Updated forecast revenue position 2026/27

Updated 2026/27 Forecast Revenue Outturn at Quarter 1 (June 2026)					
	Revenue Budget £m	**Forecast Outturn £m**	**Forecast Variance £m**	**Mgm'nt Action £m**	**Revised Forecast £m**
Community Wellbeing	89.2	94.1	4.9	(0.7)	4.2
Children & Young People	58.6	58.6	-	-	-
Economy & Environment	24.2	25.1	0.9	(0.2)	0.7
SEN/Home to School Transport	14.1	17.1	3.0	-	3.0
Corporate Services	22.5	24.6	2.1	-	2.1
Directorate Total	**208.6**	**219.5**	**10.9**	**(0.9)**	**10.0**
Central	25.5	26.2	0.7	-	0.7
Total	**234.1**	**245.7**	**11.6**	**(0.9)**	**10.7**

Savings

16. Council approved a total of £20.0 million of savings for 2026/27. A review of the delivery and status of the approved savings has been undertaken; informed by planned and actual activity in the year to date to determine savings targets at risk of in-year delivery.

17. This review **confirms £7.5 million (38%) of the total 2026/27 approved savings target has been delivered at Quarter 1** with a further £6.0 million (30%) assessed as 'on target/in progress' for the year. There are **£6.5 million (33%) of savings currently assessed as 'at risk'**.

18. Savings are assessed as 'at risk' where activity proposed to deliver the saving has not yet commenced or where reductions in the approved budget cannot be confirmed. Activity underway to deliver 'at risk' savings continues across Directorates and progress will be reflected in the Quarter 2 monitoring report.

19. A breakdown of 2026/27 approved savings is shown in Table 3 below with further detail on the status of individual saving target set out in Appendix D, Annex 1.

Table 3: Assessment of Delivery of 2026/27 Approved Savings at Quarter 1

	Target £m	**Delivered £m**	**On Target £m**	**In Progress £m**	**At Risk £m**
Community Wellbeing	7.4	1.3	0.5	1.4	4.2
Children & Young People	3.4	1.3	0.1	2.0	-
Economy & Environment	5.2	3.4	-	1.0	0.8
SEN/Home to School Transport	2.0	-	0.3	0.4	1.3
Corporate Services	2.0	1.5	0.3	-	0.2
Total	**20.0**	**7.5**	**1.2**	**4.8**	**6.5**
	100%	**38%**	**6%**	**24%**	**32%**

20. Savings not delivered recurrently in previous years have been carried forward into 2026/27 for continued monitoring of delivery. The status of delivery of the revised savings, which total £2.7 million, is shown in Table 4 below with further detail on the status of individual saving target set out in Appendix D, Annex 2.

Table 4: Assessment of Delivery of Brought Forward Savings Targets at Quarter 1

	Target £m	Delivered £m	On Target £m	In Progress £m	At Risk £m
Community Wellbeing	0.9	0.2	-	0.7	-
Economy & Environment	0.3	0.1	-	0.2	-
Corporate Services	0.1	-	-	-	0.1
Transformation	1.4	-	-	-	1.4
Total b/fwd Savings	**2.7**	**0.3**	**-**	**0.9**	**1.5**
	100%	**11%**	**0%**	**33%**	**56%**

21. At 30 June 2026 (Quarter 1), £0.3 million (11%) of the £2.7 million brought forward savings have been delivered with a further £0.9 million (33%) forecast to be delivered in year; £1.5 million (56%) remain at risk and with focused activity underway to resolve or mitigate in year.

22. The **delivery of savings in full and on time is critical** to ensure the 2026/27 revenue outturn position is balanced and to prevent further pressure on future years' budgets. Progress on delivery of savings and mitigations will continue to be monitored and reported in the next budget monitoring report to Cabinet.

Dedicated Schools Grant (DSG)

23. The cumulative DSG deficit is accounted for as an unusable reserve on the council's Balance Sheet, as permitted via statutory instrument, which will remain in place until 31 March 2028. This enables all local authorities to ring-fence the DSG deficit from the overall financial position in the statutory accounts. Beyond the period of the statutory override, the expectation is that any balance on the DSG Unusable Reserve will transfer back to the council's total Earmarked Reserves.

24. On 1 April 2026, the cumulative deficit brought forward was £36.3 million. A deficit budget of £25.9 million has been approved for 2026/27; if expenditure is contained within the approved budget, the cumulative DSG deficit will total £62.2 million by 31 March 2027.

25. Activity data which informs the forecast will be updated in Quarter 2, to reflect changes in demand for the 2026/27 academic year commencing in September 2026 and a revised forecast position will be reported in the Quarter 2 Report to Cabinet in November.

26. Measures to contain the deficit and mitigate future cost and demand pressures continue to be managed by the Service through the DSG Deficit Management Plan, and the financial impact of agreed mitigations will be monitored and reported throughout the year as part of the council's routine budget monitoring processes.

27. The Final Local Government Settlement published on 9 February 2026 confirmed the proposed treatment of DSG deficits as part of wider SEND reform. The first phase of support will be to address historic deficits with a High Needs Stability Grant to cover 90% of High Needs-related DSG deficit accrued up to the end of 31 March 2026.

28. The council submitted its Local SEND Reform Plan to the Department for Education (DfE) on 19 June 2026. Subject to DfE approval, the Plan will evidence eligibility for the High Needs Stability Grant to cover approx. £32.7 million (90%), with the remaining balance of £3.6 million (10%) to be a liability of the council once the statutory override period ends in March 2028.

29. It is expected the grant will be paid to the council in Autumn 2026, subject to approval. The receipt of the grant in 2026/27 will have a positive impact on the council's borrowing requirement and reduce the level of borrowing and corresponding interest payable expenditure in 2026/27 and over the medium-term period. The impact is dependent upon the timing and value of the grant and, once receipt is confirmed, treasury management and cashflow forecasts will be updated. The impact of the receipt of grant will be considered as part of overall treasury management monitoring arrangements to confirm funding for the 10% (£3.6 million) remaining deficit which will not be met by the government grant at 31 March 2028.

Capital Outturn

30. The 2026/27 approved capital budget of £146.9 million has been revised to £169.3 million. The revised capital budget includes £20.3 million of unspent project budgets brought forward from 2025/26, removal of part of a project £0.3 million and £2.4 million additional grants. A summary breakdown is shown in Table 5 below.

Table 5: Revised Capital budget 2026/27 to 2029/30

	2026/27 Budget £m	**2027/28 Budget £m**	**2028/29 Budget £m**	**2029/30 Budget £m**	**Total £m**
26/27 Approved Capital Programme	146.9	102.1	60.0	44.4	353.4
Removal of Maylords Revenue Reserve	(0.3)	-	-	-	(0.3)
25/26 Carry Forward	20.3	4.8	-	-	25.0
Additional Grant	2.4	2.9	2.5	-	7.8
Revised Capital Budget	**169.3**	**109.8**	**62.5**	**44.4**	**385.9**
Forecast Spend at Quarter 1	112.4				
Variance from Budget	**(56.9)**				

31. The forecast spend position, at Quarter 1, is £112.4 million which represents a variance of £56.9 million against the capital programme budget of £169.3 million.

32. The in-year forecast variance represents £1.0 million of underspend on project budgets and £55.9 million in respect of project budgets to be rolled forward for delivery in 2027/28. Explanations for variances from budget by individual project are detailed in Appendix B, Table A.

33. In accordance with best practice, capital budgets will be reprofiled at Quarter 2 to reflect the revised expected profile of project delivery. Forecast spend will be monitored by reference to the reprofiled budget from Quarter 2 for the remainder of the financial year. The full capital programme analysed by project for current and future years can be seen in detail by Appendix B, Table B.

34. Forecast delivery of the council's capital programme for 2026/27 assumes a requirement to undertake external borrowing and provision was made in the approved 2026/27 revenue budget to support this borrowing. Cashflow forecasting arrangements have been to consider the cashflow requirements of the capital programme; managing the timing and affordability of loan interest payments, minimising cash balances and utilising internal borrowing where possible, in accordance with the council's Treasury Management Strategy.

35. The capital programme includes a number of projects expected to mitigate key revenue budget

pressures. The **delivery of these projects on time and within budget is critical** to ensuring maximum impact on the 2026/27 revenue outturn position and to mitigate pressure in future years. These projects are detailed below in Table 6. The delivery of capital projects is monitored by individual project boards, Major Projects Board and monthly Directorate Budget Boards.

Table 6: Capital Projects expected to deliver positive impact on revenue budgets

Capital Project	Expected Revenue Impact
Home to School / SEN Transport cost pressures	
High Needs Grant £1.6m	The lack of local special educational needs and disabilities (SEND) placement provision to meet current and future levels of demand is one of the council's corporate risks. The provision of additional SEN places within Herefordshire will mitigate increasing cost pressures for out of county placements with a corresponding impact on home to school transport costs.
Temporary Accommodation demand and cost pressures	
Acquisition Fund for Housing Provision £5.0m Empty Property Investment & development £0.2m	The acquisition of buildings to address the shortage of suitable accommodation for people needing emergency accommodation is expected to deliver reductions in cost pressures of around £0.6m per annum.
Repair and maintenance budgets	
Estates Building Improvement Programme works Highways and Public Realm investment works	Delivery of improvements and maintenance of the council's estate and highways network ensures efficient spend of revenue maintenance/repair budgets and insurance premiums.

36. Key risks to the capital programme include delays in delivery, limitations in market capacity resulting in a reduced number of bidders, reduced competition and choice, and inflationary increases to costs. Where capital projects are funded by external grants, there is further risk that delays in delivery mean that grant conditions and time constraints cannot be met resulting in the loss or clawback of grant. All projects are monitored robustly to mitigate the risks to project budgets, delivery of benefits and potential loss of grant funding.

37. The council projects with significant grant funding are detailed below:

i. Local Transport Plan (LTP): an annual grant provided by the Department for Transport (DfT), regular monitoring of spend ensures maximum use of the grant in each financial year (£23.7m in 2026/27).
ii. Levelling Up Fund (LUF): this grant funds a number of capital projects to the north and south of the river as well as the Hereford Transport Hub. The grant allows flexibility to move the match funding between projects to ensure application of grant funding is prioritised.
iii. Local Transport Grant: an annual allocation to support investment in local transport maintenance and enhancements and deliver more ambitious transport projects. In 2026/27, the council is forecasting to spend the £6.0m grant awarded in full.
iv. Stronger Towns Fund: the Herefordshire Stronger Towns Partnership includes 3 council projects which are part-funded by the Stronger Towns Fund: Hereford Museum & Art Gallery, the Library & Learning Centre and Greening the City. For each of these projects, grant funding is used first to ensure application before deadlines to reduce the risk of grant clawback.

v. Bus Service Improvement Grant: the grant allocation must be spent in the following financial year of award. The forecast assumes the funding will be spent in full for the 2025/26 grant; some work has already been commissioned with further delivery planned by the end of the financial year to spend part of the 2026/27 grant.

vi. Brownfield Land Release Fund (BLRF): Brownfield Land Release Fund (BLRF): the forecast at Quarter 1 assumes the grant monies will be utilised in full in 2026/27 to deliver flood alleviation works to support the redevelopment of Merton Meadow.

Community impact

38. In accordance with the accepted code of corporate governance, the council must ensure that it has an effective financial control framework to support delivery of services within the agreed budget. The council is accountable for how it uses the resources under its stewardship, including accountability for outputs and outcomes achieved. In addition, the council has an overarching responsibility to serve the public interest in adhering to the requirements of legislation and government policies.

Environmental Impact

39. The council provides and purchases a wide range of services for the people of Herefordshire. Together with partner organisations in the private, public and voluntary sectors we share a strong commitment to improving our environmental sustainability, achieving carbon neutrality and to protect and enhance Herefordshire's outstanding natural environment.

40. This report is to review the financial outturn at Quarter 1 of 2026/27 so will have minimal environmental impacts, however consideration has been made to minimise waste and resource use in line with the council's Environmental Policy.

Equality duty

41. The Public Sector Equality Duty requires the Council to consider how it can positively contribute to the advancement of equality and good relations and demonstrate that it is paying 'due regard' in our decision making in the design of policies and in the delivery of services.

42. The mandatory equality impact screening checklist has been completed for this activity, and it has been found to have no impact for equality.

Legal implications

43. There are no direct legal implications arising from this report.

Risk management

44. The risks associated with the council's business are recorded on the relevant service risk register and escalated in accordance with the council's Performance Management Framework and Risk Management Plan. The highest risks are escalated to the council's Corporate Risk Register.

Resource Implications

45. These recommendations have no direct financial implications, however cabinet may wish to consider how money is utilised in order to meet the council's objectives.

Consultees

46. None in relation to this report.

Appendices

Appendix A - Revenue outturn

Appendix B – Capital outturn

Appendix C - Treasury management outturn

Appendix D - Savings delivery

Background papers

None Identified

Appendix A: 2026/27 Revenue Outturn Quarter 1 (June 2026)

2025/26 Revenue Outturn at Quarter 1 (July 2026)			
	2026/27 Approved Revenue Budget	Q1 Outturn	Q1 Outturn Variance
	£m	£m	£m
Community Wellbeing	89.2	94.1	4.9
Children & Young People	58.6	58.6	-
Economy & Environment	38.3	42.2	3.9
Corporate Services	22.5	24.6	2.1
Directorate Total	**208.6**	**219.5**	**10.9**
Central	25.5	26.2	0.7
Sub-Total	**234.1**	**245.7**	**11.6**

Community Wellbeing	2026/27 Approved Revenue Budget £'000	Q1 Outturn £'000	Q1 Outturn Variance £'000
Director and Community Services	(13,419)	(13,281)	138
Adult Social Care and Housing	85,026	88,896	3,870
All Ages Commissioning	16,938	17,616	678
Public Health	656	840	184
Directorate Total	**89,201**	**94,071**	**4,870**

Key variances from budget (> £250k) at Q1:

£4.2m overspend - 2026/27 Saving Plans considered 'at risk' of delivery
£0.7m overspend - Agency/Interim costs
£0.3m overspend - General fund housing

Application of £0.3m un-budgeted earmarked reserves to fund eligible expenditure

Children & Young People	2026/27 Approved Revenue Budget £'000	Q1 Outturn £'000	Q1 Outturn Variance £'000
Central Children Directorate Costs	2,774	2,676	(98)
Education Skills & Learning	4,484	4,617	133
Corporate Parenting	40,404	41,479	1,075
Safeguarding and Family Support	10,923	9,813	(1,110)
Sub Total	**58,585**	**58,585**	**0**

Key variances from budget (> £250k) at Q1:
£1.9m overspend - Residential Placements

Application of £0.6m un-budgeted earmarked reserves to fund eligible expenditure
£0.4m underspend - Unaccompanied asylum-seeking children (UASC)
£0.4m underspend - Families first prevention grant
£0.3m underspend - Supported accommodation
£0.2m underspend - Independent fostering agencies (IFA)

Economy & Environment	2026/27 Approved Revenue Budget £'000	Q1 Outturn £'000	Q1 Outturn Variance £'000
Director Management	624	547	(77)
Resident Services - Environment, Highways and Waste	19,253	19,063	(190)
Resident Services - Regulatory and Technical	121	375	254
Commercial Services	2,662	3,271	609
Economy and Growth	1,592	1,918	326
Sub-Total	**24,252**	**25,174**	**922**
Residential Services - SEN & Home to School Transport	14,109	17,134	3,025
Directorate Total	**38,361**	**42,308**	**3,947**

Key variances from budget (> £250k) at Q1:
£2.1m overspend - 2026/27 Saving Plans considered 'at risk' of delivery
£1.8m overspend - SEN and Home to School Transport
£0.3m overspend - Maylords
£0.3m overspend - Reduced staff capitalisation

Application of £0.5m un-budgeted earmarked reserves to fund eligible expenditure
£0.8m underspend - deferral of waste collection of soft plastics

Corporate Services	2026/27 Approved Revenue Budget £'000	Q1 Outturn £'000	Q1 Outturn Variance £'000
Chief Executive Office	(747)	690	1,437
Strategic Finance and Performance	5,623	5,856	233
Governance & Legal	6,221	6,234	13
ICT	2,561	2,651	90
HR & Organisational Development	1,209	1,375	166
Transformation	26	8	(18)
Communications	445	602	157
Sub-Total	**15,338**	**17,416**	**2,078**
Hoople SLA	6,562	6,589	27
Flexible Capital Receipts	(600)	(600)	0
Directorate Total	**21,300**	**23,405**	**2,105**

Key variances from budget (> £250k) at Q1:
£1.5m overspend - 2024/25 c/fwd outstanding Saving Plans considered 'at risk' of delivery
£0.2m overspend - 2026/27 Saving Plans considered 'at risk' of delivery
£0.3m overspend - ICT applications

Application of £0.2m un-budgeted earmarked reserves to fund eligible expenditure

Central	2026/27 Approved Revenue Budget £'000	Q1 Outturn £'000	Q1 Outturn Variance £'000
Central Total	**25,473**	**26,191**	**718**

Key variances from budget (> £250k) at Q1:
£1.0m net overspend - Billing fund administration budgets, pension transactions and HB Subsidy spend above reclaimable limits on temporary leased accommodation
£0.8m overspend - Increase in interest payable linked to timing of cashflow and treasury management factors

Application of £0.9m Treasury Management reserve to mitigate interest payable/financing costs

Appendix B

Table A - 2026/27 Capital Programme Outturn

*Adjustments include 25/26 carry forwards and additional grants allocations	2026/27 Original Budgets £000s	Adjustments in Year* £000s		2026/27			Reason for Forecast Variance to Current Capital Budget
		2025/6 C/Fwd	Grant & Other changes Table B	Current Capital Budget £000s	Q1 Forecast £000s	Outturn Variance to Forecast £000s	
Disabled facilities grant	2,200	351	615	3,166	3,166	0	
Empty Property Investment & Development	286	-102	0	184	184	0	
Acquisition Fund for Housing Provision	2,300	1,363	0	3,663	2,328	-1,335	Delays due to finalisation of contracts to appoint contractor, and verification of costs to support draw down business case on Leominster site
Strategic/Emergency Housing Capital Projects	2,650	0	0	2,650	1,200	-1,450	£550k underspend - Strategic Housing is purchasing and refurbishing properties for vulnerable cohorts, but progress is slow due to strict criteria and reliance on market availability. £900k Emergency Housing - the release of this budget is dependent on securing Homes England Grant funding, discussions with HE is ongoing whilst additional feasibility work is being undertaken on the sites to support that bid.
Local Authority Housing Fund 4	0	0	675	675	675	0	
Merton Meadow - Brownfield Land Release Fund	0	987	0	987	1,315	328	Cost overrun due to extremely high and frequent flood events with resultant higher than average ground water levels (4-5M above norm river levels) necessitating some redesign of retaining structure foundations
Libraries Improvement Fund	0	7	0	7	7	0	

Stronger Towns Fund - Hereford Museum & Art Gallery Redevelopment	10,525	-12	0	10,512	1,032	-9,480	HMAG project delayed due to value engineering and rescoping needed to manage budget. Construction not yet commenced.
Stronger Towns Library & Learning Centre relocation to Shire hall	2,064	0	0	2,064	150	-1,914	Spend slippage due to review of project and alternative library proposal
Property Improvements in Care Homes	484	47	0	530	450	-80	Completed under budget with no use of contingency
Community Capital Grants Scheme	600	992	0	1,592	1,335	-257	The variance reflects the timing of expenditure and grant claims across community projects
Total Community Wellbeing Including Housing	**21,108**	**3,633**	**1,290**	**26,031**	**11,843**	**-14,189**	
Device and Ancillary kit replacement programme	578	0	0	578	365	-213	Continuing to extend the use of devices for as long as possible to ensure value for money. Device purchases being made as required for a managed roll-out
Planning & Regulatory Services software	923	0	0	923	744	-179	Further expenditure will be triggered as milestones are met as per updated implementation plan
Contact Centre Telephony Replacement	0	22	0	22	15	-7	Completed under budget
Wide Area Network (WAN) Replacement	0	86	0	86	50	-36	Completed under budget
IT System Upgrades & Server Replacements 2025-26	182	211	0	393	212	-181	There has been slippage on a couple of projects which are unlikely to complete until 27/28 and no use of contingency to date.
Essential system updates and upgrades	174	0	0	174	95	-79	Projects are expected to complete in year under budget and no use of contingency.
Total Corporate Services (IT & Transformation)	**1,857**	**319**	**0**	**2,177**	**1,481**	**-695**	

Schools Capital Maintenance Grant	2,770	436	408	3,614	2,300	-1,314	Due to a combination of capital projects being delivered below budget, emergency contingency funding not being required, and an increase in Schools Capital Maintenance Grant funding received from the Department for Education. This had resulted in a higher than anticipated year-end carry forward.
Aylestone School Improvement Works	1,790	0	0	1,790	700	-1,090	Delays in finalising the contract for the Aylestone School expansion. This has affected the scheduling of associated improvement works, resulting in expenditure being reprofiled.
Peterchurch Area School Investment	3,377	1,801	0	5,178	5,086	-91	Completed under budget
Brookfield School Improvements	0	655	0	655	408	-247	Completed under budget
High Needs Grant	6,784	0	0	6,784	1,600	-5,184	Ongoing work with the Department for Education on the proposed rebuild of Westfield School, which is currently at feasibility stage. Once the project progresses to design stage, the Council will have greater clarity on the required contribution towards expansion of the school.
Basic Needs Funding	11,810	0	0	11,810	2,800	-9,010	Delays in finalising the contract for the Aylestone School expansion. As a result, the start of construction has been delayed, with expenditure now expected to be incurred later than originally planned.
Relocate Herefordshire Pupil Referral Units	1,500	0	0	1,500	0	-1,500	Ongoing work to identify and secure a suitable site for the relocation of the Herefordshire Pupil Referral Units. Expenditure will be incurred once a suitable building has been secured and the project can progress.

Establish a new alternative provision (AP) centre	1,500	0	0	1,500	0	-1,500	Ongoing work to identify and secure a suitable site for the relocation of the AP. Expenditure will be incurred once a suitable building has been secured and the project can progress.
Childcare Expansion Capital Grant 2023-24	130	-30	0	100	100	0	
School Accessibility Works	1,193	15	0	1,208	1,208	0	
Residential overnight short breaks refurbishment	60	0	0	60	60	0	
C & F's S106	1,297	-257	0	1,039	653	-386	The reprofiling of two education Section 106 projects into 2027/28 to align with other planned works taking place at the respective schools during the summer holiday period. In addition, several projects are forecast to be completed at a lower cost than originally anticipated.
Total Childrens & Young Peoples (Including Schools)	**32,210**	**2,619**	**408**	**35,237**	**14,915**	**-20,322**	
Work to Shire hall Annex (Care Leavers Base)	0	10	0	10	10	0	
Historic Building Fund	0	0	0	0	0	0	
Estates Capital Programme 2019/22	0	27	0	27	27	0	
Estates Building Improvement Programme 22-25	0	188	0	188	73	-115	Completed under budget
Estates Building Improvement Programme 2023-25	990	214	-306	899	537	-362	Underspend due to a number of projects being delivered under budget and re-programming of those to be delivered.
Estates Building Improvement Programme 2024-27	483	137	0	620	532	-88	Underspend due to a number of projects being delivered under budget and remaining schemes re-programmed

Building works from 2022 Condition Surveys	974	59	0	1,033	450	-583	Underspend due to re-programming of projects awaiting statutory approvals and following a review of scheme requirements
Shire hall Improvement Works	3,750	0	0	3,750	500	-3,250	Spend slippage due to project review and alternative library proposal
Estates Building Improvement Programme 2026-29	1,809	0	0	1,809	810	-999	Underspend due to delays with YR1 projects and re-profiling for statutory approvals.
Estates Building Improvement Programme 2025-28	2,622	0	0	2,622	1,078	-1,544	Underspend due to a number of projects being delivered under budget and remaining schemes re-programmed
Total Economy & Environment (Council Asset Investment)	**10,628**	**634**	**-306**	**10,957**	**4,016**	**-6,940**	
Highway Maintenance Block DfT (previously LTP)	23,967	0	-270	23,697	23,697	0	
Resurfacing Herefordshire Highways	5,000	311	0	5,311	5,311	0	
Highways Infrastructure Investment	6,385	786	0	7,171	7,171	0	
Public Realm Improvements for Ash Die Back	482	-74	0	408	408	0	
E & E's S106	4,207	-93	0	4,114	2,000	-2,114	Early-stage delivery was impacted by changes in personnel, resulting in some disruption to continuity and programme progress, affecting productivity. Delivery arrangements have since been strengthened, with a permanent S106 Highways resource now in place and the addition of an interim consultant to support and accelerate progress. These measures are expected to improve stability and drive the programme forward.
Play Area Investment	750	250	0	1,000	1,000	0	
Public Realm Services Fleet	1,322	0	0	1,322	530	-792	There has been a review of the gritter fleet and none need to be replaced presently so the spend will take place in future years

Public Realm Mobilisation	450	0	0	450	200	-250	The costs have come in lower than expected and some works not required
Public Rights of Way	1,000	0	0	1,000	1,000	0	
Traffic Signal Obsolescence Grant and Green Light Fund	0	66	0	66	66	0	
Total Economy & Environment (Highways & Public Space)	**43,563**	**1,246**	**-270**	**44,539**	**41,383**	**-3,156**	
Integrated Wetlands	398	349	0	747	50	-697	PTP and Dilwyn projects halted thus reducing spend
Natural Flood Management	390	74	0	464	415	-49	Our reduced forecast reflects the slightly lower cost of works delivered and the grant applications approved to date. Working closely with the farm advisers, we hope to support other key locations where works can be completed this year.
Local Electric Vehicle Infrastructure Capital Fund (LEVI)	120	0	0	120	0	-120	Contract award imminent, we may see some delivery by the delivery partner at the tail end of the financial year, any grant not spent in year is not time limited and can be spent next financial year.
LEVI Pilot Fund Grant	60	36	0	96	0	-96	Ongoing issues with delivery provider, we are working with legal, procurement and partner authorities within the consortium to move forwards. Funder is aware of issues and supportive of action we are taking.
Wye Valley National Landscape (previously AONB)	0	3	992	995	995	0	
Solar Photovoltaic Panels	535	0	0	535	0	-535	We will not be spending on solar car ports at Plough Lane as they are not financially viable (verified by professional third party).
Waste	0	4,796	0	4,796	4,345	-451	This is due to purchase of food waste caddies being forecast for 27/28 financial year.

Warm Homes Grant	1,003	-192	0	811	829	18	The budget will be increased as more grant has been awarded because we are overdelivering our domestic retrofit target.
Herefordshire Flood Risk Mitigation	1,805	210	0	2,015	800	-1,215	Our forecast is lower than anticipated, largely due to the time required to complete investigations and assess potential solutions. Several locations have been identified for scheme delivery, and funding allocated for Natural Flood Management measures. We are continuing to explore additional opportunities for delivery this year.
Total Economy & Environment (Environmental)	**4,311**	**5,277**	**992**	**10,579**	**7,434**	**-3,145**	
Employment Land & Incubation Space in Market Towns	1,460	2,914	0	4,375	4,842	467	Additional works to take place in 26/27 to complete Ross EP (Model Farm) Phase 1 project.
Total Economy & Environment (Economic Growth)	**1,460**	**2,914**	**0**	**4,375**	**4,842**	**467**	
Hereford City Centre Transport Package	3,029	2,712	0	5,741	5,741	0	
Hereford ATMs and Super Cycle Highway	1,000	0	0	1,000	253	-747	Reduced forecast spend on Transport Hub due to spend on LUF grant ahead of HC match funding
Active Travel Fund 5	99	0	0	99	99	0	
Consolidated Active Travel Fund	499	0	0	499	499	0	
Hereford Western Bypass Phase 1	13,584	0	0	13,584	7,261	-6,323	YTD spend in 26/27 less than planned as a result of issues related to design and related third party approvals, processes under the Pre Construction Services Agreement (PCSA) and land acquisition
LUF - Active Travel Measures (north of river)	716	0	0	716	911	195	Forecast spend brought forwards following greater confidence in commitment
LUF - Active Travel Measures (south of river)	6,000	0	0	6,000	4,717	-1,283	Delay to Holme Lacy Road commencement due to traffic management requirements reduced spend.
Local Transport Grant	5,975	0	0	5,975	5,975	0	

Bus Service Improvement Plan	900	898	0	1,798	1,049	-749	Bus shelter contract implementation has taken significantly longer than anticipated, resulting in delivery slippage for bus stops by approx 6 months.
Total Economy & Environment (Transport)	**31,802**	**3,610**	**0**	**35,412**	**26,505**	**-8,907**	

Total	**146,941**	**20,252**	**2,114**	**169,307**	**112,419**	**-56,888**

Projects likely to be delayed into 26/27, some with no decisions yet made on spend, others with delays in delivery.	-55,934
Project to deliver under budget or not spend full grant allocation	-954
	-56,888

Table B – Overall Capital Programme position 2026/27

Scheme Name	Prior Years £000s	2026/27 budget £000s	2027/28 budget £000s	2028/29 budget £000s	2029/30 budget £000s	Total budget £000s
Disabled facilities grant	0	3,166	2,200	0	0	5,366
Empty Property Investment & Development	0	184	0	0	0	184
Acquisition Fund for Housing Provision	1,337	3,663	0	0	0	5,000
Strategic/Emergency Housing Capital Projects	0	2,650	3,900	3,450	0	10,000
Local Authority Housing Fund 4	0	675	0	2,225	0	2,900
Merton Meadow - Brownfield Land Release Fund	1,013	987	0	0	0	2,000
Libraries Improvement Fund	47	7	0	0	0	54
Stronger Towns Fund - Hereford Museum & Art Gallery Redevelopment	4,435	10,512	5,581	250	0	20,779
Stronger Towns Library & Learning Centre relocation to Shire hall	430	2,064	512	0	0	3,005
Property Improvements in Care Homes	822	530	0	0	0	1,353
Community Capital Grants Scheme	388	1,592	20	0	0	2,000
Total Community Wellbeing Including Housing	**8,471**	**26,031**	**12,213**	**5,925**	**0**	**52,640**
Device and Ancillary kit replacement programme	0	578	287	0	0	865
Planning & Regulatory Services software	322	923	151	0	0	1,396
Contact Centre Telephony Replacement	60	22	0	0	0	82
Wide Area Network (WAN) Replacement	200	86	0	0	0	286
IT System Upgrades & Server Replacements 2025-26	107	393	0	0	0	500
Essential system updates and upgrades	0	174	0	0	0	174
Total Corporate Services (IT & Transformation)	**688**	**2,177**	**438**	**0**	**0**	**3,303**
Schools Capital Maintenance Grant		3,614	1,200	0	0	4,814
Aylestone School Improvement Works		1,790	1,000	0	0	2,790
Peterchurch Area School Investment	5,675	5,178	0	0	0	10,853
Brookfield School Improvements	5,167	655	0	0	0	5,822
High Needs Grant	1,878	6,784	3,604	0	0	12,265

Basic Needs Funding	1,758	11,810	5,309	0	0	18,877
Relocate Herefordshire Pupil Referral Units		1,500	3,500	0	0	5,000
Establish a new alternative provision (AP) centre		1,500	3,500	0	0	5,000
Childcare Expansion Capital Grant 2023-24	196	100	0	0	0	296
School Accessibility Works	1,295	1,208	0	0	0	2,503
Residential overnight short breaks refurbishment		60	0	0	0	60
C & F's S106		1,039	1,550	0	0	2,589
Total Childrens & Young Peoples (Including Schools)	**15,970**	**35,237**	**19,662**	**0**	**0**	**70,869**
Work to Shire hall Annex (Care Leavers Base)	90	10	0	0	0	100
Historic Building Fund	0	0	5,000	0	0	5,000
Estates Capital Programme 2019/22	5,855	27	0	0	0	5,882
Estates Building Improvement Programme 22-25	2,519	188	0	0	0	2,707
Estates Building Improvement Programme 2023-25	1,863	899	0	0	0	2,761
Estates Building Improvement Programme 2024-27	1,549	620	0	0	0	2,169
Building works from 2022 Condition Surveys	141	1,033	350	0	0	1,524
Shire hall Improvement Works	0	3,750	250	0	0	4,000
Estates Building Improvement Programme 2026-29	0	1,809	1,121	35	0	2,965
Estates Building Improvement Programme 2025-28	118	2,622	905	0	0	3,645
Total Economy & Environment (Council Asset Investment)	**12,135**	**10,957**	**7,626**	**35**	**0**	**30,753**
Highway Maintenance Block DfT (previously LTP)		23,697	27,449	29,695	33,948	114,789
Resurfacing Herefordshire Highways		5,311	0	0	0	5,311
Highways Infrastructure Investment	13,869	7,171	0	0	0	21,040
Public Realm Improvements for Ash Die Back	1,132	408	118	0	0	1,658
E & E's S106		4,114	2,429	0	0	6,543
Play Area Investment		1,000	0	0	0	1,000
Public Realm Services Fleet		1,322	0	218	0	1,540
Public Realm Mobilisation		450	0	0	0	450
Public Rights of Way	0	1,000	0	0	0	1,000

Traffic Signal Obsolescence Grant and Green Light Fund	476	66	0	0	0	541
Total Economy & Environment (Highways & Public Space)	**15,476**	**44,539**	**29,996**	**29,913**	**33,948**	**153,872**
Integrated Wetlands	4,013	747	0	0	0	4,760
Natural Flood Management	810	464	0	0	0	1,274
Local Electric Vehicle Infrastructure Capital Fund (LEVI)		120	240	120	644	1,124
LEVI Pilot Fund Grant	24	96	0	0	0	120
Wye Valley National Landscape (previously AONB)		995	0	0	0	995
Solar Photovoltaic Panels	1,064	535	535	0	0	2,134
Waste	397	4,796	6,200	0	0	11,393
Warm Homes Grant		811	982	0	0	1,793
Herefordshire Flood Risk Mitigation	40	2,015	0	0	0	2,055
Total Economy & Environment (Environmental)	**6,347**	**10,579**	**7,957**	**120**	**644**	**25,648**
Employment Land & Incubation Space in Market Towns	1,913	4,375	8,360	0	0	14,648
Total Economy & Environment (Economic Growth)	**1,913**	**4,375**	**8,360**	**0**	**0**	**14,648**
Hereford City Centre Transport Package	41,238	5,741	0	0	0	46,979
Hereford ATMs and Super Cycle Highway		1,000	0	0	0	1,000
Active Travel Fund 5	0	99	0	0	0	99
Consolidated Active Travel Fund		499	234	234	234	1,202
Hereford Western Bypass Phase 1	1,382	13,584	12,774	17,560	0	45,300
LUF - Active Travel Measures (north of river)	2,004	716	1,745	0	0	4,466
LUF - Active Travel Measures (south of river)	2,310	6,000	887	0	0	9,197
Local Transport Grant		5,975	6,966	7,775	8,584	29,300
Bus Service Improvement Plan	210	1,798	918	936	954	4,815
Total Economy & Environment (Transport)	**47,144**	**35,412**	**23,524**	**26,505**	**9,772**	**142,358**

Total	**108,145**	**169,307**	**109,777**	**62,497**	**44,364**	**494,091**

	2026/27 Budget £000s	2027/28 Budget £000s	2028/29 Budget £000s	2029/30 Budget £000s	Total
February 2026 Council Approved Budget	146,941	102,117	60,023	44,364	353,445
Removal Maylords Revenue Reserve	-306	-	-	-	-306
25/26 Carry Forwards	20,252	4,763	-	-	25,016
Additional Grants	2,420	2,897	2,475	-	7,791
Revised Capital Budget	**169,307**	**109,777**	**62,497**	**44,364**	**385,946**

Grant Additions since approval of Capital Programme by Council in February 2026	**2026/27**	**2027/28**	**2028/29**	**2029/30**	**£000s**
DfT - 26/27 Highway Maintenance Block Grant	- 270	-	-	-	- 270
Wye Valley National Landscape Grants 26/27	992	-	-	-	992
MHCLG - Additional DFG 26/27	615	-	-	-	615
DfE - 26/27 Additional Schools Maintenance Grant	408	-	-	-	408
DfE - 26/27 High Needs Grant	-	2,897	-	-	2,897
Garfield Western - HMAG	-	-	250	-	250
DHLUC - LAHF 4 Grant	675	-	2,225	-	2,900
Total grant additions since approval by Council in February 2026	**2,420**	**2,897**	**2,475**	**0**	**7,791**

Funding by Capital Grants that have to be spent in year or following year (may be part funding)

Herefordshire Council

APPENDIX C TREASURY MANAGEMENT QUARTER 1 2026/27 UPDATE

Introduction

1.1 Treasury Management is the management of the council's borrowing, investments and cash flows, including its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks.

1.2 The CIPFA (Chartered Institute of Public Finance and Accountancy) Code of Practice for Treasury Management 2021 recommends that members be updated on treasury management activities at least quarterly. This report, therefore, ensures the council is implementing best practice in accordance with the Code.

Economic Context

2.1 The first quarter of 2026/27 saw:

- A 0.1% month on month fall in real Gross Domestic Product (GDP) in April,
- The 3-monthly year-on-year rate of average earnings growth excluding bonuses stagnate at 3.4% in April
- CPI inflation remains at 2.8% in May, with a rise in core CPI inflation from 2.5% to 2.6%
- The 10-year gilt yield fluctuate between 5.18% and 4.69%, ending the quarter at 4.76%.

2.2 The Bank of England's Monetary Policy Committee (MPC) leave interest rates unchanged at 3.75% with an upside risk as the economy remains weak.

Investments

3.1 The Council's investment priorities are security, liquidity then yield. At 30 June 2026, the council held investments as shown in table 1.

Table 1: Investment Portfolio

Treasury investments	Term	Maturity date	Interest rate	Amount invested £m
Instant Access Money Market Funds:				
Federated	N/A	N/A	3.92%	10.00
Aberdeen Standard	N/A	N/A	3.88%	10.00
Insight	N/A	N/A	3.89%	4.02
Invesco	N/A	N/A	3.87%	8.00
CCLA	N/A	N/A	3.85%	6.00
Total treasury investments			**Average 3.88%**	**38.02**

3.2 The council applies the credit worthiness service provided by MUFG Corporate Markets (MUFG). This service employs a modelling approach utilising credit ratings from three main credit rating agencies (Fitch, Moody's and Standard and Poor's). This modelling approach combines credit ratings, credit watches and credit outlooks in a weighted scoring system to which MUFG allocate a series of colour coded bands with suggested maximum durations for investments. These are detailed in the Treasury Management Strategy for 2026/27 as approved by Council in February 2026.

3.3 The council has earned interest on its investments as shown in table 2. There is a revenue budget of £0.500 million for 2026/27, resulting in an underspend of £0.079 million within the Central budget line before allocation of interest to schools and other balances.

Table 2: Interest earned

Month	Average amount invested £m	Average rate of interest earned	Amount of interest earned £m
Apr 26	64.1	4.28%	0.225
May 26	56.6	3.81%	0.183
Jun 26	54.0	3.84%	0.171
Total			**0.579**
Budget			**0.500**
Underspend variance			**0.079**

3.4 In addition to the investment income, the council earns interest on the provision of loan finance to the waste disposal PFI provider. This is expected to generate loan interest of £1.8 million in 2026/27 and will be credited to the waste reserve.

Borrowing

4.1 The council can only borrow up to its Authorised Borrowing Limit which represents the affordable limit determined in compliance with the Local Government Act 2003. It is the maximum amount of debt that the authority can legally owe. The authorised limit provides headroom over and above the operational boundary for unusual cash movements. The Authorised Borrowing Limit for external borrowing (excluding PFI and leases) for 2026/27 is £388m which was approved in the Treasury Management Strategy.

4.2 At 30 June 2026, the council held long-term borrowing of £184.7m; no new long-term borrowing has been secured during the current financial year. The council's Capital Financing Requirement at 1st April 2026 is £330.3m, which demonstrates that the Council has significant internal borrowing when compared to the actual long-term borrowing (excluding PFI liabilities) of £184.7m.

4.3 It is anticipated that significant borrowing will be undertaken in the last 3 quarters of the financial year due to replacement of internal borrowing with external borrowing, depending on actual expenditure within the capital programme.

4.4 The current capital financing budget position is shown in table 3, which includes interest payable forecasts for the anticipated further borrowing. The overspend will be managed through the use of the Treasury Management reserve.

Table 3: Summary of borrowing budget

	Budget £m	Forecast £m	(Surplus)/deficit £m
Minimum Revenue Position (MRP)	12.4	12.3	(0.1)
Interest Payable on loans	9.8	10.6	0.8
Total	**22.2**	**22.9**	**0.7**

Compliance with Treasury and Prudential Limits

5.1 During the quarter ended 30 June 2026, the council has operated within the treasury and prudential indicators set out in the Treasury Management Strategy for 2026/27. Actual values for quarter 1 are shown in table 4.

5.2 Treasury indicators for quarter 1 are shown as actual values as at 30 June 2026, e.g. for PI4 (authorised limit for external debt), the actual value of external debt as at 30 June 2026 of £230.4 million is shown against a Treasury Indicator limit of £458.0 million as approved in the Treasury Management Strategy. This means that actual debt is lower than the approved limit and the council is operating within agreed boundaries.

5.3 Prudential indicators for quarter 1 are shown as updated forecasts for the financial year 2026/27, e.g. for PI1 (capital expenditure), the forecast of spend for the financial year 2026/27 of £112.4 million is shown against a Prudential indicator value approved in the Treasury Management Strategy of £146.9 million. This means that capital expenditure for 2026/27 is now forecast to be lower than was budgeted for at the start of the year.

Table 4: Prudential and Treasury indicators for 2026/27 as at 30 June 2026

Ref	Treasury indicators	Description	2026/27 Budget/ Limit £'000	Actual as at 30 June 2026 £'000	Compliance result
PI4	Authorised limit for external debt	To set an authorised limit for its gross external debt for the forthcoming financial year (includes PFI liabilities)	458,000	230,400	Within limit
PI5	Operational boundary for external debt	To set an operational boundary for its gross external debt for the forthcoming financial year (includes PFI liabilities)	436,000	230,400	Within limit
PI8	Upper limit for principal sums invested over 364 days	To set an upper limit for total principal sums invested over 364	5,000	NIL	Within limit
PI7	Maturity structure upper and lower limits:	To set upper and lower limits for the maturity structure of its borrowing			
	Under 12 months		0-10%	7%	Within limit
	12 months to 2 years		0-10%	7%	Within limit
	2 to 5 years		0-25%	15%	Within limit
	5 to 10 years		0-35%	28%	Within limit
	10 years and above		0-80%	43%	Within limit
	Prudential indicators	**Description**	**2026/27 Budget £000**	**Forecast for 2026/27 at 30 June 2026 £000**	**Compliance result**
PI1	Capital expenditure	A reasonable estimate of the total capital expenditure that it plans to incur during the forthcoming financial year	146,940	112,419	Under budget
PI2	Capital financing requirement (CFR)	A reasonable estimate of the total capital financing requirement at the end of the forthcoming financial year	370,419	347,184	Under budget
PI3	Gross debt and CFR	To ensure that the total gross debt does not, except in the short term, exceed the total of capital financing requirement	72%	66%	Below 100%, within limit
PI6	Ratio of financing costs to net revenue stream	To estimate the proportion of financing costs to net revenue stream for the forthcoming financial year	12%	13%	In line with budget
PI9	Ratio of net commercial and service investments income to net revenue stream	To estimate the proportion of net income from commercial and service investments to net revenue stream for the forthcoming financial year	1%	1%	Low reliance on this income

Appendix D: Progress against 2026/27 approved Savings as at 30 June 2026 (Quarter 1)

2026/27 Approved Savings: Total Savings of £20.0 million for 2026/27 were approved by Council on 13 February 2026.

The outturn of the delivered approved savings as at 30 June 2026 (Quarter 1) is noted below:

Directorate	Approved Savings £m	Delivered £m	Forecast £m	At Risk £m
Community Wellbeing	7.4	1.3	1.9	4.2
Children & Young People	3.4	1.3	2.1	-
Economy & Environment	5.2	3.4	1.0	0.8
SEN/Home to School Transport	2.0	-	0.7	1.3
Corporate Services	2.0	1.5	0.3	0.2
Total Approved Savings	**20.0**	**7.5**	**6.0**	**6.5**
	100%	**38%**	**30%**	**32%**

At 30 June 2026 (Quarter 1), £7.5 million (38%) of approved savings for 2026/27 have been delivered. The status of individual savings as per Appendix B of the Council Report approved on 12 February 2026, is shown in **Annex 1** below.

Brought Forward Savings: Savings not delivered recurrently in previous years have been carried forward into 2026/27.

Directorate	Savings Target £m	Delivered £m	Forecast £m	At Risk £m
Community Wellbeing	0.9	0.2	0.7	-
Economy & Environment	0.3	0.1	0.2	-
Corporate Services	0.1	-	-	0.1
Transformation	1.4	-	-	1.4
Total Brought Forward Savings	**2.7**	**0.3**	**0.9**	**1.5**
	100%	**11%**	**33%**	**56%**

At 30 June 2026 (Quarter 1), £0.3 million (11%) of the £2.7 million brought forward savings have been delivered with a further £0.9 million (33%) forecast to be delivered in year; £1.5 million (56%) remain at risk and with focused activity underway to resolve or mitigate in year. The savings, to be monitored for delivery in 2026/27, are detailed in **Annex 2** below.

Annex 1: Status of delivery of approved savings at 30 June 2026 (Quarter 1)

2026/27 Saving Targets Q1 Forecast	Target £'000	At Risk £'000	In Progress £'000	On Target £'000	Delivered Recurrent £'000
C1 Partnership working: increased and robust market engagement to secure cost savings, improved value for money and increased capacity	**2,500**	2,500			
C2 Voluntary & Community Sector: development of micro-provider market and Voluntary & Community Sector commissioning framework	**300**	300			
C3 Hoople Community Equipment: remodelling of community equipment contract for delivery of goods and services to achieve increased value for money in 2026/27	**400**	400			
C4 Hoople Learning Disability Service: remodelling of learning disability service using CareCubed to determine and model appropriate fees	**250**	250			
C5 Shaw Contract: reset of the current contract (contract end date of 2033) to secure services at no additional cost to offset spot purchases	**250**		250		
C6 CareCubed: application of benchmarking tool to support improved negotiations with providers and agree a fair cost of care	**400**	400			
C5 Shaw Contract: reset of the current contract (contract end date of 2033) to secure services at no additional cost to offset spot purchases	**250**		250		
I1 Review charging for self-funders: to establish and promote an enhanced offer for residents in line with neighbouring authorities	**120**		120		
I2 Financial assessments: review to ensure all assessments are conducted efficiently and fairly, enabling contributions to the council to be identified and collected in a timely manner	**1,000**		513	436	51
I3 Fees and charges: review of fees and charges across the directorate	**250**		188		62
I4 Direct payment cap changes: to align with other rates	**250**		250		
D1 Front door: improvements to self-referral portal including online forms and improved technology enabled communities (TEC) offer	**50**		50		
D2 Review of long-term cases: to ensure right size packages of care	**405**			75	330
E1 Magic Notes: implementation of software to support social worker assessments	**400**	335			65
E2 Maximise existing Copilot functionality: to support non-social work staff, enabling improved contract management and administration	**200**				200
E3 Culture, Museum, Libraries reshape: to deliver service efficiencies	**100**				100
E4 Talk Community reshape: to deliver service efficiencies	**250**		6		244
E5 Vacancy management: deletion of vacant posts across Directorate	**250**				250
Total Community Wellbeing	**7,375**	**4,185**	**1,377**	**511**	**1,302**
C1 Reduction in Social Worker Agency posts: planned reduction based on requirements of current cohort	**800**				800

2026/27 Saving Targets Q1 Forecast	Target £'000	At Risk £'000	In Progress £'000	On Target £'000	Delivered Recurrent £'000
C2 Early Help Service: planned removal of Head of Service post (currently vacant) as part of locality model changes	**70**				70
C3 SEND Staff: removal of posts not currently filled to deliver savings in staffing costs	**123**				123
C4 Agency Cap Recruitment: reduction in existing agency hourly rates for social workers to move the service closer to CAP rates whilst retaining experienced social workers	**79**				79
C5 Staffing review/vacancies: reshaping of services to deliver net savings in staffing budgets	**238**			119	119
D1 Complex needs budget: reduction to reflect decrease in complex needs placements in 2026/27 within the Section 75 budget (pooled funding arrangement across Health, Education and Social Care)	**1,265**		1,265		
D2 Unaccompanied Asylum-Seeking Children (UASC) budget: reduction in average weekly placement costs for UASC supported lodgings placements	**235**		235		
D3 Supported Accommodation budget: reduction in budget to reflect decrease in required placements for internal supported accommodation in 2026/27	**83**		83		
D4 Independent Foster Agency budget: reduction in budget to reflect movement of current cohort turning 18 in 2026/27 who will move to internal/external supported accommodation	**383**		383		
E1 Safeguarding Board: Reduction in business unit costs as agreed by the partnership with each partner receiving benefit from this efficiency proposal	**72**		-		72
Total Children and Young People	**3,348**	**0**	**1,966**	**119**	**1,263**
C2 Service budget reductions: 5% reduction in controllable spend across directorate budgets	**500**				500
C3 Public Realm contract: LEAN efficiencies in services delivered through public realm contract	**375**				375
C4 Car-parking: income arising covering costs from increasing activity from existing sources to better cover costs increasing costs associated with parking and highways	**900**	500	400		
C5 Realigning developer contributions to cover costs: additional income from reassigning S278 (Highways Act) developer fees and fees and commuted sums from developers from S38 agreements under the Highways Act 1980	**100**		100		
I1 Inflationary uplifts: to increase income from fees and charges across the directorate	**200**		200		
D1 Subsidised public transport: review of public transport subsidised routes to reflect demand and usage of current routes	**500**				500
E1 Vacancy management: deletion of vacant posts across Directorate	**500**				500
E2 Grant utilisation: additional utilisation of the Local Transport grant (LTG)	**50**				50

2026/27 Saving Targets Q1 Forecast	Target £'000	At Risk £'000	In Progress £'000	On Target £'000	Delivered Recurrent £'000
E3 Reallocation of directorate reserves: to maintain expenditure for Public Rights of Way (£250k), Drainage (£445k) and Lengthsman Scheme (£250k) added to base budget in 2024/25 on receipt of additional funding at Final Local Government Settlement	**945**				945
E4 Waste stock: reduction in levels held of household waste collection stock	**60**		60		
E5 Energy costs: reduction in energy budget resulting from efficient usage and lower kw prices	**80**	80			
E6 Grant utilisation: review of application of the Public Health Ringfenced Grant (PHRG) against eligible directorate expenditure	**294**		294		
E7 Grant utilisation: utilisation of Bus Services Improvement grant (BSIP) on Public Subsidised Routes	**500**				500
E8 Transfer: transfer of toilet facilities to parish council	**200**	200			
Total Economy & Environment	**5,204**	**780**	**1,054**	**0**	**3,370**
C1 SEN and Home to School transport review	**2,000**	1,260	435	305	
Total SEN/Home to School Transport	**2,000**	**1,260**	**435**	**305**	**0**
C1 Revenue cost reduction: capitalisation of Finance Team costs for staff activity supporting delivery of capital projects	**75**			75	
C2 Revenue cost reduction: capitalisation of Legal Service costs for staff activity supporting delivery of capital projects	**150**	86		64	
C3 Staffing costs reduction: reduced staffing costs in ICT/Transformation budgets following removal of Director of Transformation & Strategy post and reallocation of budget to Chief Digital & Information Officer post	**96**				96
C4 Revenue cost reduction: application of capital receipts to fund eligible transformation expenditure permitted via Flexible Capital Receipts permissions	**600**				600
C5 Revenue cost reduction: reduction in employers' deficit pension contributions linked to actuarial valuation	**498**				498
C6 HR & OD Services: review to deliver service efficiencies	**30**				30
E1 Corporate Performance & Intelligence Service review and reshape: to deliver service efficiencies	**200**	45			155
E2 Communications review and reshape: to deliver service efficiencies	**198**	116		82	
E3 Vacancy management: review of service delivery and deletion of vacant posts in Legal & Democratic Services	**180**			46	134
Total Corporate Services	**2,027**	**247**	**0**	**267**	**1,513**
Total 2026/27 Savings Targets	**19,954** **100%**	**6,472** **33%**	**4,832** **24%**	**1,202** **6%**	**7,448** **37%**

93

RAG Rating – to show confidence in delivery of savings

Red	Delivery in 2026/27 at risk. Recovery action to identify mitigations required.
Amber	Activity to deliver savings in 2026/27 is in progress.
Green	Activity to deliver savings expected to be delivered in 2026/27 is on target.
Delivered	Savings achieved in 2026/27.

Annex 2: Status of delivery of brought forward savings at 30 June 2026 (Quarter 1)

Brought forward prior year Saving Targets Q1 Forecast	Target £'000	At Risk £'000	In Progress £'000	On Target £'000	Delivered Recurrent £'000
New Target 25/26 - Additional income generation	685		685		
S3 (23/24)* New Integrated Models of Care	222				222
Total Community Wellbeing	**907**	**0**	**685**	**0**	**222**
New target 25/26 SEN Transport Efficiencies – Target stretched	200		200		
S8 (24/25) Transfer of functions from the Local Enterprise Partnership (LEP)	100				100
Total Economy & Environment/Home to School & SEN Transport	**300**	**0**	**200**	**0**	**100**
S3 (24/25) Oxygen Finance solution	60	60			
Total Corporate Services	**60**	**60**	**0**	**0**	**0**
S6 (24/25)* Reduction in Hoople SLA contract value and workforce service reviews	1,476	1,476			
Total Transformation	**1,476**	**1,476**	**0**	**0**	**0**
Total brought forward Savings Targets	**2,743** **100%**	**1,536** **56%**	**885** **32%**	**0** **0%**	**322** **12%**

Herefordshire Council

Title of report: Q1 Performance Report

Meeting:	**Cabinet**
Meeting date:	**Thursday 24 September 2026**
Cabinet member:	**Councillor Stoddart, finance and corporate services**
Report by:	**Director of Finance**
Report Author:	**Head of Corporate Performance and Intelligence**

Classification

Open

Decision type

Non-key

Wards affected

(All Wards);

Purpose

To review performance for Quarter 1 (Q1) 2026/27 and to report the performance position across all Directorates for this period.

Recommendation(s)

That Cabinet:

a) **review performance for Q1 2026/27**

b) **approve the changes to the Delivery Plan 2026/27 (as set out in Appendix A) since Cabinet on 26th March 2026. Once approved, the revised version of the Delivery Plan 2026/27 will be published**

Alternative options

Cabinet may choose to review delivery and operational performance more or less frequently; or request alternative actions to address any identified areas of underperformance, including referral to the relevant scrutiny committee. Increased frequency is not recommended as progress is unlikely to

Further information on the subject of this report is available from
Jessica Karia-Fitzgerald, Tel: 01432 260976, email: j.karia-fitzgerald@herefordshire.gov.ukkl

be substantial on a monthly basis; and less frequency poses risk in underperformance going undetected for a significant period of time.

Key considerations

1. Since approval of the Delivery Plan 2026/27 by Cabinet on 26 March 2026, a number of updates have been made to ensure the plan accurately reflects current delivery priorities and timescales. The changes are stated in Appendix A. 29 additions relate to the carry forward of milestones from the 2025/26 Delivery Plan that remained in progress at year-end and were only confirmed following reporting of the Quarter 4 position. 9 additions are to reflect emerging priorities and areas of work identified since the plan was agreed. The remaining amendments are minor wording or deliverable changes intended to improve clarity and ensure milestones more accurately describe the activity and outcomes being delivered. These updates do not alter the overall strategic priorities set out within the Delivery Plan and ensure it remains current, relevant and aligned to delivery expectations for 2026/27.

2. This report aligns with the Council Plan 2024-2028 and the associated annual Delivery Plan for the 2026/27 financial year. It provides a summary of the activities undertaken to deliver the key priorities and goals in Q1 and highlights the key performance indicators (KPIs). Appendix A provides the full breakdown of the Q1 updates on the Delivery Plan milestones that are due to be in progress by Q1. 104 out of 124 milestones (83.9%) that were due to be in progress by Q1 under the new Delivery Plan for 2026/27 were completed or are on track to be delivered by the end of the financial year. Beyond the Delivery Plan, the council has achieved many successes in Q1 of 2026/27, some of these successes are listed in the table below.

   The council has continued to deliver on its Capital Investment Programme. The following table presents some of the highlights for Quarter 1.

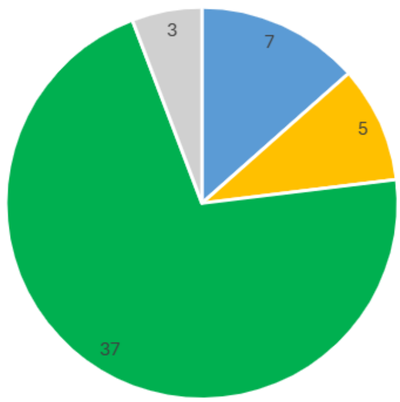
Project	**Investment**	**Where are we…**
Hereford Transport Hub	£11.6m, of which £6.3m is Levelling-Up grant funding and £1.0m is Active Travel Measures	Construction is approximately 83% completed with the bus interchange tarmac laid, Mechanical and Electrical first and second fix underway in the shelter and paving to the public realm commenced. The main site is due to be officially opened in October.
Holme Lacy Road Active Travel Improvements	£7.9m Levelling Up grant funding	Construction is approximately 41% completed with phase 1g and 2i nearing completion with tarmac laid. Weekend closures are due through July/ August to enable resurfacing. Letters have been sent to residents with advanced warning signs on site and messages on the website/ social media.
Great Western Way (GWW) improvements	Total budget £685,360 made up of£311,711 Stronger Town Grant Funding and £373,649 Levelling Up Grant Funding	The scheme to improve GWW has now completed with some snagging left to finish.

Warm home Local grants	Current allocation is £829k	27 homes have been approved by the funder (Department for Energy Security and Net Zero). Two of the 27 properties have had measures installed and all remaining properties are now with installers ready for installations.
Peterchurch Primary School – New School Building	£10.9m	Construction works are progressing ahead of programme with completion of the new school programmed for September 2026 with the demolition of the existing school building and external works due for completion in early 2027.
Aylestone School Expansion	£13.6m DFE Grant	Planning permission approved. Contract is yet to be concluded and therefore a start date is anticipated for September 2026.
Hampton Dene Primary School – Extension to LRC	£2.6m DFE Grant	Construction works were completed in July 2026 with pupils due to start using the new accommodation from September 2026.
Schools Capital Maintenance Programme	£3.6m DFE Grant / Borrowing / Capital receipt Reserves	Tenders completed as programmed for summer 2026 works to commence.
Brookfield School, Hereford – Extensions and Internal Alterations	£5.8m DFE Grant Funding/ capital receipts reserve	Scheme completed in May 2026 with the handover of the new sports hall facility.
Estates Capital Programmes Improvements	£2.5m in 2025-26	4 Projects completed within the reporting period with tenders for further schemes issued.

The achievements outlined below represent some of the key highlights delivered during Quarter 1 and sits alongside a wider programme of activity undertaken across the quarter. Please see Appendix A for further updates against the Delivery Plan.

Performance: People

Q1 RAG status of Delivery Plan Milestones



Milestones Colour Key: Green: On Track; Amber: At risk of not being completed by the end of the financial year; Blue: Completed; Grey: Not due to start yet

Key Highlights

Children and Young People

3. The Families First and Family Hub reforms are national changes designed to improve outcomes for children and families by providing earlier support, strengthening family networks, and creating a more integrated approach between family help and child protection services. The reforms aim to ensure that children and families can access the right support at the right time, with services working together around the needs of the whole family.

   During Q1, significant progress was made in implementing the Families First and Family Hub reforms, improving how children, young people and families access support. The new service model is now fully in place, creating a more joined-up approach that helps families receive the right support at the right time and reduces the need to navigate multiple services. Family Help Teams have been established across local communities, making it easier for families to access support closer to home, while strengthened multi-agency child protection arrangements improve the identification and management of risk for children who need safeguarding.

   A new Family Help Assessment and Plan has also been developed, tested and embedded within the case management system, ready for implementation across the wider system of support in Q2. This will provide families with a more consistent experience, ensuring that children's needs, strengths and aspirations are understood through a single assessment and plan, regardless of which service they access.

   Together, these changes support earlier intervention, strengthen family networks and relationships, and improve coordination between services. This means families will benefit from more timely and effective support, children will be better protected when risks arise, and decision-making will be increasingly centred on the needs, strengths and voices of children and their families.

Community Wellbeing

4. Performance remains on track to improve outcomes for carers of all ages by ensuring they are identified early, receive timely support and are empowered to maintain their own wellbeing whilst continuing in their caring role.

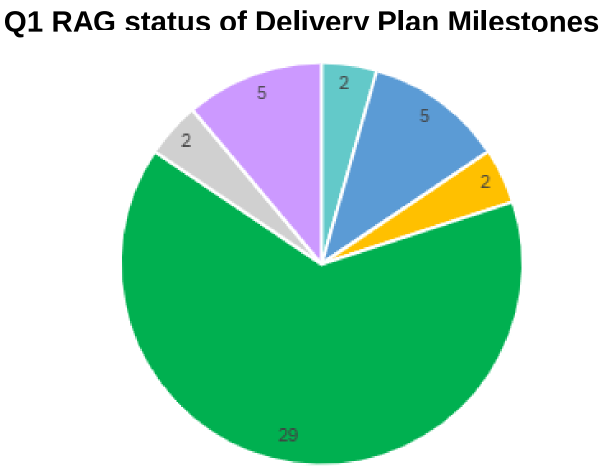
During Q1, work has continued to strengthen the identification of unpaid carers through routine assessments, referrals and close partnership working with health and community services. This is helping more carers to access support at an earlier stage, with carers being offered assessments in line with Care Act duties and provided with information, advice and practical support to help prevent needs from escalating.

Carers' assessments continue to be delivered using a strengths-based and person-centred approach, enabling carers to identify the outcomes that matter most to them. Support planning is focused on promoting wellbeing, maintaining independence and ensuring carers have choice and control over the support they receive. Ongoing workforce development is helping to maintain the quality and consistency of assessments and support plans, ensuring carers receive a positive and personalised experience.

Technology is also being embedded within assessment and support planning processes to improve outcomes for carers and the people they support. Technology Enabled Care solutions are routinely considered where appropriate, helping to promote independence, reduce caring pressures and provide greater reassurance. Work continues to further strengthen the use of technology as part of personalised support planning.

Overall, progress in Q1 demonstrates continued delivery against the planned milestones, supporting carers to access the right support at the right time, sustain their caring role and improve their health, wellbeing and quality of life.

Performance: Place



Milestones Colour Key: Green: On Track; Amber: At risk of not being completed by the end of the financial year; Blue: Completed; Teal: Milestone has been discontinued; Grey: Not due to start yet

Key Highlights

5. The transition to the Council's new Public Realm Services operating model was successfully delivered during Q1. The previous contract with Balfour Beatty Living Places ended as planned at the end of May 2026, and mobilisation of the new contract with M Group was completed ahead of the service commencement date of 1st June 2026.

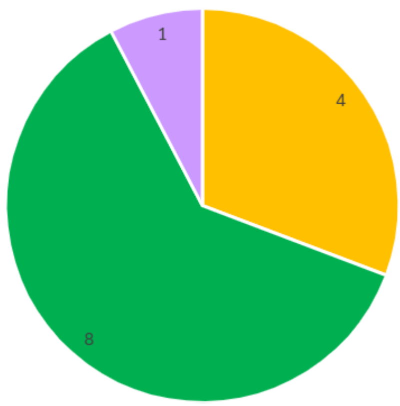
   This milestone ensures continuity of essential public realm services for residents, with no disruption during the transition period. The successful handover provides a strong foundation for delivering cleaner, safer and better maintained streets, parks and public spaces, supporting community wellbeing and local pride. The new operating model is designed to strengthen service delivery, improve responsiveness to resident needs and support the Council's ambitions for high quality public realm services across the borough.

6. Progress on developing a Local Food Strategy and a plan to achieve Sustainable Food Places Silver Award status is dependent on the outcome of a National Lottery funding application. While the funding decision is awaited, the Herefordshire Food Alliance has continued to meet regularly, maintaining partnership relationships and identifying future priorities for delivery.

   The continued engagement of local partners demonstrates a shared commitment to strengthening the local food system and improving access to sustainable, locally produced food. Once funding arrangements are confirmed, the Alliance will be well positioned to progress planned activity that supports healthier communities, strengthens local food networks, promotes local food consumption and contributes to wider social, environmental and economic benefits for residents across the county.

Performance: Growth

Q1 RAG status of Delivery Plan Milestones



Milestones Colour Key: Green: On Track; Amber: At risk of not being completed by the end of the financial year; Purple: Parked as waiting on other interdependent activity

Key Highlights

7. Work is progressing to strengthen the partnership between the Herefordshire Skills Board, local employers and education providers, helping residents access the skills and qualifications needed for good-quality local jobs.

   A new programme of support has been launched in partnership with NMITE for businesses operating in the defence and security sector, helping to develop the specialist skills required by this growing industry. As part of this work, bursaries have also been introduced to support local residents in gaining qualifications, creating new opportunities for people to access higher-skilled employment and progress their careers within the county.

   Alongside this, Metro Dynamics has been commissioned to develop and write a new Herefordshire Employment and Skills Strategy. An inception meeting was held on 25th June 2026, marking the start of work to create a clear, evidence-based strategy that will help align local skills provision with employer needs, support economic growth and ensure residents can access the training and opportunities they need to succeed.

Together, these initiatives are strengthening the understanding of local skills gaps and building a more coordinated approach to ensuring residents and businesses have the skills needed for a prosperous and resilient local economy.

8. The council continues to progress projects that will increase the availability of transitional and affordable accommodation, helping to prevent homelessness and provide residents with stable housing at times of need.

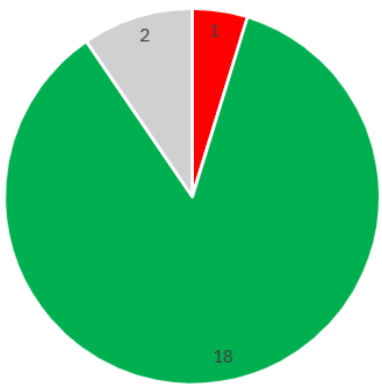
Refurbishment of the John Venn building experienced delays following challenges in appointing a contractor. A contractor has now been secured and work is due to commence on site on 3rd August 2026, with completion expected in May 2027. Once completed, the scheme will provide additional accommodation options to support residents at risk of homelessness and those requiring temporary housing while longer-term solutions are secured.

Progress has also been made on proposals to refurbish the Buttercross building in Leominster to create affordable housing. Following a change in procurement approach and the approval of the business case required to draw down funding, key preparatory work has been completed. A pre-development application has been submitted, phosphate credits have been secured, and a design team has been identified, with costs agreed subject to a decision to proceed. The full business plan has also been finalised and reviewed by the Major Projects Board.

While both projects have experienced some delays, important groundwork has been completed during the quarter. These developments will play a key role in increasing the supply of affordable and transitional accommodation, helping more residents avoid homelessness and access safe and secure housing within their communities.

Performance: Transformation

Q1 RAG status of Delivery Plan Milestones



Milestones Colour Key: Green: On Track; Red: Significant risk of not being completed by the end of the financial year; Grey: Not due to start yet

Key Highlights

9. Progress is being made to strengthen partnerships with communities and support greater community-led action. While the development of a single, council-wide commissioning framework for voluntary, community and social enterprise (VCSE) organisations has been extensively

explored, changes introduced through the new Procurement Act mean this approach is not currently feasible.

In response, the Council is taking a practical and collaborative approach within the Community Wellbeing directorate, working closely with VCSE partners to design and commission support for residents with low-level care and wellbeing needs. This will help people access local, community-based support earlier, promoting independence, reducing isolation, and enabling residents to remain active and connected within their communities.

A pilot programme is scheduled to launch in September 2026. The pilot will provide valuable insight into how the Council and the VCSE sector can work together most effectively to improve outcomes for residents. Learning from this approach will be used to inform future commissioning arrangements and shared across the Council to support wider adoption of successful community-focused models.

10. Improving the Penalty Charge Notice (PCN) appeals process remains a key priority to ensure residents can access support quickly, easily and at a time that suits them. The planned introduction of digital assistant technology will help streamline the appeals process, making it simpler for customers to obtain information, understand requirements and submit appeals with greater confidence.

    During Q1, implementation of the digital assistant technology has not yet taken place. Focused work has been undertaken to address technical and operational barriers to delivery, ensuring that the solution is robust, accessible and capable of meeting residents' needs. This preparatory work will support successful implementation in Q2 and help deliver a more responsive and user-friendly appeals experience for customers.

Local Government Outcomes Framework

11. The Ministry of Housing, Communities and Local Government (MHCLG) announced in July 2025 that they are launching a new Local Government Outcomes Framework. The outcomes align with the key national priorities, ranging from preventing homelessness and rough sleeping to community safety and satisfaction. The outcomes are underpinned by metrics to measure progress.

12. This approach is designed to support a move away from hundreds of ringfenced grants to instead focus on a small number of tangible improvements for people and communities.

13. Central government will still take a key interest in outcome delivery and intervene where necessary and MHCLG will work with other government departments to make sure that support and challenge in response to the Framework works.

14. Framework data will also feed into Government's assessment of whether the Best Value Duty is being met.

15. A bespoke Herefordshire Council Outcomes Framework has been developed to align with the priorities set out in the Council Plan. The proposed metrics within the Framework has been reviewed by the Corporate Leadership Team and is included in Appendix A. These outcome-focused metrics will be monitored and reported annually, as a significant proportion of the data is only available on an annual basis due to the nature of many of the outcome measures. In the interim, performance reporting will continue to be based on the existing top ten indicators, as set out below.

Key Performance Indicator	**Q4 Actual - YTD**	**Q1* Projection - YTD**	**Q1* Actual - YTD**	**Q1* RAG****
Percentage of service users aged 65+ discharged from hospital into Home First who are still at home 91 days after discharge	72.26%	75%	73.50%	
Percentage of Children and Young People social work assessments completed within timescale (45 days)	85.32%	85.7%	90.08%	
Percentage of children in care who have an up-to-date review	100%	95%	100%	
Percentage of major planning applications dealt with within13 weeks (or 16 weeks if subject to an Environmental Impact Assessment), or with an agreed extension of time *Provisional subject to DLUHC confirmation*	84.09%	70%	100%	
Percentage of non-major (minor and other) planning applications dealt with within 8 weeks, or with an agreed extension of time *Provisional subject to DLUHC confirmation*	84.26%	80%	90.13%	

Number of kg of waste that is not sent to reuse, recycling or composting (per household) *Provisional subject to DEFRA confirmation*	250.51kg (Q2 25/26)	360kg	370.01kg (Q3 25/26)	
Number of affordable homes delivered	310	85	148	
Number of rough sleepers who have been offered and refused support	9	8	8	
Value of grants awarded to businesses to support viability and enable growth through UK Shared Prosperity Fund and Rural England Prosperity Fund	This indicator is being ceased due to the end of these funds and will be replaced by *Number of grants awarded to businesses from Hereford Enterprise Zone retained Business Rates* and will be reported from Q2.			
Average days sickness per FTE	8.38	9	8.83	

* year to date (April 2026 – June 2026) unless stated otherwise
** RAG (Red Amber Green) Key: Green (target met/ exceeded); Amber (within 10% threshold); Red (away from target by 10%+ in an adverse direction); Grey (not targeted/ monitoring only)

Community impact

16. In accordance with the accepted code of corporate governance, the council must ensure that it has an effective performance management system that facilitates effective and efficient delivery of planned services. To support effective accountability the council is committed to reporting on actions completed and outcomes achieved, and ensuring stakeholders are able to understand and respond as the council plans and carries out its activities in a transparent manner.

    Regularly reviewing performance with a view to identifying actions which will further drive improvement in outcomes or efficiencies helps ensure the council achieves its County Plan priorities.

Environmental impact

17. This report details how progress is being made in achieving the Delivery Plan which details how the council is working to deliver the environmental ambitions set out in the County Plan. Individual projects and deliverables included within the Delivery Plan will all be subject to their own governance arrangements and assessment of environmental and ecological impact.

Equality duty

18. The Public Sector Equality Duty requires the Council to consider how it can positively contribute to the advancement of equality and good relations, and demonstrate that it is paying ‘due regard’ in our decision making in the design of policies and in the delivery of services.

19. Each project within the Delivery Plan will assess its equality impact individually. Where a decision is likely to result in detrimental impact on any group with a protected characteristic it must be justified objectively. This means that attempts to mitigate the harm will be explored. If the harm cannot be avoided, the decision maker will balance this detrimental impact against the strength of

legitimate public need to pursue the service change.

Resource implications

20. These recommendations have no direct financial implications, however cabinet may wish to consider how money is utilised in order to meet the council's objectives.

Legal implications

21. This Council is a best value authority designated under the Local Government Act 1999. It is required to make arrangements to secure continuous improvement in the way it exercises its functions. Measuring performance is a tool to evidence such improvement.

Risk management

22. The risks associated with the council's business are recorded on the relevant service risk register and escalated in accordance with the council's Performance Management Framework and the Risk Strategy.

Consultees

23. None in relation to this report.

Appendices
Appendix A Q1 Council Plan Delivery Plan Updates

Background papers
Council Plan 2024-2028
Delivery Plan 2026-2027

Appendix A - Council Plan Delivery Plan Updates

People: We will enable residents to realise their potential, to be healthy and to be part of great communities that support each other. We want all children to have the best start in life.

Objective:	**Key Deliverable -This Year We Will…**	**Key Milestone to achieve Deliverable**	**RAG Qtr 1**	**REMARKS Qtr 1**	**Changes made after Cabinet 26/03/2026**
Support all children to have the best start in life	Further develop short break sufficiency with increased capacity and choice	Purchase an accommodation for a new overnight short breaks provision and confirm a provider		The purchase of the bungalow has now been completed. A competitive provider tender process has been undertaken, with the provider award scheduled for completion in July 2026. This represents a significant milestone in progressing the development and commissioning of the service.	Carried forward from 25/26 Delivery Plan after Cabinet on 26th March 2026
Outcome Indicators: *Year 6 prevalence of obesity (including severe obesity) (10-11 yrs)* *Percentage of children achieving a good level of development at the end of Reception* *Number of Child Protection Plans (rate per 10,000)* *Number of children in care (rate per 10,000)* *Percentage of children in foster care including kinship*		Develop ways that we can deliver new arrangements to buy and manage daytime community based short breaks		Local grants have been delivered again and a survey is currently live. Targeted support review remains on track, with parent carers actively involved through co-production. For specialist support, the tender process for commissioned daytime services has been incorporated into the overnight tender, with contract award due July 2026.	Carried forward from 25/26 Delivery Plan after Cabinet on 26th March 2026
	Establish a framework of commissioned providers to deliver alternative curriculum provision, for children who are not able to attend school and those needing additional support, increasing choice, quality and value for money	Monitor the impact of the Alternative Provision providers and manage concerns as they arise.			Carried forward from 25/26 Delivery Plan after Cabinet on 26th March 2026
	Develop new Alternative Provision for children with needs that require additional support to enable them to remain and or return to mainstream education	Identification of provider		No further progress can be made until suitable premises have been identified	
		Build/furnishment		We continue to work closely with property colleagues to identify suitable premises	
		Registration of provision		The provision cannot be registered until suitable premises have been secured, any required remodelling works have been completed, and a provider has been appointed.	
	Continue to deliver the schools capital investment programme	Commence construction of the Aylestone school expansion project		Contract discussions with the building contractor are continuing, while work is also underway to discharge a pre-planning condition relating to utilities that requires third-party approval. Both are expected to be completed in Quarter 2 of 2026/27.	

Objective:	Key Deliverable -This Year We Will…	Key Milestone to achieve Deliverable	RAG Qtr 1	REMARKS Qtr 1	Changes made after Cabinet 26/03/2026
		Complete works at Brookfield School		Completed Quarter 1	
		Identify a preferred building option for the amalgamation of the Herefordshire Pupil Referral Service (HPRS) Aconbury and St David's centres.		We continue to work closely with property colleagues to identify suitable premises	
		Commence refurbishment works at Ryefield Centre to provide accommodation for a new special school.		The project has progressed from feasibility into the design stage, with procurement of a building contractor expected in Quarter 3.	
		Complete the relocation of Peterchurch Primary School into its new school building		Pupils will move into the new school building in September. The modular village will then be removed, followed by the final demolition works and completion of the landscaping by the end of Quarter 4.	
		Complete the expansion of Hampton Dene's Language and Communication Centre (LCC)		Completed Quarter 1	
	To work with appointed DfE Advisers to ensure readiness for the SEND Reforms	To complete Maturity Assessment Tool and action plan		Completed Quarter 1 - feedback from DfE expected September 2026	
	As part of the Best Start in Life, improve rates of school readiness across Herefordshire (a key measure of early childhood development)	Increase the number of settings signed up to the Healthy Tots/ Healthy Schools programme		Engagement and recruitment activity continues to increase participation in the Healthy Schools and Healthy Tots programmes. Ongoing support is helping registered settings progress towards accreditation and embed health and wellbeing practices.	
		Review support requirements to identify gaps and strengthen activity that improves school readiness, including workforce training, health and development support, parental engagement, and targeted support for vulnerable families		Work is progressing to review current school readiness support arrangements and identify opportunities to strengthen workforce training, health and development support, parental engagement and targeted support for vulnerable families.	
		Finalise bespoke programme piloted for high schools		A bespoke secondary school Healthy Schools Framework has been co-developed and successfully piloted with two schools. The programme has been finalised, aligned with the Ofsted Inspection Framework, and is ready for wider implementation across the county.	

Objective:	Key Deliverable -This Year We Will…	Key Milestone to achieve Deliverable	RAG Qtr 1	REMARKS Qtr 1	Changes made after Cabinet 26/03/2026
Support all residents to live healthy lives within their communities	Invest in play areas to encourage children to get out and stay active	Delivery of £500k investment in play areas across the county and associated asset transfers		£510,000 has been ringfenced to Town and Parish Councils who wish to CAT. The CAT evaluation process commences in July. A report for the remaining budget is being produced to allow it to be repurposed to allow officers to commit to play areas without the requirement to CAT.	Carried forward from 25/26 Delivery Plan after Cabinet on 26th March 2026
Outcome Indicators: *Percentage of adults taking the recommended activity levels* *Percentage of children taking the recommended activity levels* *Healthy life expectancy at birth - Male* *Healthy life expectancy at birth - Female* *Cumulative percentage of the eligible population aged 40 to 74 who received an NHS Health check* *Percentage of seasonal flu vaccination uptake in age 65 and over*	Deliver active travel programmes to encourage more walking and cycling	Support five businesses at the Hereford Enterprise Zone (HEZ) with employer travel plans		Due to be delivered by the end of the financial year	
	Increase awareness of improving and maintaining good mental wellbeing	Collaborate with partners through partnership group		Member of Public Health team continue to actively participate and attend collaborative comms group. Planning comms activity across organisations	
		Develop and deliver a 12-month campaign programme with the aim of improving mental wellbeing		An updated 12-month communications plan has been created with the support of our communications team. Bespoke activities have been identified targeting our most at risk population groups.	
		Promote mental health awareness training opportunities for workplaces, education settings and community organisations to raise awareness and support orange button scheme.		Planning has taken place to identify training need, procurement of training underway	
	Deliver against the Families First and Family Hub reforms to provide Family Help, high quality Child Protection services and seamless link between help and protection with the Child and Family at the heart	Implement Children's Services re-design for Families First		Redesign is complete and all staff have moved into their new teams. Families First Team will support the Universal and Community Family Help Offer, Family Help Teams established in North, South and Central localities, Multiagency Child Protection Team developed and Family Led Decision Making Team expanded.	
		Develop the single vulnerable child assessment and plan combining the Early Help Assessment (EHA) and Social Worker Assessment (SWA) to form one family plan		Family Help Assessment and plan developed, built into case management system and tested. Ready to use across the system of support in Quarter 2	Carried forward from 25/26 Delivery Plan after Cabinet on 26th March 2026
		Develop Family Hubs across Herefordshire		The first Family Hub was launched Quarter 1. All children's centres will become hubs by Quarter 3. A Family Hubs network is in development.	
	Work with the community and voluntary sector providers to develop a coordinated Youth Strategy and provision across Herefordshire	Develop a strategic Youth Forum		Strategic Youth Forum in place with partners working together effectively.	
		Create a shared Youth Strategy		Herefordshire Youth Strategy has been produced by the Youth Forum with the launch to take place in early November 2026.	

Objective:	Key Deliverable -This Year We Will…	Key Milestone to achieve Deliverable	RAG Qtr 1	REMARKS Qtr 1	Changes made after Cabinet 26/03/2026
Tackle inequality and facilitate social mobility by focussing on early intervention and prevention activities that enable people to live independent and fulfilling lives	Review and refresh the action plan to 'Prevent Ill-Health and Reduce Health Inequalities'	Produce revised action plan		An agreed action plan with strategic objectives is in place. Implementation of the plan is being integrated into the delivery of Neighbourhood Health across all its workstreams, with progress monitored through the Neighbourhood Delivery Board.	Carried forward from 25/26 Delivery Plan after Cabinet on 26th March 2026
Outcome Indicators: *Percentage of new contacts to Advice and Referral Team that led to an outcome of Home First referral* *Percentage of new contacts to Advice and Referral Team that led to an outcome of Independent Living services* *Percentage of delegates that feel confident after the Digital Access Sessions delivered by Herefordshire Libraries* *Gap between obesity prevalence in Reception Year of children in most deprived 20% of areas compared to those in 20% least deprived* *Percentage of Smokers that have successfully quit at 4 weeks*	Further develop a Direct Payment and Individual Service Funds to support in addressing inequalities and facilitating social mobility	Update Direct Payment Processes and create a model for individual service funds		We are currently working to establish a pilot for Individual Service Fund and update the Direct Payment processes	
		Go live with the Individual Service Fund model and monitor impact		The pilot will go live in Q3 to inform full rollout of the model.	
	Deliver our Child Friendly Herefordshire	Development of Safe Spaces across Herefordshire		Phase 1 rollout of Safe Spaces initially in 5 Family Help Hubs in each market town is on track for December 2026.	
		Implement the Voice of Herefordshire Young People virtual forum to help us understand the views and experiences of our young people regarding to the development of Council plans and increase our co-production		This has now launched with16 young people registered and actively engaged in co-production activities. Current projects include an advertising campaign for the Safe Spaces phase one roll out, and a park safe notice for schools.	
	Review and Design appropriate services for people who are unable to make certain decisions for themselves	Review legal compliance to ensure that it is able to act in the person's best interest			NEW since Cabinet on 26th March 2026

Objective:	Key Deliverable -This Year We Will…	Key Milestone to achieve Deliverable	RAG Qtr 1	REMARKS Qtr 1	Changes made after Cabinet 26/03/2026
Enable people to support themselves and each other by providing the right help at the right time	Improve services for people with learning disabilities and mental health issue	Sign up three new work opportunities providers		Connect to Work programme delivery has been established within the Youth Employment Hub. The commissioning process for Individual Placement Support (IPS) provision has progressed and the tender will be published July 2026. Connect to Work supports people with disabilities, health conditions, complex needs, to find and sustain paid employment.	
Outcome Indicators: *Percentage of service users 65+ discharged from hospital to HomeFirst still at home 91 days post discharge* *Percentage of service users receiving direct payments & part direct payments or Individual Service Funds (Adult Social Care)*	Improve services for carers of all ages	Early identification of carers and timely offers of Care Act carers assessment		- Continued focus on identifying unpaid carers through routine assessment activity, referrals and partnership working with health and community services. - Carers are being offered assessments in line with Care Act duties, with an emphasis on providing information, advice and early support to help prevent escalation of needs.	
		Strengthen personalised care and choice, through Carers assessments and support plans		- Carers assessments continue to be delivered using a strengths-based and person-centred approach, supporting carers to identify outcomes that are important to them. - Support planning focuses on wellbeing, independence and ensuring carers have choice and control over the support they receive. - Ongoing practice development activity is supporting consistency and quality of assessments and support plans.	
		Ensuring technology is utilised as part of the carers assessment and support plan		- Technology Enabled Care continues to be considered as part of carers assessments and support planning where appropriate. - Practitioners are promoting technology solutions that can help support independence, reduce caring pressures and improve outcomes for carers and those they support. - Work is continuing to further embed the routine consideration of technology within assessment and support planning processes.	
	Design a model that delivers services for people in their own home including hospital discharge, home care and voluntary sector support	Develop and roll out a standardised reablement assessment framework across all hospital discharge teams			
		Deliver and implement a new outcome focussed framework for home care services, which incorporates voluntary sector support			NEW since Cabinet on 26th March 2026
	Create a range of Partnerships with Social Care Markets	Design and implement a range of care home partnerships which will provide stability and ensure coverage across the county		The procurement of the Care Home Partnership arrangements is currently being finalised in advance of the tender being issued in September. The design of the framework is being refined and strengthened by ongoing market engagement.	REPLACED MILESTONE NAME Increase the number of Care homes that we work in Partnership with
		Research, plan and create an extra care strategy for Herefordshire			NEW since Cabinet on 26th March 2026

Objective:	Key Deliverable -This Year We Will…	Key Milestone to achieve Deliverable	RAG Qtr 1	REMARKS Qtr 1	Changes made after Cabinet 26/03/2026
Work with partners and residents to build connected and resilient communities	Embed partnership working within the Joint Commissioning Forum (JCF), comprising Herefordshire Council and NHS Herefordshire and Worcestershire Integrated Care Board to jointly address health and care needs of children, young people and families with an initial focus on children and young people with Special Educational Needs	Agree Joint Commissioning Strategy for Special Education Needs and Disability 2025-28 and commence implementation		The development is underway and we anticipate it to completed by end of Quarter 3	
Outcome Indicators: *Average time (in days) spent waiting for social housing* *Proportion of adults who are regular internet users*	Invest in a flood risk response programme to reduce both the likelihood and the impact of flooding across the county	Investment of £1m in scheme delivery, scheme development, community engagement and the use of technology		Although spend has been lower than anticipated to date, several locations have been identified for delivery of works in 2026/27. Funding is also to be invested in developing further schemes.	
	Design and implement the Herefordshire Crisis & Resilience Fund (CRF) as a prevention-led, system-wide model that reduces financial crisis, strengthens household resilience, and prevents escalation into higher-cost intervention	Implement the Low-Income Family Tracker (LIFT) outcomes and intelligence tracker to capture referrals, reach, and outcomes across CRF-funded activity		Procurement of LIFT is complete. Implementation of the tracker has been delayed due to outstanding ICT resource requirements and system configuration actions. Targeted outreach activity will commence once these ICT dependencies have been resolved.	
		Develop a Better Lives Financial Resilience Strategy setting out the long-term prevention and investment framework for Herefordshire.		Not yet commenced. Delivery is scheduled for Quarter 2 in line with the agreed implementation timeline.	
		Mobilise and implement the CRF crisis-to-resilience pathway in partnership with VCSE organisations and key system partners, providing timely crisis support and structured access to advice, income maximisation and community-based resilience services		Mobilisation of the Crisis to Resilience Pathway is progressing as planned, with governance, delivery planning and project development in place. Implementation of approved projects is underway.	
	Improve the way we deliver working age adult services to increase choice and control and ensure the right support is available at the right time	Implement a new model of delivery across community activities			NEW since Cabinet on 26th March 2026
		Remodelling supported living delivery across Herefordshire			NEW since Cabinet on 26th March 2026

Objective:	Key Deliverable -This Year We Will…	Key Milestone to achieve Deliverable	RAG Qtr 1	REMARKS Qtr 1	Changes made after Cabinet 26/03/2026
Support people to feel safe and respected in their communities	Deliver the safer streets to schools' project	Complete construction		Placemaking construction at 3 schools due to commence during the summer holidays. Contractor has been appointed and inception meeting held.	Carried forward from 25/26 Delivery Plan after Cabinet on 26th March 2026
Outcome Indicators: *Percentage online time from all CCTV camera feeds monitored at Herefordshire Council's CCTV Control Room across the quarter* *Rate of crime incidents recorded in an area per 1,000 population* *Rate of ASB incidents recorded in an area per 1,000 population* *Proportion of section 42 safeguarding enquiries where a risk was identified and the reported outcome was that this risk was reduced*	Create safer, more resilient communities by promoting respect and positive behaviours. And ensuring robust preparedness in line with national safety standards	Develop and deliver community-wide campaigns promoting respect, belonging, and positive behaviours		Campaign schedule being considered as part of wider Local Resilience forum (LRF)/ Domestic Abuse (DA)/ (Violence against Women and Girls (VAWG) comms activity. Largely focussed on national campaigns currently.	
		Work with partners to prevent serious violence, organised crime, and domestic abuse/ Violence Against Women and Girls (VAWG) by strengthening early identification and promoting bystander intervention training across communities and frontline services		Mapping of national VAWG strategy against Herefordshire Preventing Domestic Abuse strategic objectives and delivery plan, recognising the overlaps and highlighting any potential gap. Awaiting the appointment of a chair for the serious violence prevention group. This group will cover VAWG. Activity on identified gaps limited until group established.	
		Through the established Protect and Prepare partnership board develop risk assessments and emergency plans compliant with Martyn's Law and Contest strategy outcomes		Risk assessments in progress.	
	Modernise and strengthen the council's CCTV capability	Relocate the CCTV Control Room from the Shirehall to Plough Lane, including the upgrade of associated technologies		Relocation and reinstatement of CCTV control room systems completed April / May 2026.	

Key

Green - On Target	Amber - At risk of not being completed by the end of the financial year	Red - Significant risk of not being completed by the end of the financial year	
Blue - Completed	Grey - Not due to start yet	Purple - Paused due to waiting on other interdependant activity (usually due to factors outside our control)	Teal Milestone has been discontinued

Place: We will protect and enhance our environment and ensure that Herefordshire is a great place to live. We will support the right housing in the right place, and do everything we can to improve the health of our rivers.

Objective:	Key Deliverable -This Year We Will…	Key Milestone to achieve Deliverable	RAG Qtr 1	REMARKS Qtr 1	Changes made after Cabinet 26/03/2026
Develop Herefordshire as a place for growth, prosperity and communities to thrive	Prepare a new Local Plan in response to the National Planning Policy Framework changes and the government mandatory housing targets	Gateway 1 Consultation		Legislation has introduced additional stages prior to progressing to gateway 1 and the strategic planning team are working on progressing these currently	Carried forward from 25/26 Delivery Plan after Cabinet on 26th March 2026
Outcome Indicators: *Five-year housing land supply (number of years)* *Employment rate 16–64-year-olds*	Develop the Masterplan to set the long-term direction for growth and development in the city	Draft the Hereford Masterplan in consultation with partners and stakeholders		Draft Plan produced, subject to public consultation	Carried forward from 25/26 Delivery Plan after Cabinet on 26th March 2026
		Seek Cabinet approval for the Masterplan		To follow public consultation	Carried forward from 25/26 Delivery Plan after Cabinet on 26th March 2026
		Publish Masterplan and commence implementation		To follow cabinet decision	Carried forward from 25/26 Delivery Plan after Cabinet on 26th March 2026
	Implement the new operating model for Public Realm Services	Finalise demobilisation of current contract and finalise mobilisation for new contract		The contract with Balfour Beatty Living Places was demobilised at the end of May 2026 as planned. Mobilisation of the new contract with M Group took place ready for 1st June 2026.	NEW since Cabinet on 26th March 2026
		Ensure a successful start to the new public realm service			
	Deliver a review of all leisure assets and service provision across Herefordshire	Undertake visioning and consultation exercise			
		Develop Herefordshire Council vision for leisure provision			
		Undertake condition surveys of leisure assets			Carried forward from 25/26 Delivery Plan after Cabinet on 26th March 2026
	Continue the redevelopment of the Hereford Museum and Art Gallery	Progress the construction phases of the redevelopment in line with the agreed project plan		Professional services and design team to be commissioned late summer to continue design on re-scoped project.	
		Deliver the activity plan agreed as part of the National Heritage Lottery funding to engage the wider community in the redevelopment		Delivery of activity plan continuing.	
	Support the local Food Alliance to increase partnership, food collaboration and local food consumption	Scope a Local Food Strategy		Awaiting public announcement of the National Lottery funding application outcome. Herefordshire Food Alliance continues to meet but planned activity to be progressed once any confirmation of funding.	Carried forward from 25/26 Delivery Plan after Cabinet on 26th March 2026
		Develop plan to achieve Sustainable Food Places Silver award		Awaiting public announcement of the National Lottery funding application outcome. Herefordshire Food Alliance continues to meet but planned activity to be progressed once funding has been confirmed.	Carried forward from 25/26 Delivery Plan after Cabinet on 26th March 2026

Objective:	Key Deliverable -This Year We Will…	Key Milestone to achieve Deliverable	RAG Qtr 1	REMARKS Qtr 1	Changes made after Cabinet 26/03/2026
Expand and maintain the transport infrastructure network in a sustainable way and improve connectivity across the county ***Outcome Indicators:*** *Percentage of road network that are in good condition B Roads* *Percentage of road network that are in good condition C Roads* *Percentage of footways/ cycleways that are in good condition - Damage Free* *Percentage of footways/ cycleways that are in good condition - Signs of Wear* *Connectivity score for public transport to key services* *Number of publicly available electric vehicle charge point sockets provided by Herefordshire Council* *CO2 emissions - Transport total*	Continue the construction of Phase One and the development of Phase Two of the Hereford Western Bypass	Progress delivery of Phase One construction		Subject to approval of planning conditions, some of which require input from third party/external organisations, this remains on track with construction starting on site in December 2026.	
		Progress the Strategic Outline Business Case for Phase Two		Strategic Outline Business Case (SOBC) to presented to cabinet in September.	
		Full business case published		Full Business Case (FBC) has been produced, has been published and will be presented to Cabinet in September.	
		Construction contract awarded		A Pre-Construction Services Agreement (PCSA) has been entered into with a construction contractor capable of delivering works of this scale and complexity. If the outcome of the PCSA is a scheme that can be delivered within budget, then we will be in a position to award a contract for the construction of the main works.	
	Complete the detailed design of the Aylestone Hill scheme	Tender the construction contract		Detailed design completed, tender not to commence for construction until autumn/winter as construction cannot commence until Summer '27 to avoid further congestion in the city.	Carried forward from 25/26 Delivery Plan after Cabinet on 26th March 2026
	Complete the Great Western Way improvement project	Complete construction		Construction completed, only minor snagging remains.	Carried forward from 25/26 Delivery Plan after Cabinet on 26th March 2026
	Deliver Bus Service Improvement Plan (BSIP) funding	Expand eight bus routes, running across the county		Bus route expansion is underway through the Bus Service Improvement Plan (BSIP) programme	
		Undertake full county-wide bus transport network review		Bus manager is now in post to progress this work, which commences in Q2	
		Install 34 Real Time Information boards at bus stops		Contract is in place and delivery has commenced	
		Investment in scheme delivery, scheme development, community engagement and implementation of bus stop improvements and refurbishment programme		Contract is in place and delivery has commenced	
	Deliver the highways maintenance investment programme across the county	Delivery of the Highways Infrastructure Investment, Resurfacing Herefordshire Highways, Public Rights of Way, Ash Die Back and Play Area Investment Council capital budget of £13.985m			MERGED into deliverable Deliver the highways maintenance investment programme across the county from Deliver the Public Realm Service Annual Plan

Objective:	Key Deliverable -This Year We Will…	Key Milestone to achieve Deliverable	RAG Qtr 1	REMARKS Qtr 1	Changes made after Cabinet 26/03/2026
	Deliver the Highway Core Revenue spend	Delivery of £6.929m of revenue spend in-year		Revenue spend has been committed/spent for April, May and June.	NEW since Cabinet on 26th March 2026
	Deliver the Highway LTP (Local Transport Plan) Capital Maintenance spend	Delivery of the Department for Transport Highway Maintenance Block (Baseline) and Highway Maintenance Block (Incentive) Local Highways Maintenance Funding Allocations for 2026/27 of £23.697m			MERGED into deliverable Deliver the Highway LTP (Local Transport Plan) Capital Maintenance spend from Deliver the Public Realm Service Annual Plan
	Deliver £1.2m of Public Realm investment in Hereford City and the market towns	Finish delivery of appropriate projects across Bromyard, Kington, Ledbury, Leominster and Ross-on-Wye, working in partnership with the Town Councils of each			NEW since Cabinet on 26th March 2026
	Complete the Commercial Road cycling and pedestrian improvements	Complete consultation on design options		Professional services quote issued and review in progress for the remaining design and consultation.	
		Complete final designs and tender documents		As above.	
Value nature and uphold environmental standards to minimise pollution and maximise biodiversity ***Outcome Indicators:*** *Number of new housing units that can be built in the Lugg catchment area under the council's strategic phosphate mitigations scheme* *Maximising Biodiversity (Awaiting DEFRA guidance before an indicator can be provided)* *Average Air Quality - NO2 - Hereford* *Average Air Quality - PM10 - Hereford* *Average Air Quality - PM2.5 - Hereford*	Support and facilitate the partnership approach to address river pollution	Publish Nutrient Management Plan for the Wye Catchment Area		Nutrient management plan is due to be delivered by the end of the calendar year. Evidence gathering stage is complete. This work is taking place in tandem with the Catchment Management Plan.	
	Support the Wye Catchment Partnership Catchment Management Plan	Work with partners and government agencies to bring forward the delivery of the Catchment Management Plan		Catchment management plan is due to be delivered by the end of the calendar year. Evidence gathering stage is complete. This work is taking place in tandem with the Nutrient Management Plan.	
	To lead and be responsible for the delivery of the Local Nature Recovery Strategy	Publication of the Nature Recovery Strategy		Signing off the plan is due in August 2026. The plan has been approved by Natural England.	
Reduce waste, increase reuse and increase recycling ***Outcome Indicators:*** *Number of kg of waste that is not sent to reuse, recycling or composting (per household)*	Develop a new food waste collection service	Adopt the business case (subject to funding) for a new food waste collection service for introduction in 2026-27		A business case review has taken place and updated report with recommendation is due with Cabinet on 30th July 2026.	
	Review of waste disposal contracts	Undertake a strategic options appraisal and procurement options for the future waste disposal arrangements from 2029		Work continues with consultants to develop outline business case which incorporates reviewing options.	Carried forward from 25/26 Delivery Plan after Cabinet on 26th March 2026 REPLACED DELIVERABLE Complete a review of waste disposal contract options

Objective:	Key Deliverable -This Year We Will…	Key Milestone to achieve Deliverable	RAG Qtr 1	REMARKS Qtr 1	Changes made after Cabinet 26/03/2026
Work towards reducing county and council carbon emissions, aiming for net zero CO2 by 2030/31 and work with partners and communities to make the county more resilient to the effects of climate change ***Outcome Indicators:*** *Percentage of Herefordshire Council's carbon emissions reduction compared to baseline year* *Percentage of household waste sent to landfill* *Total greenhouse gas emissions per capita* *Number of publicly available electric vehicle charge point sockets provided by Herefordshire Council*	Reduce the council's own CO2 footprint through implementing our Carbon Management Action Plan	Adopt a new carbon management plan which sets out the pathway to net zero carbon emissions by 2030/31		Plan will be adopted in July 2026	
	Deliver solar car port canopies in the north car park adjacent to Plough Lane to reduce the council's reliance on grid electricity, exposure to energy markets and improving security of energy supply	Planning permission obtained		Business case was not viable	Carried forward from 25/26 Delivery Plan after Cabinet on 26th March 2026
		Commence installation of solar car ports		Business case was not viable	Carried forward from 25/26 Delivery Plan after Cabinet on 26th March 2026
	Expand the electric vehicles charging network in council owned car parks and additional points through the Local Electric Vehicle Infrastructure (LEVI) funded project	Delivery of new publicly available charge point sockets across the county		Herefordshire Council has approved all 14 sites that have been proposed by the contractor, however 0 have been installed. As socket installation is delivered through external providers the resulting shortfall is beyond our direct control. Conversations are being held with the provider regarding performance compared to contractual requirements, the Councils Commercial and Legal teams are supporting these conversations.	
Support our local culture and heritage and make Herefordshire a thriving, safe and attractive place to live and visit ***Outcome Indicators:*** *Total economic impact of tourism £M* *Number of FTE jobs supported by tourism spend* *Number of participants of the Museum on the Move (cumulatively since April 2024)*	Finalise the design proposals and start construction of the Shirehall Library and Learning Centre	To progress the RIBA phases of the redevelopment in line with the agreed project plan		Design team in place and are working towards RIBA stage 3 completion in November, and RIBA stage 4 in March 2027	
	Produce a Herefordshire Library Strategy	Draft new vision and priorities and test with stakeholders and users			Carried forward from 25/26 Delivery Plan after Cabinet on 26th March 2026
		Produce final strategy			Carried forward from 25/26 Delivery Plan after Cabinet on 26th March 2026
		Cabinet Member approval of Herefordshire Library Strategy			Carried forward from 25/26 Delivery Plan after Cabinet on 26th March 2026
		Develop and commence implementation of action plan arising from the strategy		Annual action plan under development	Carried forward from 25/26 Delivery Plan after Cabinet on 26th March 2026
	Deliver highway improvement schemes at known collision cluster sites	Design and commence delivery of works at A465 junction with B4348 Locks Garage, Allensmore		Preliminary design work is complete which will now allow further stakeholder engagement to take place.	Carried forward from 25/26 Delivery Plan after Cabinet on 26th March 2026
		Design and commence delivery of works at B4203 junction with B4204 High House Crossroads, Upper Sapey		Design work is complete and the project is out to tender.	

Objective:	Key Deliverable -This Year We Will…	Key Milestone to achieve Deliverable	RAG Qtr 1	REMARKS Qtr 1	Changes made after Cabinet 26/03/2026

Key

Green - On Target	Amber - At risk of not being completed by the end of the financial year	Red - Significant risk of not being completed by the end of the financial year

Blue - Completed	Grey - Not due to start yet	Purple - Paused due to waiting on other interdependant activity (usually due to factors outside our control)	Teal Milestone has been discontinued

Growth: We will create the conditions to deliver sustainable growth across the county; attracting inward investment, building business confidence, creating jobs, enabling housing development along with providing the right infrastructure.

Objective:	Key Deliverable -This Year We Will…	Key Milestone to achieve Deliverable	RAG Qtr 1	REMARKS Qtr 1	Changes made after Cabinet 26/03/2026
Develop employment land to unlock new business opportunities for the county and generate local jobs	Attract new and growing businesses onto the Hereford Enterprise Zone to support the economic growth of the county and provide better paid jobs	Agree the sale of three plots on Hereford Enterprise Zone to support growing businesses		No sales in Q1 but three currently in progress	Carried forward from 25/26 Delivery Plan after Cabinet on 26th March 2026 REPLACED MILESTONE Agree the sale of six plots on Hereford Enterprise Zone to support growing businesses
Outcome Indicators: *Employment rate for 16–64-year-olds* *Business survival rates (Five year)*	Enable economic growth by delivering the infrastructure required for new businesses to establish and grow	Complete Phase 1 of the Ross Enterprise Park		Good progress now being made on-site with development platforms and drainage. Main road infrastructure works programme elongated due to issues integrating with site utility works and diversions as well as additional streetlighting requirement. Although costs have increased, these remain within budget. Completion now estimated March '27.	
Support market towns and Hereford City to be vibrant hubs through working with residents, grassroots organisations and	Develop business hubs and managed workspace in the market towns	Develop and agree proposals (subject to funding) for business hubs/ co-working space in each of the market towns		Hub established in Leominster, opening in Bromyard and exploring finalising options for Ledbury	Added since Cabinet on 26th March 2026
Outcome Indicators: *Number of visitors to Hereford City and the market towns*	Develop a robust evidence base to guide future rail investment by producing a comprehensive Rail Station Viability Study for Herefordshire	Complete and evaluate a study into the viability of new railway stations or stops across Herefordshire—including potential sites such as Golden Valley Parkway and Withington—and agree recommendations and next steps.		Study is underway with proposals due to be agreed by the end of the calendar year.	Carried forward from 25/26 Delivery Plan after Cabinet on 26th March 2026 REPLACED MILESTONE Complete a study looking at the viability for new railway station(s) or stops across Herefordshire, including a Golden Valley Parkway station and a rail stop at Withington
Support residents to access skills development, training and employment opportunities	Support the Herefordshire Skills Board in engaging with local businesses to understand and help address skills gaps	Continue to develop our partnership with NMiTE to support their development and growth around shared strategic ambitions for education, skills and economic development		Launched a programme of support for defence and security businesses with NMITE, and also bursaries of local people to gain qualifications	
Outcome Indicators *Number of employees supported by UKSPF to improve their essential and employment related skills*		Develop and launch a Herefordshire Skills Strategy		Metro-Dynamics has been commissioned to develop and write a Herefordshire Employment and Skills Strategy. Project inception meeting held 25 June 2026.	
Percentage of 16 and 17 year olds Not in Education, Employment or Training (NEET) or whose destination is Not Known•	Agree a new strategic plan for the council's adult and community learning education service	Develop and agree a new strategy and delivery plan for the Council's adult and community learning service to support learning and enable access to employment, further training, and skill development opportunities		Writing of the plan is in progress - expected to be completed, agreed and published in Quarter 3.	

Objective:	Key Deliverable -This Year We Will…	Key Milestone to achieve Deliverable	RAG Qtr 1	REMARKS Qtr 1	Changes made after Cabinet 26/03/2026
Work with partners to provide high quality and affordable housing to meet all needs	Bring forward council owned sites for development	Seek outline planning approval and dispose of sites such as the former Holme Lacy school to enable development		Feasibility work completed, pre application opinion obtained, site now passed to property services following decision to dispose.	Carried forward from 25/26 Delivery Plan after Cabinet on 26th March 2026
Outcome Indicators: *Number of affordable homes delivered*	Utilise the full range of measures to prevent people becoming homeless including through the provision of transitional accommodation	Complete refurbishment works to the John Venn building		Delays in appointment of contractor, due to start on site 3rd August 2026 completion of works May 2027	
		Design work and tender for contractor for refurbishment of the Buttercross, Leominster into affordable units completed		Delays due to change in procurement route, and approval of business case to draw down funding. Predevelopment application lodged and phosphate credits secured. Design team identified and costs agreed subject to receipt of decision to proceed.	
		Commence work on the Buttercross		Full business plan finalised and considered at the Major Project Board	
Enhance the rollout of improved broadband across the county towards a fully digital Herefordshire. ***Outcome Indicators:*** *Percentage superfast broadband availability*	No milestones reported in 26/27 for this objective				
Work with our partners and businesses to facilitate growth across the county	Support the growth and resilience of Herefordshire's business community	Provide business advice and support through the Herefordshire Growth Hub		The Growth Hub continues to provide a wide range of business support to a growing number of local businesses. The Team is currently delivering a number of business support programmes, funded through the Enterprise Zone retained rates, to support investment, business growth and upskilling local residents.	
Outcome Indicator: *Business survival rates (Five year)*	Supporting local priorities across communities and place, local business, and people and skills.	Complete the delivery of the UK Shared Prosperity Fund and Rural Prosperity Fund		The 2022-2025 UKSPF and REPF Programmes were spent to time and budget. The 2025-2026 Programme received a national six month extension and is on track to spend to time and budget. A full update will be provided in Q3 once the programme completes on 30-Sept-26.	

Key

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Teal Milestone has been discontinued		

Transformation: We will be an efficient council that embraces best practice, delivers innovation through technology and demonstrates value for money

Objective:	Key Deliverable -This Year We Will…	Key Milestone to achieve Deliverable	RAG Qtr 1	REMARKS Qtr 1	Changes made after Cabinet 26/03/2026
Change and transform the organisation to be fit for the future and deliver the efficiencies required	Implement an improved strategic commissioning, procurement and commercial model and strategy	Review our organisational commissioning and procurement model and develop and launch a strategic commissioning and commercial strategy		Work has commenced to consider the findings of the review and assess how any recommendations may be progressed, where appropriate, to inform future strategic commissioning and commercial arrangements.	
Outcome Indicators: *Percentage of savings delivered during 2026/27*	Complete the review of home to school transport to mitigate increasing costs through a new delivery model	Implement in House service		Service launched in June 2026, with expansion due from September 2026 in line with the new academic year.	REPLACED MILESTONE Strategic business case developed and approved for an in house, arms length or other direct delivery of elements of home to school transport
		Future framework agreed by cabinet		Transport framework procurement is underway and on target to be delivered in plenty of time for the end of the extension to the transport dynamic purchasing system.	REPLACED MILESTONE Implement new commissioning strategy to achieve better value for money
	Continue to invest in the property assets of the council to ensure they are maintained and decrease the burden on revenue repair works	Delivery of projects within the Estates and Schools rolling 3-year capital programmes.		4 projects completed within Q1 from the Estates Capital programmes and tenders received for the Schools Capital Maintenance Programme for delivery during summer 2026.	NEW since Cabinet on 26th March 2026
	Collaborate with external specialist partners to delivery efficiencies in high-cost, high-demand areas of service delivery	Develop partnership with external expert to identify transformation initiatives in Community Wellbeing to streamline processes, systems, reduce costs, increase revenue, reduce demand, identify alternative efficient ways of working		12 week savings diagnostic has been commissioned to be delivered by PwC.	WORDING CHANGE from Develop partnership with external sector-led experts to identify transformation initiatives to streamline processes, systems, reduce costs, increase revenue, reduce demand, identify alternative efficient ways of working
	Undertake a review and reset of the transformation programme to support digital transformation across the organisation	Develop the operating model for strategic digital transformation across the organisation		The new Chief Executive is reviewing the transformation programme and approach.	

Objective:	Key Deliverable -This Year We Will…	Key Milestone to achieve Deliverable	RAG Qtr 1	REMARKS Qtr 1	Changes made after Cabinet 26/03/2026
Attract and retain an excellent workforce through effective approaches to recruitment and retention ***Outcome Indicators:*** *Retention Rates*	No milestones reported in 26/27 for this objective				
Work collaboratively with our residents, communities and businesses to achieve the best results together ***Outcome Indicators:*** *Percentage of formal corporate and statutory complaints dealt within timescale* *Number of external compliments received* *Number of people upskilled through the Future Skills Grant' funded by Hereford Enterprise Retained Business Rates Programme* *Number of bursaries provided to local residents in deprived postcodes to pursue higher education pathways with local HE training providers*	Strengthen our partnerships with communities to enable community action	Develop a long-term commissioning framework for voluntary, community and social enterprise (VCSE) organisations		Creating a whole council VCSE commissioning framework has been extensively explored but is not feasible due to the requirements of the new procurement act. However, the Community Wellbeing directorate is working with the sector to commission support for people with low level care needs. A pilot is due to launch in September 2026. The learning from the pilot will inform the plan for future rollout and will be shared across the council.	
	Build an understanding of our resident and communities' requirements	Revise current consultation guidance document			
		Develop a Customer Services Target Operating Model			
Improve the way we use technology across our services ***Outcome Indicators:*** *Number of Herefordshire Council desktop devices (laptops and PCs) in use*	Improve the PCN appeals process for customers through harnessing digital technology	Implement digital assistant technology to support customer PCN appeals		Chat bot technology has not yet been implemented, focussed work is underway to unlock barriers to deliver for Q2.	
		Produce Full Business Case		Business case for chatbot has been completed	
	Implement a new Planning and Regulatory System to modernise and streamline processes across key service areas	Complete the implementation of the new planning and regulatory system for Planning and Building Control		Roll out of the system remains on track	
		Commence implementation of the new planning and regulatory system for Regulatory Services		Roll out of the system remains on track	
	Undertake an audit of IT systems that will enable the organisation to identify opportunities to rationalise and consolidate systems in use across the council and improve the way we use technology	Undertake an audit of IT systems		In progress. Work is progressing with departments to collate details of the systems they use to add to the base data held by the IT team (Hoople).	

Objective:	Key Deliverable -This Year We Will…	Key Milestone to achieve Deliverable	RAG Qtr 1	REMARKS Qtr 1	Changes made after Cabinet 26/03/2026
Strengthen the council's strategy ensuring alignment for delivering the future vision	Review the council's Transformation Strategy and Digital, Data and Technology Strategy to align with the council's future digital transformation ambitions.	Review and merge the Transformation Strategy, and the Digital, Data and Technology Strategy to develop a Digital Transformation Strategy			Carried forward from 25/26 Delivery Plan after Cabinet on 26th March 2026
Outcome Indicators: *Delivery Plan milestones (that are due to have started by that quarter) on track to deliver on time*	Develop a growth plan for Hoople in line with the future needs of Herefordshire Council	Develop and launch a council strategic plan for Hoople which aligns to our future target operating model		Work is underway through Shareholder Committee and Hoople Ltd Board to review the company's Business Plan to ensure strategic alignment with the Council Plan and annual Delivery Plan.	Carried forward from 25/26 Delivery Plan after Cabinet on 26th March 2026
	Develop a future financial strategy to respond to funding gaps and support future financial sustainability and resilience	Prepare an updated Medium Term Financial Strategy (MTFS) which is informed by specific actions to address the estimate funding gap over the medium-term planning period			
	Continue to deliver improvements in performance to meet our Best Value Duty	Delivery of actions identified in the Action Plan in response to the key recommendations from the Corporate Peer Challenge team			
Build a data and performance rich culture to inform decisions, improve efficiency and manage demand	Embed a consistent and effective performance management framework across the council to improve accountability, transparency and decision making	Deliver the ongoing rollout of performance management system workshops to elected members and council officers			
Outcome Indicators:		Revise the Performance Management Framework			
Proportion of senior leaders that have used data, evidence and insight to a minimum of a moderate degree to inform strategic decisions within their service areas within the last 12 months		Create a Business Planning Management Framework		New templates for Directorates and Service Business Plans have been created and presented at Leadership Group.	

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Herefordshire Council

Title of report: Risk Management Update Q1 2026/27

Meeting:	**Cabinet**
Meeting date:	**Thursday 24 September 2026**
Cabinet member:	**Councillor Stoddart, Finance and Corporate Services**
Report by:	**Director of Finance**
Report author:	**Director of Finance**

Classification
Open

Decision type
Non-key

Wards affected
All Wards

Purpose
To provide an update on the status of corporate risks at the end of Quarter 1 2026/27 (June 2026) and provide assurance that risks are being managed effectively across the council.

Recommendation(s)
That Cabinet:

a) **Approves the updates to the Corporate Risk Register and actions to mitigate identified risks at Quarter 1 2026/27; and**

b) **Approves the Risk Appetite Statement for 2026/27.**

Alternative options

1. Cabinet may choose not to review the council's corporate risks. This is not recommended as risk management is an integral part of the council's governance arrangements and decision-making processes and is fundamental to the successful delivery of strategic objectives.

Further information on the subject of this report is available from
Stacey Carter, Rachael Sanders, Tel: 01432 383095, Tel: 01432 383775, email:
stacey.carter@herefordshire.gov.uk, Rachael.sanders@herefordshire.gov.uk

Key considerations

2. The revised Risk Management Strategy and Risk Appetite Statement 2025/26 were approved by Cabinet in June 2025. The Strategy sets out the approach and principles of risk management, outlining the council's risk appetite, to inform the management of risks by Members and Officers across the council.

3. The Corporate Leadership Team (CLT) have undertaken a review of the Corporate Risk Register (included at Appendix A) at 30 June 2026 to update risk scores, consider the adequacy of control measures and mitigating actions and identify new threats and opportunities to the delivery of the objectives and priorities of the Council Plan 2024-28.

4. The Risk Appetite Statement forms part of the risk management framework and defines the level of risk appetite for each of the council's key risk categories. The Statement has been reviewed by CLT and Cabinet for 2026/27; no changes are proposed.

5. To support the quarterly update, CLT and Cabinet continue to monitor risks throughout the year to ensure appropriate and proportionate controls are in place as part of the risk management framework and internal control framework.

6. Updates to the Corporate Risk Register at Quarter 4 2025/26 were approved by Cabinet in July 2026. At Quarter 1, no new risks have been identified for inclusion in the Corporate Risk Register.

7. The scores of each of the 9 corporate risks have been reviewed by the relevant Risk Owner, supported by discussion and oversight by CLT. There are no proposed changes to the risk scores at Quarter 1.

8. Following extreme weather conditions across Herefordshire, and nationally, since the quarter end, the council is working to strengthen arrangements with key external stakeholders and partner agencies to support and co-ordinate response plans. This will ensure consistency across the county in arrangements to prepare for and manage the consequences of extreme weather events including flooding and wildfires.

9. In addition to the review of the Corporate Risk Register, CLT members are engaged in activity to review and monitor Directorate, Service and Project level risk registers and embed the revised Strategy across the council.

10. The council's 2026/27 Internal Audit Plan has been reviewed to ensure it is aligned to the refreshed Risk Strategy and risks identified in the Corporate Risk Register. The revised Plan was approved by Audit & Governance Committee in July 2026.

11. The council will continue to monitor risk management arrangements and will assess as part of the council's governance framework. This assessment will be review through the Annual Governance Statement process and presented to the Audit & Governance Committee as part of the statutory accounts.

12. Risk management arrangements have been reviewed by external auditors as part of the Annual Auditor's Report with no significant weakness or improvement recommendations identified.

Community impact

13. Effective risk management is essential to the delivery of the priorities set out in the Council Plan. Specially, the Council plan commits the council to 'develop a Corporate Risk Strategy to improve the process for managing corporate and directorate risks'.

Environmental Impact

14. Herefordshire Council provides and purchases a wide range of services for the people of Herefordshire. Together with partner organisations in the private, public and voluntary sectors we share a strong commitment to improving our environmental sustainability, achieving carbon neutrality and to protect and enhance Herefordshire's outstanding natural environment.

15. Whilst this is a report for information and will have minimal environmental impacts, consideration has been made to minimise waste and resource use in line with the council's Environmental Policy.

Equality duty

16. The Public Sector Equality Duty requires the Council to consider how it can positively contribute to the advancement of equality and good relations, and demonstrate that it is paying 'due regard' in our decision making in the design of policies and in the delivery of services.

17. The mandatory equality impact screening checklist has been completed for this activity and it has been found to have no impact for equality. It is recognised that each identified individual corporate risk may have its own individual impacts on equalities or assessed as a risk due to its effect on equality. These are monitored as part of the ongoing individual service or project delivery. Effective risk management arrangements will ensure the council complies with its equality duties.

Resource implications

18. There are no specific resource implications from the report itself.

Legal implications

19. Cabinet is responsible for approving the Risk Management Strategy and is accountable for ensuring that a corporate risk register is established and maintained, including details of actions to mitigate identified risks, and that this is regularly monitored.

Risk management

20. This is a report to review the Corporate Risk Register and risk management arrangements at Quarter 1 2026/27.

Consultees

21. None.

Appendices

Appendix A Corporate Risk Register Quarter 1 2026/27
Appendix B Risk Appetite Statement 2026/27

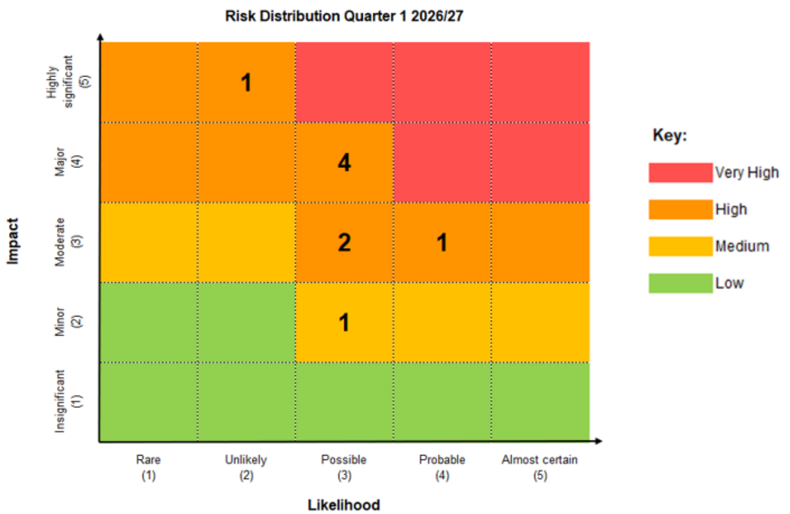
Background papers

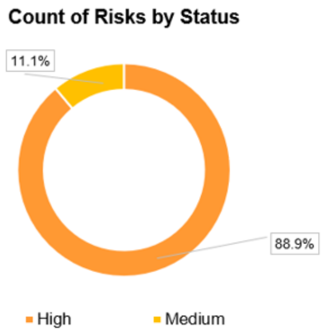
None.

Appendix A: Corporate Risk Register Update at Quarter 1 2026/27

Ref	Corporate Risk	2026/27 Q1 Residual	2026/27 Q2 Residual	2026/27 Q3 Residual	2026/27 Q4 Residual	Current RAG
R1	Failure to discharge duty of care for a vulnerable child or vulnerable adult.	10				High
R2	Demand for client-based services continues to increase resulting in increased budget pressures and poor outcomes for those people in receipt of our services.	12				High
R3	Lack of local special educational needs and disabilities (SEND) placement provision to meet current and future levels of demand.	12				High
R4	Failure to deliver capital and major projects within identified resources and planned timeframes resulting in significant overspend and reduced project outcomes.	12				High
R5	Failure to deliver a sustainable financial strategy that supports delivery of the Council Plan priorities.	12				High
R6	Inability to attract and recruit candidates and retain staff leading to an inability to deliver services.	6				Medium
R7	Inability to respond adequately to a significant emergency affecting ability to provide priority services.	12				High
R8	Risks within the West Mercia community area.	9				High
R9	Risk of financial failure of major supplier.	9				High

Risk rating	Action
Very High	Immediate and significant management action and control required. Continued proactive monitoring of risk.
High	Seek cost effective management actions and controls. Continued proactive monitoring of risk.
Medium	Seek cost effective control improvements. Monitor and review risk regularly.
Low	Seek improvements to controls if cost effective to do so. Monitor and review risk regularly.





Ref	Corporate Risk	Risk Category	Risk Appetite	Control Measures/Mitigating Actions	Inherent Risk Score	Residual Risk Score
R1	Failure to discharge duty of care for a vulnerable child or vulnerable adult. **Risk Owner:** Corporate Directors: Community Wellbeing, Children & Young People	**Strategic Delivery - Council Plan Priority: PEOPLE** **(Exception 1: Safety and wellbeing of residents)**	**Exception 1: Averse** Limited appetite to risk. The council is responsible for providing services to those who need it most, including vulnerable adults and children and operates rigorous safeguarding measure to ensure the health and safety of residents. The council will continually seek to avoid activities that present a threat to the safety of the public and will do everything possible to prevent the loss of life.	**Services for Adults** There are clear processes in place for same-day triage of safeguarding concerns raised and action is taken for those at greatest risk. Outcomes are monitored by frontline managers with senior management oversight. All staff access training aligned to their job roles and responsibilities. The Principal Social Worker (PSW) led practitioner forums provide further support and embed practice for staff working with vulnerable adults. Daily case discussions take place and established processes for escalation are in place across the service. The Deprivation of Liberty Safeguards (DoLS) Service follows the Association of Directors of Adult Social Services (ADASS) guidance for case prioritisation. Continuous professional development for staff and providers, additional legal support and constant review and prioritisation of cases waiting for assessment is undertaken. Safe and well checks are undertaken for those at high risk. There are duty arrangements in place to cover emergencies and any urgent work required. Oversight and assurance of multi-agency safeguarding practice is delivered by the Herefordshire Safeguarding Adults Board (HSAB). The Complex Adult Risk Management (CARM) process has been reviewed and strengthened. There is an established process of 'Team Around Me' and 'Breaking the Cycle' forums with partners to ensure a joined-up approach by agencies to support adults with multiple complex vulnerabilities. **Children's Services** Children's Safeguarding procedures and Practice Standards in place to guide practice.	**Likelihood:** 3 (Possible) **Impact:** 5 (Highly significant) **Inherent Risk Score = 15**	**Likelihood:** 2 (Unlikely) **Impact:** 5 (Highly significant) **Residual Risk Score = 10**

Ref	Corporate Risk	Risk Category	Risk Appetite	Control Measures/Mitigating Actions	Inherent Risk Score	Residual Risk Score
				An audit programme is in place to review compliance with practice standards. There is regular (monthly) supervision of social workers – KPI and Adult review compliance The Better Outcomes Panel is responsible for reviewing children in care placements. The Service Director receives and is the decision maker on all children received into care. Cases with high risk are reviewed within Legal Gateway meeting chaired by Senior Manager and attended by Legal to ensure threshold for proceedings is considered.		
R2	Demand for client-based services continues to increase resulting in increased budget pressures and poor outcomes for those people in receipt of our services. **Risk Owner:** Corporate Directors: Community Wellbeing, Children & Young People	**Strategic Delivery - Council Plan Priority: PEOPLE**	**Open** The council is ambitious in its aim to support children and young people to thrive within highly effective schools and flourishing communities. It seeks out opportunities to collaborate with partners to support residents to live healthy lives within connected and safe communities and is prepared to accept a level of risk to deliver against this priority.	A Budget Resilience Reserve was established in 2024/25 to manage the impact of in-year cost pressures and volatility in demand across social care budgets in 2025/26 and 2026/27. A balance of £1.0m remains in the Budget Resilience Reserve to mitigate cost pressures in social care budgets in 2026/27. **Demand for Adult Services:** Demand pressures are managed through a robust 'front-door' prevention strategy including: Promotion of Technology Enabled Care (TEC), Community options via Talk Community model, Monthly review of operational performance data, Pathway Redesign and Structural Reform, Community Brokerage, Case Collaboration and Peer Challenge, Complex Care Pathway Development and a Prevention-focused Culture. Joint working arrangements are in place and the Integrated Care Board (ICB) for complex care pathway has been established for those with high level needs. Monthly Budget Board meetings are in place to monitor spend and progress in the delivery of savings, and opportunities for income	**Likelihood:** 4 (Probable) **Impact:** 4 (Major) **Inherent Risk Score = 16**	**Likelihood:** 4 (Probable) **Impact:** 3 (Moderate) **Residual Risk Score = 12**

Ref	Corporate Risk	Risk Category	Risk Appetite	Control Measures/Mitigating Actions	Inherent Risk Score	Residual Risk Score
				maximisation, is monitored via a dedicated Savings Programme group. Monthly Directorate Budget Reports track spend against budget, identify cost pressures and highlight financial risks. Managing the market work programme will include a redesign of block contract beds to increase capacity. A feasibility review of a council-controlled care capacity for complex/dementia care is underway. As part of the future financial strategy, the Community Wellbeing Directorate engaged an external specialist transformation partner in June 2026 to carry out a 12-week diagnostic. The diagnostic is designed to identify and design transformation initiatives to streamline processes and systems, reduce costs, increase revenue, reduce demand, and identify alternative efficient ways of working. The outcome of the diagnostic will inform budget setting for 2027/28. An Improvement Plan has been developed in response to the outcome of the CQC Assessment of adult social care services published on 29 May 2026. The Plan sets out delivery actions across seven improvement areas and was approved by Cabinet in July 2026. Governance of the improvement plan will be achieved through bimonthly updates to the Corporate Improvement Board and monthly updates to the Cabinet Member and full Directorate Team. Regular progress reports will be submitted to the Health, Care and Wellbeing Scrutiny Committee. Issues requiring executive oversight will be escalated to Cabinet, via the Cabinet Member, where required. **Demand for Children's Services:** Regular meetings between Service Directors and		

Ref	Corporate Risk	Risk Category	Risk Appetite	Control Measures/Mitigating Actions	Inherent Risk Score	Residual Risk Score
				Finance to monitor budget throughout the year and identify cost pressures in timely manner. There is a strong cultural message from Directorate leadership to ensure Best Value in the delivery of services. The Better Outcome Panel, chaired by the Service Director, oversees placement costs. A Care Placement Sufficiency Strategy has been developed. The Strategy will ensure value for money through sufficiency of safe and appropriate options for young people.		
R3	Lack of local special educational needs and disabilities (SEND) placement provision to meet current and future levels of demand. Risk that the needs of children with SEND cannot be met in Herefordshire and/or Out of County placements will be required, leading to costs exceeding budget and poorer outcomes for children and young people. **Risk Owner:** Corporate Director Children & Young People	**Strategic Delivery - Council Plan Priority: PEOPLE**	**Open** The council is ambitious in its aim to support children and young people to thrive within highly effective schools and flourishing communities. It seeks out opportunities to collaborate with partners to support residents to live healthy lives within connected and safe communities and is prepared to accept a level of risk to deliver against this priority.	The Area SEND inspection was completed in December 2024 and an action plan has been developed to address the areas for improvement identified. A new SEND service manager was appointed in September 2024 to provide additional managerial oversight, scrutiny and direction to this part of the service. Business cases for increased Alternative Provision (AP) are in development to maximise inclusive education and reduce the use and cost of independent provision. The proposed additional provision will be delivered through the capital programme in 2026/27. Following the decision by Government to withdraw funding for a new SEND school in Herefordshire, a top-up to High Needs capital funding of £3.8m over 3 years has been confirmed. Whilst this falls short of what is required to meet demand, this funding will be managed through the capital programme alongside projects noted below. The 2026/27 Capital Programme approved by Council in February 2026 includes investment of £10m (£5m to relocate Pupil Referral Unit, £5m to establish a new Alternative Provision Centre) which will	**Likelihood:** 4 (Probable) **Impact:** 4 (Major) **Inherent Risk Score = 16**	**Likelihood:** 3 (Likely) **Impact:** 4 (Major) **Residual Risk Score = 12**

Ref	Corporate Risk	Risk Category	Risk Appetite	Control Measures/Mitigating Actions	Inherent Risk Score	Residual Risk Score
				reduce reliance on costly unregistered and out-of-county placements, control budget pressures in the High Needs Block of the DSG and reduce home to school transport costs. The council submitted its Local SEND Reform Plan to the Department for Education (DfE) on 19 June 2026. Subject to DfE approval, the Plan will evidence eligibility for the High Needs Stability Grant to cover approx. £32.7 million (90%), with the remaining balance of £3.6 million (10%) to be a liability of the council once the statutory override period ends in March 2028. Delivery of the Plan will be monitored throughout 2026/27 as part of Directorate and financial monitoring arrangements. The Plan sets out how we build an inclusive and sustainable SEND system, where children and young people get the right support early, as close to home as possible. Education teams continue to work with existing special schools to support pupils above commissioned numbers to ensure the needs of children are met closer to home and to reduce the need for out-of-area placements, reduce long journey times where possible, and strengthen the range of specialist provision available to families in Herefordshire.		
R4	Failure to deliver capital and major projects within identified resources and planned timeframes resulting in significant overspend and reduced project outcomes. **Risk Owner:**	**Strategic Delivery - Council Plan Priority: GROWTH PLACE**	**Open** The council is aspirational and seeks out opportunities to attract investment, drive business growth and development of talent across the county and is prepared to accept a level of risk to deliver against this priority.	Each major project has an assigned Senior Responsible Officer, a dedicated Project Management Officer Project Manager and a Project Board of relevant representatives from across the council (relevant service area, legal, finance, property services etc) to lead delivery. Additional controls are in place to monitor expenditure in respect of capital and major	**Likelihood:** 4 (Probable) **Impact:** 4 (Major) **Inherent Risk Score = 16**	**Likelihood:** 3 (Possible) **Impact:** 4 (Major) **Residual Risk Score = 12**

Ref	Corporate Risk	Risk Category	Risk Appetite	Control Measures/Mitigating Actions	Inherent Risk Score	Residual Risk Score
	Corporate Director of Economy & Environment		The council is innovative and pioneering in its commitment to managing the effects of climate change across the county. It has ambitious plans to deliver learning and culture projects and to expand infrastructure, to support economic growth and housing, and is prepared to accept a level of risk to deliver against this priority.	projects linked to cashflow requirements via monthly Directorate Budget Boards. A review of the council's Capital Programme was undertaken as part of development of budget proposals for 2026/27. Projects were identified to be removed from the programme and new investment included with a focus on addressing revenue budget pressures including temporary accommodation, homelessness and SEND placement sufficiency. Routine financial monitoring of the capital programme identifies risks to delivery, budget and funding sources to enable development of action plans to respond to risks. A Major Projects Programme Board has been established to increase oversight and strengthen monitoring arrangements to support delivery of capital and major projects.		
R5	Failure to deliver a sustainable financial strategy that supports delivery of the Council Plan priorities. (Including delivery of savings, commercial income, capital receipts and ensuring resources are available to deliver statutory obligations and fund organisational development and transformation.) **Risk Owner:** Director of Finance (S151 Officer)	**Financial**	**Cautious** The council has a cautious appetite level towards legal and compliance risks with robust processes in place to ensure the risk of legal challenge is minimised.	Council set a balanced budget for 2026/27 at its meeting in February 2026, including approved savings of £20.0m. The forecast outturn position against budget is reported on a monthly basis to Directorates and CLT. Effective budget monitoring arrangements are in place via Directorate Budget Boards to monitor delivery of services against agreed budget, achievement of savings and delivery of capital and major projects. Expenditure controls continue in 2026/27 via Directorate Control Panels to challenge and reduce, defer or stop spend above £500. Additional Directorate controls are in place to monitor e.g. high-cost placements and delivery of 'at risk' savings.	**Likelihood:** 4 (Probable) **Impact:** 4 (Major) **Inherent Risk Score = 16**	**Likelihood:** 3 (Possible) **Impact:** 4 (Major) **Residual Risk Score = 12**

Ref	Corporate Risk	Risk Category	Risk Appetite	Control Measures/Mitigating Actions	Inherent Risk Score	Residual Risk Score
				High quality financial reporting is achieved through additional controls to ensure forecasting informed by reliable, timely activity data. The Finance Team adhere to statutory accounting and audit deadlines to provide timely, external assurance of balances, transactions and accounting estimates and judgements; an unqualified audit opinion was achieved in 2023/24 and 2024/25. Additional controls are in place to monitor expenditure in respect of capital and major projects linked to cashflow requirements via monthly Directorate Budget Boards. The outcome of the Fair Funding Review 2.0 identified a reduction in funding for the council, resulting in significant budget gaps in each of year of the approved MTFS. Work to identify savings for 2027/28 commenced in April 2026 and will continue as part of financial planning arrangements to develop the revenue budget and capital programme for 2027/28. To support the development of the revenue budget, an annual assessment of the adequacy of Earmarked Reserve Balances and robustness of savings proposals is undertaken.		
R6	Inability to attract and recruit candidates and retain staff leading to an inability to deliver services. Loss of skills knowledge and experience (retention & recruitment) in relation to staffing. **Risk Owner:** Director of HR and OD	**Strategic Delivery - Council Plan Priority: TRANSFORMATION**	**Open** The council is committed to improving the use of technology across its services and will embrace new technologies, test ideas and develop a culture of innovation to improve services and deliver value for money. Transformation and	The council's Workforce Strategy 2024-2028 was approved for implementation in April 2024. The Strategy has been developed to recruit, retain and invest in a skilled and well-trained workforce. A Children & Young People Workforce Strategy, aligned to the Corporate Workforce Strategy with a specific focus on ambitions for staff in the C&YP Directorate, is in place to support permanent recruitment and development of staff internally.	**Likelihood:** 3 (Possible) **Impact:** 3 (Moderate) **Inherent Risk Score = 9**	**Likelihood:** 3 (Possible) **Impact:** 2 (Minor) **Residual Risk Score = 6**

Ref	Corporate Risk	Risk Category	Risk Appetite	Control Measures/Mitigating Actions	Inherent Risk Score	Residual Risk Score
			Digital Strategies in place to support deliver of aims.	The Spirit of Herefordshire recruitment brand has been developed to increase awareness of job opportunities within the council and county and provide relevant information to ensure a positive candidate experience and support strong applications. The council offers welcome and retention scheme payments to respond to challenges in the recruitment and retention of qualified and experienced social workers. Through the council's Learning & Organisation (L&OD) team, activity to identify and recruit to new apprenticeship programmes continues. The council's leadership development programme (@LeadHC) was launched in 2025/26 to address gaps in the learning and development offer and strengthen leadership skills and capabilities. The programme aims to develop inspirational leaders across four themes: Grow, Aspire, Empower, Innovate. The first cohort of delegates in the Aspire and Empower programmes have 'graduated' with positive support and feedback across the council. The Innovate programme, for senior leaders, will recruit its first cohort of delegates in 2026/27.		
R7	Inability to respond adequately to a significant emergency affecting ability to provide priority services. Including severe weather, critical damage to council buildings, loss of power or infrastructure, cyber security. **Risk Owner:** Corporate Leadership Team/Cabinet Members	**Legal & Compliance** **Governance** **Data & Technology** **Security** **Reputational**	**Cautious** The council has a cautious appetite level towards these risk categories with robust processes in place to ensure the impact on service delivery is minimised.	Gold/Silver emergency planning arrangements are in place across the council. Training was delivered to Gold/Silver level officers in 2025/26. An Information Directory is in place to ensure responsible individuals can provide an effective/timely response. Further training exercises are planned in 2026/27 with partner agencies to test and review the adequacy of arrangements. The Council's IT Services team operate to ISO27001:2022 and controls are in place to detect and prevent cyber-attacks. The Council participates in cyber alerting arrangements with partners across central	**Likelihood:** 3 (Possible) **Impact:** 4 (Major) **Inherent Risk Score = 12**	**Likelihood:** 3 (Possible) **Impact:** 4 (Major) **Residual Risk Score = 12**

Ref	Corporate Risk	Risk Category	Risk Appetite	Control Measures/Mitigating Actions	Inherent Risk Score	Residual Risk Score
				and local government. Staff training is an area of priority focus with regular cyber awareness, information handling, and use of systems training forming part of our mandatory all staff development. The council regularly reviews technical controls at the Information Governance Steering Group (chaired by the SIRO). These measures include malware protection, patching, and vulnerability scanning. Work is underway to implement a SIEM (Security Information and Event Monitoring) solution to improve threat detection, incident response, and reporting. The council's mandatory training requires all staff to complete an annual course on protecting information and systems. The council has introduced regular social engineering testing (eg simulated phishing exercises) to assess workforce cybersecurity awareness and identify vulnerabilities. These exercises are contributing to more targeted training and have established a baseline against which we can monitor improvement across our workforce.		
R8	Risks within the West Mercia community area including: • Terrorism • Cyber and fraud • Serious and organised crime (such as people trafficking) • Accidents and system failures (such as power failure or an interruption to water supplies) • Natural and environmental hazards (such as flooding or heatwaves)	**Legal & Compliance** **Governance** **Data & Technology** **Security** **Reputational**	**Cautious** The council has a cautious appetite level towards these risk categories with robust processes in place to ensure the impact on service delivery is minimised.	The council is a member of West Mercia Local Resilience Forum (LRF). The member organisations meet regularly to assess the risks of accidents and emergencies and put in place plans to prevent or reduce risks. The LRF has close link to government departments to share information on local risks. Members undertake training and exercises together to prepare for emergencies. The aim of the West Mercia LRF is to ensure there is an appropriate level of preparedness to enable an effective multi-agency response to emergency incidents in the West Mercia area and to get partners working together to	**Likelihood:** 3 (Possible) **Impact:** 4 (Major) **Inherent Risk Score = 12**	**Likelihood:** 3 (Possible) **Impact:** 3 (Moderate) **Residual Risk Score = 9**

Ref	Corporate Risk	Risk Category	Risk Appetite	Control Measures/Mitigating Actions	Inherent Risk Score	Residual Risk Score
	• Human and animal disease (such as flu pandemics or foot & mouth) • Societal risks (such as riots) **Risk Owner:** Corporate Leadership Team/Cabinet Members			ensure that preparations and plans are in place for emergencies. The LRF Community Risk Register is maintained and published by West Mercia LRF. This register aims to localise some of the items included in the National Risk Register. Council officers took part in Exercise Pegasus, the UK's largest national pandemic simulation, in September and October 2025. Participants engaged and contributed to a comprehensive workbook to guide future pandemic responses. This whole system approach will ensure that communities will be better protected and supported in times of crisis.		
R9	Risk of financial failure of major supplier resulting in disruption to the delivery of statutory services or major projects. **Risk Owner:** Corporate Leadership Team/Cabinet Members	**Strategic Delivery - Council Plan Priority: PEOPLE, PLACE, GROWTH** **(Exception 1: Safety and wellbeing of residents)**	**Exception 1: Averse** Limited appetite to risk. The council is responsible for providing services to those who need it most, including vulnerable adults and children and operates rigorous safeguarding measure to ensure the health and safety of residents. The council will continually seek to avoid activities that present a threat to the safety of the public and will do everything possible to prevent the loss of life.	Procurement activity across the council includes financial assessments, credit checks and related due diligence to monitor supplier financial health and quality of service provision. These arrangements are currently under review and will be strengthened to include wider market intelligence to mitigate the risk of potential business failure by a company bidding to contract with the council for goods/services. Proactive relationships and effective collaboration with key suppliers encourage information sharing and joint risk planning to identify potential risks in a timely manner to enable prompt recovery action. Contractual safeguards for major contracts and suppliers including performance metrics, delivery timelines, penalties for delays and terminations arrangements are in place to protect the council's financial and legal interests in the event of business failure.	**Likelihood:** 3 (Possible) **Impact:** 4 (Major) **Inherent Risk Score = 12**	**Likelihood:** 3 (Possible) **Impact:** 3 (Moderate) **Residual Risk Score = 9**

Appendix A – Risk Appetite Statement 2026/27

Risk Appetite Statement 2026/27

1.1 The Risk Appetite Statement forms part of the risk management framework and defines the level of risk the council is willing to accept to deliver the priorities of the Herefordshire Council Plan 2024-28 and annual Delivery Plan.

1.2 Identifying the level of risk appetite for each of the council's key risk categories ensures a balanced and proportionate approach to the management of risks which is aligned to the delivery of strategic objectives. This approach recognises that there will be a range of appetites for different risks and that these appetites may change as the priorities and operating conditions of the council evolve.

1.3 The Statements sets out clear boundaries for risk-taking and serves as a guide for decision-making and management of risk at all levels. A clear risk management framework encourages and supports innovation and collaboration, ensuring that opportunities are explored within a specified risk appetite.

1.4 Risks will be monitored and managed against the risk appetite levels determined for each category and where decisions or planned activities expose the council to risks above the accepted risk appetite, the impact will be assessed and escalated as part of the risk management and governance framework.

Risk Appetite Levels

1.5 The levels of risk appetite which guide the council's risk management activity are outlined below:

	Risk appetite	Description
Tolerate **less** risk---->	**Averse**	Avoidance of risk and uncertainty in achievement of key deliverables or initiatives is key objective. Activities undertaken will only be those considered to carry no/low degree of inherent risk.
	Cautious	Preference for safe options that have low degree of inherent risk and only limited potential for benefit. Willing to tolerate a degree of risk in selecting which activities to undertake to achieve key deliverables or initiatives, where we have identified scope to achieve significant benefit and/or realise an opportunity. Activities undertaken may carry a high degree of inherent risk that is deemed controllable to a large extent.
<----Tolerate **more** risk	**Open**	Willing to consider all options and choose one most likely to result in successful delivery while providing an acceptable level of benefit. Seek to achieve a balance between a high likelihood of successful delivery and a high degree of benefit and value for money. Activities themselves may potentially carry, or contribute to, a high degree of residual risk.
	Eager	Eager to be innovative and to choose options based on maximising opportunities and potential higher benefit even if those activities carry a very high residual risk.

5.6 The level of risk appetite determined for each category of risk is set out in the Risk Appetite Matrix at Appendix B.

Appendix B – Risk Appetite Matrix

Yellow	Denotes the council's risk appetite for each Risk category
Teal	Denotes the council's risk appetite for the identified Exception

Risk category	Risk appetite level definition			
	Averse	**Cautious**	**Open**	**Eager**
Strategic Delivery (Council Plan Priority: PEOPLE)	Innovation largely avoided unless essential. Decision making authority held by senior management.	The council has a limited tolerance to risk. Tendency to stick to the status quo, innovations generally avoided unless necessary. Decision making authority generally held by senior management.	The council is ambitious in its aim to support children and young people to thrive within highly effective schools and flourishing communities. It seeks out opportunities to collaborate with partners to support residents to live healthy lives within connected and safe communities and is prepared to accept a level of risk to deliver against this priority.	Innovation pursued – desire to 'break the mould' and challenge current working practices. High levels of devolved authority – management by trust / lagging indicators rather than close control.
Exception 1: Safety and wellbeing of residents	Limited appetite to risk. The council is responsible for providing care to those who need it most, including vulnerable adults and children and operates rigorous safeguarding measure to ensure the health and safety of residents. The council will continually seek to avoid activities that present a threat to the safety of the public and will do everything possible to prevent the loss of life.			
Strategic Delivery (Council Plan Priority: PLACE)	Innovation largely avoided unless essential. Decision making authority held by senior management.	The council has a limited tolerance to risk. Tendency to stick to the status quo, innovations generally avoided unless necessary. Decision making authority generally held by senior management.	The council is innovative and pioneering in its commitment to managing the effects of climate change across the county. It has ambitious plans to deliver learning and culture projects and to expand infrastructure, to support economic growth and housing, and is prepared to	Innovation pursued – desire to 'break the mould' and challenge current working practices. High levels of devolved authority – management by trust / lagging indicators rather than close control.

Risk category	Risk appetite level definition			
	Averse	**Cautious**	**Open**	**Eager**
			accept a level of risk to deliver against this priority.	
Strategic Delivery (Council Plan Priority: GROWTH)	Innovation largely avoided unless essential. Decision making authority held by senior management.	The council has a limited tolerance to risk. Tendency to stick to the status quo, innovations generally avoided unless necessary. Decision making authority generally held by senior management.	The council is aspirational and seeks out opportunities to attract investment, drive business growth and development of talent across the county and is prepared to accept a level of risk to deliver against this priority.	Innovation pursued – desire to 'break the mould' and challenge current working practices. High levels of devolved authority – management by trust rather than close control.
Strategic Delivery (Council Plan Priority: TRANSFORMATION)	Innovation largely avoided unless essential. Decision making authority held by senior management.	The council has a limited tolerance to risk. Tendency to stick to the status quo, innovations generally avoided unless necessary. Decision making authority generally held by senior management.	The council is committed to improving the use of technology across its services and will embrace new technologies, test ideas and develop a culture of innovation to improve services and deliver value for money. Transformation and Digital Strategies in place to support deliver of aims.	Innovation pursued – desire to 'break the mould' and challenge current working practices. High levels of devolved authority – management by trust rather than close control.
Legal & Compliance	Play safe and avoid anything which could be challenged, even unsuccessfully.	The council has a cautious appetite level towards legal and compliance risks with robust processes in place to ensure the risk of legal challenge is minimised.	Legal challenge will be problematic; we are likely to win, and the gain will outweigh the adverse impact.	Chances of losing legal challenge are high but exceptional benefits could be realised.
Financial	Avoidance of any financial impact or loss, is a key objective.	Seek prudent financial options and solutions with little or no residual financial loss. Maintain strong financial governance and systems to protect financial position.	Prepared to invest for benefit and to minimise the possibility of financial loss by managing the risks to tolerable levels.	Prepared to invest for best possible benefit and accept possibility of financial loss (controls must be in place).
Governance	Avoid actions with associated risk. No decisions are taken outside of processes and oversight / monitoring arrangements. Organisational controls minimise risk of fraud, with significant levels of resource focused on detection and prevention.	Willing to consider actions where benefits outweigh risks. Processes, and oversight / monitoring arrangements enable cautious risk taking. Implemented controls enable fraud prevention, detection and deterrence by maintaining	Receptive to taking difficult decisions when benefits outweigh risks. Processes, and oversight / monitoring arrangements enable considered risk taking. Levels of fraud controls are varied to reflect scale of risks with costs.	Ready to take difficult decisions when benefits outweigh risks. Processes, and oversight / monitoring arrangements support informed risk taking. Levels of fraud controls are varied to reflect scale of risk with costs.

Risk category	Risk appetite level definition			
	Averse	Cautious	Open	Eager
		appropriate controls and sanctions.		
Data & Technology	Lock down data & information. Access tightly controlled, high levels of monitoring.	Accept need for operational effectiveness with risk mitigated through careful management limiting distribution.	Accept need for operational effectiveness in distribution and information sharing.	Level of controls minimised with data and information openly shared.
Security	Low tolerance for security risks causing loss or damage to property, assets, information or people. Risks minimised through stringent security measures,	Limited security risks accepted to support business need, with appropriate checks and balances in place.	Considered security risk accepted to support business need, with appropriate checks and balances in place.	Willing to accept security risk to support business need, with appropriate checks and balances in place.
Reputational	Zero appetite for any decisions with high chance of repercussion for the council's reputation.	Appetite for risk taking limited to those events where there is little chance of any significant repercussion for the council.	Appetite to take decisions with potential to expose the council to additional scrutiny, but only where appropriate steps are taken to minimise exposure.	Appetite to take decisions which are likely to bring additional organisational scrutiny only where potential benefits outweigh risks.

Herefordshire Council

Title of report: Herefordshire's 2026-27 Section 75 agreement

Meeting:	**Cabinet**
Meeting date:	**Thursday 24 September 2026**
Cabinet member:	**Councillor Gandy, adults, health and wellbeing;**
Report by:	**Corporate Director Community Wellbeing**
Report by:	**Service Manager D2A and BCF**

Classification

Open

Decision type

Key

This is a key decision because it is likely to result in the council incurring expenditure which is, or the making of savings which are, significant having regard to the council's budget for the service or function concerned. A threshold of £500,000 is regarded as significant.

This is a key decision because it is likely to be significant having regard to: the strategic nature of the decision; and / or whether the outcome will have an impact, for better or worse, on the amenity of the community or quality of service provided by the authority to a significant number of people living or working in the locality (two or more wards) affected.

Notice has been served in accordance with Part 3, Section 9 (Publicity in Connection with Key Decisions) of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012.

Wards affected

(All Wards);

Purpose

To approve a new Better Care Fund Section 75 Partnership Agreement between Herefordshire Council and NHS Herefordshire and Worcestershire Integrated Care Board for the period 1 April 2025

Further information on the subject of this report is available from
Nicola Williams, Tel: 01432 383879, email: nicola.williams6@herefordshire.gov.ukl

to 31 March 2030, following agreement of the 2025/26 and 2026/27 financial schedules and partner contributions.

Recommendation(s)

That Cabinet:

a) Approves the Section 75 Partnership Agreement between Herefordshire Council and NHS Herefordshire and Worcestershire Integrated Care Board for the period 1 April 2025 to 31 March 2030;

b) Approves the pooled budget arrangements and financial contributions for 2025/26 and 2026/27 between Herefordshire Council and NHS Herefordshire and Worcestershire Integrated Care Board, as detailed within the agreement and associated schedules;

c) Authorises the Corporate Director Community Wellbeing to take all operational decisions necessary to finalise, implement and manage the agreement.

Alternative options

It is a national requirement that the Better Care Fund is transferred into one or more pooled funds established under section 75 of the NHS Act 2006. The Council and NHS Herefordshire and Worcestershire Integrated Care Board are required to have an agreement in place to support the delivery of integrated health and adult social care services. There is, therefore, no alternative to having a Section 75 agreement in place.

Key considerations

1. The agreement provides the legal framework through which the Council and the Integrated Care Board can pool resources and commission integrated health and adult social care services for the benefit of Herefordshire residents. It underpins Better Care Fund arrangements and enables integrated commissioning under section 75 of the NHS Act 2006.

2. Approval is now being sought to formalise and regularise the overarching five-year framework, noting that partnership arrangements have continued, Better Care Fund requirements have remained compliant and services have continued without interruption while the financial schedules were finalised.

3. Notes that annual financial schedules, budget breakdowns and contributions for the remaining years of the agreement will be subject to annual review and approval through each organisation’s governance arrangements and will be set out as appendices to the Section 75 agreement each year.

4. A partnership arrangement under section 75 of the NHS Act 2006 enables partners to commission integrated health and adult social care services to better meet the needs of residents than if partners were operating independently. Section 75 agreements provide a contractual framework for the use of pooled funds between the Council and NHS partners and enable services to be delivered and commissioned jointly.

5. The proposed agreement will replace previous annual variation arrangements with a five-year framework for the period 1 April 2025 to 31 March 2030. This provides greater stability for strategic planning, commissioning and service delivery, supports stronger

medium-term partnership working, reduces the administrative burden of repeated annual approvals and retains annual review of financial schedules and contributions.

6. The agreement supports the continued delivery of Better Care Fund services and wider integrated commissioning arrangements, including discharge pathways, community support services, prevention and independence-focused interventions.

7. Annual financial schedules, budget breakdowns and pooled budget values will continue to be reviewed and agreed by both organisations in line with each year's budget-setting process. The budget for 2025/26 and 2026/27 will differ from future years as local delivery requirements and national planning guidance change.

8. The annual budget breakdowns and financial contributions will be set out as appendices to the Section 75 agreement for each financial year.

9. Section 75 arrangements have continued to operate jointly between Herefordshire Council and NHS partner organisations throughout previous financial years, maintaining Better Care Fund compliance and supporting integrated service delivery. Whilst these arrangements were agreed in principle and operationally implemented by both organisations, formal approval of the overarching agreement was delayed due to the time required to reach agreement on annual budget contributions and finalise the detailed financial schedules.

10. Budgets and financial contributions for the 2025/26 financial year have now been agreed, enabling formal approval of the new five-year Section 75 agreement. During the period before formal approval, partnership arrangements continued to operate, Better Care Fund requirements remained compliant and relevant services continued without interruption. Formal approval is now being sought to provide clear authority for the five-year framework, strengthen governance arrangements and ensure that annual financial schedules can be appended and reviewed through agreed partnership processes. The agreement also provides the governance framework for 2026/27 and future years, with each year's financial schedules to be reviewed, agreed and appended annually.

11. The Better Care Fund schemes and services within the agreement will continue to be monitored through established partnership governance arrangements, including the Better Care Partnership Board, Joint Commissioning Board and Health and Wellbeing Board as appropriate. Quarterly national performance reports will continue to be submitted in accordance with national requirements.

Community impact

12. The Better Care Fund and Section 75 arrangements are set within the context of the national programme of transformation and integration of health and adult social care. The Council and NHS Herefordshire and Worcestershire Integrated Care Board continue to work together to improve outcomes, reduce duplication and support effective use of public resources.

13. The principles of the agreement support improved outcomes for residents by sustaining services and investing in initiatives that help people maintain independence, access timely support and remain in their own homes and communities wherever possible.

14. The agreement supports the Council's priorities for safe, healthy and independent lives and aligns with local health and wellbeing priorities. It also supports partnership working across adult social care, NHS services, community provision and preventative services.

15. The recommendation is not expected to have a negative impact on children in care, care experienced young people or the Council's corporate parenting responsibilities. Where schemes within the Better Care Fund have an indirect impact on families or carers, these will continue to be managed through relevant service governance and statutory duties.

Environmental impact

16. Herefordshire Council provides and purchases a wide range of services for the people of Herefordshire. Together with partner organisations in the private, public and voluntary sectors, the Council shares a commitment to improving environmental sustainability, achieving carbon neutrality and protecting and enhancing Herefordshire's outstanding natural environment.

17. This decision relates to a legal and financial framework for integrated commissioning and is expected to have minimal direct environmental impact. Individual schemes commissioned through the agreement will consider environmental requirements, including efficient use of resources, opportunities to reduce unnecessary travel and sustainable delivery arrangements where relevant.

Equality duty

18. The Council and NHS Herefordshire and Worcestershire Integrated Care Board are committed to equality and diversity and will continue to ensure that equality considerations are taken into account in the planning, commissioning and monitoring of schemes delivered through the Section 75 agreement.

19. The recommendations in this report are not expected to negatively disadvantage people with protected characteristics. The Better Care Fund programme is intended to support better outcomes for residents, including people who may require health, care, community or preventative support to maintain independence and wellbeing.

20. Due to the potential impact of this project/decision/activity being low, a full Equality Impact Assessment is not required.

Resource implications

21. The Section 75 agreement provides the framework for pooled budget arrangements between Herefordshire Council and NHS Herefordshire and Worcestershire Integrated Care Board. The pooled budget arrangements and financial contributions for 2025/26 are detailed within the agreement and associated financial schedules and will be reconciled with the final published schedules before completion.

22. Headline financial information should be included in the final report once confirmed, including the total pooled budget value, the Council contribution, the Integrated Care Board contribution and a short summary of the principal schemes funded through the pooled arrangements. Principal schemes are expected to include integrated health and adult social care services such as discharge pathways, community support services,

prevention, independence-focused interventions, carers support, Disabled Facilities Grant activity and other Better Care Fund schemes set out in the agreement schedules.

23. Annual financial schedules and budget contributions for future years of the agreement will be reviewed and agreed through each organisation's annual budget-setting and governance arrangements. These will be appended to the agreement each year.

24. There are no direct additional staffing, ICT or property implications arising from approval of the agreement itself. Any implications associated with individual schemes will be managed through the relevant commissioning, contract management and governance arrangements.

Financial Year 2025/26

Better Care Fund Financial Plan 2025/26 - Summary by Funding Stream							
Better Care Fund Financial Plan 2025/26	**Source of Funding**	**2024/25 Funding Values**	**2025/26 Mandatory Growth %**	**2025/26 Growth Value**	**2025/26 Total Grant Values**	**2025/26 Planned Expenditure**	**2025/26 Variance to Funding Deficit / (Surplus)**
Mandatory Transfer to Adult Social Care	DHSC	£7,263,293	3.93%	£285,092			
NHS Commissioned Out of Hospital Services	DHSC	£9,630,079	0.49%	£47,448			
Additional Discharge Fund- NHS	DHSC	£2,221,943	0.00%	£0			
NHS Minimum Contribution (transfer to ASC)		£7,263,293		£285,092	£7,548,385	£7,548,385	(£0)
NHS Minimum Contribution (retained by ICB)		£11,852,022		£47,448	£11,899,470	£11,899,470	(£0)
Total NHS Minimum Contribution	DHSC	£19,115,315		£332,540	£19,447,855	£19,447,855	(£0)
Disabled Facilities Grant	MHCLG	£2,474,535	13.76%	£340,496	£2,815,031	£2,815,031	£0
Improved Better Care Fund	DLUHC	£6,782,841	0.00%	£0	£6,782,841		
Additional Discharge Fund- LA	DHSC	£1,584,906	0.00%	£0	£1,584,906		
Local Authority Better Care Grant	MHCLG	£8,367,747		£0	£8,367,747	£8,367,747	£0
BCF Underspend B/fwd		£0	0.00%	£0	£0	£0	£0
TOTAL BETTER CARE FUND		**£29,957,597**		**£673,036**	**£30,630,633**	**£30,630,633**	**£0**

Financial Year 2026/27

Better Care Fund Financial Plan 2026/27 - Sources of Funding						
Better Care Fund Financial Plan 2026/27 - Sources of Funding	**Source of Funding**	**2025/26 Total Allocation**	**2026/27 Growth %**	**2026/27 Increase in Funding Allocation**	**2026/27 Allocation**
NHS Minimum Contribution (transfer to ASC)		£7,548,385	4.45%	£335,650	£7,884,035
NHS Minimum Contribution (retained by ICB)		£11,899,470	2.09%	£248,489	£12,147,959
Total NHS Minimum Contribution	**DHSC**	**£19,447,855**	**3.00%**	**£584,139**	**£20,031,994**
Disabled Facilities Grant 2026/27		£2,815,031	0.00%	£0	£2,815,031
Disabled Facilities Grant 2025/26 underspend		£251,345	0.00%	£0	£251,345
Total Disabled Facilities Grant	**MHCLG**	**£3,066,376**	**0.00%**	**£0**	**£3,066,376**
Local Authority Better Care Grant	MHCLG	£8,367,748	0.00%	£0	£8,367,748
BCF Underspend B/fwd		£0		£0	£0
TOTAL BETTER CARE FUND		**£30,881,979**	**1.89%**	**£584,139**	**£31,466,118**

Legal implications

25. The Care Act 2014 amended the NHS Act 2006 to provide the legislative basis for the Better Care Fund, which brings together health and adult social care funding. The final agreement must reflect the current statutory partner arrangements and use current Integrated Care Board terminology throughout.

26. Section 75 of the NHS Act 2006 contains the powers enabling NHS bodies to exercise certain local authority functions and local authorities to exercise certain NHS functions. The agreement will be entered into under these powers and in accordance with the relevant NHS regulations, with final legal review to confirm governance arrangements, signatory provisions, notice arrangements, contact details and date references before completion.

27. The final agreement and schedules will be subject to legal review prior to completion to ensure accuracy and compliance with statutory requirements, including information governance and data protection requirements.

Risk management

28. The key risks associated with approval and implementation of the Section 75 agreement relate to financial management, governance compliance, service delivery and partnership oversight, and these will be managed through established Council, NHS and partnership governance arrangements ,as set out below:

Risk / opportunity	Mitigation
Financial risk – pooled budget arrangements may be affected by changes	Financial schedules will be agreed annually through each partner's governance arrangements.

in demand, inflationary pressures, changes to national Better Care Fund allocations, or misalignment between partner contributions and the cost of commissioned services.	Regular budget monitoring, reconciliation of contributions, risk-share arrangements and escalation through the Better Care Partnership Group, Joint Commissioning Board and relevant Council and NHS governance routes will support early identification and management of financial pressures.
Governance and compliance risk – if the agreement, schedules or supporting governance arrangements are not kept accurate and current, there is a risk of reduced assurance, unclear accountability or non-compliance with statutory requirements.	The final agreement will be subject to legal, finance and governance review before completion. Current Integrated Care Board terminology, signatories, governance membership, notice provisions, contact details and annual schedules will be checked and updated as required. Annual review will ensure the agreement remains aligned with national guidance and local governance requirements.
Service delivery risk – integrated services funded through the agreement may not deliver the intended outcomes for residents, including timely discharge, prevention, independence, support for carers and effective use of public resources.	Scheme specifications, performance indicators, contract management arrangements and quarterly and annual reporting will be used to monitor delivery. Any risks to delivery, outcomes or national Better Care Fund requirements will be escalated through established partnership governance and addressed through agreed action plans.
Partnership risk – failure to approve and maintain a clear five-year framework could weaken joint commissioning arrangements, reduce clarity over pooled budget responsibilities and create uncertainty for services commissioned through the Better Care Fund.	Approval of the Section 75 agreement will regularise the partnership framework, provide clear governance for pooled budgets and annual schedules, and support continuity of integrated commissioning and service delivery for the period 2025 to 2030.
Opportunity – the agreement provides an opportunity to strengthen medium-term partnership planning, improve transparency of pooled budget arrangements and support more joined-up health and adult social care commissioning.	The five-year framework, supported by annual financial schedules and routine performance monitoring, will enable partners to plan jointly, review outcomes, target resources effectively and maintain assurance through established partnership and organisational governance routes.

29. The risks associated with the approval and implementation of the Section 75 agreement will be managed primarily at service and directorate level, with escalation to corporate governance routes where financial, legal, performance or partnership risks exceed agreed tolerances. Relevant risks will be recorded and monitored through the Community Wellbeing directorate risk register and the appropriate partnership governance risk and issue logs.

Consultees

30. The development and finalisation of the Section 75 agreement has been undertaken in consultation with lead partners from Herefordshire Council, Wye Valley NHS Trust and NHS Herefordshire and Worcestershire Integrated Care Board.

31. A political groups consultation took place on 16th September 2026 and the following points were made:

- Clarifications were provided that the £30.882 million figure was the official 2024/25 comparator used for the 2026/27 calculation; the confirmed 2025/26 pooled budget is £30.631 million. The NHS minimum contribution is a mandatory requirement under the Better Care Fund arrangements and must be transferred in accordance with the national framework.

- In response to the Liberal Democrat Group, it was confirmed that the five-year framework provides a stable legal and governance framework, supports longer-term planning and reduces repeated annual variations, while retaining flexibility through annual financial schedules and scheme reviews. It does not provide additional funding or a five-year grant settlement. The Cabinet report will state clearly that the five-year agreement formalises governance and planning but does not guarantee additional funding or a five-year grant settlement.

- The Green Group asked how emerging neighbourhood health reforms might affect Better Care Fund priorities and local control. Further national detail is awaited but in the meantime, existing Better Care Fund schemes are being reviewed to identify future priorities. Regarding the Disabled Facilities Grant, the grant remains ring-fenced for eligible Disabled Facilities Grant purposes. Previous delays arose from process issues that have now been addressed; the funding is committed and is expected to be fully spent. Members asked whether the arrangements could be reviewed after approximately 12 to 18 months through scrutiny and the Health and Wellbeing Board. Members asked whether Better Care Fund or neighbourhood health resources could support minor injuries units in Leominster and Ledbury, and how the Wye Valley NHS Trust community hospitals review might affect future services.

- The Independents for Herefordshire reflected that the budget was substantial and requested further detail to be included in the Cabinet report.

Appendices

Appendix 1 – Section 75 Partnership Agreement 2025/26 to 2029/30

Background papers

None identified

Glossary of terms, abbreviations and acronyms used in this report

Term	Meaning
BCF	Better Care Fund
DFG	Disabled Facilities Grant
D2A	Discharge to Assess
ICB	Integrated Care Board
NHS	National Health Service
PASC	Protection of Adult Social Care
Section 75 agreement	A partnership agreement under section 75 of the NHS Act 2006 enabling pooled budgets and integrated commissioning between NHS bodies and local authorities.

Dated 2027

THE COUNTY OF HEREFORDSHIRE DISTRICT COUNCIL

and

NHS HEREFORDSHIRE AND WORCESTERSHIRE INTEGRATED CARE BOARD

FRAMEWORK PARTNERSHIP AGREEMENT PURSUANT TO SECTION 75 NHS ACT 2006 RELATING TO THE COMMISSIONING OF HEALTH AND SOCIAL CARE SERVICES

BETTER CARE FUND

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Contents

Item		**Page**

THIS AGREEMENT is made on   day of
2026

PARTIES[1]

(1) **THE COUNTY OF HEREFORDSHIRE DISTRICT COUNCIL** of **PLOUGH LANE, HEREFORD, HR4 0LE** (the **"Council"**); and

(2) **NHS HEREFORDSHIRE AND WORCESTERSHIRE INTEGRATED CARE BOARD** of **KIRKHAM HOUSE, JOHN COMYN DRIVE, WORCESTER, WR3 7NS** (the "**ICB"**),

each a "**Partner**" and together the "**Partners**".

BACKGROUND

(A) The Council has responsibility for commissioning and/or providing social care services on behalf of the population of the county of Herefordshire.

(B) The ICB has the responsibility for commissioning health services pursuant to the 2006 Act in the counties and Herefordshire and Worcestershire.

(C) The Better Care Fund has been established by the Government to provide funds to local areas to support the integration of health and social care and to seek to achieve the National Conditions. It is a requirement of the Better Care Fund that the ICB and the Council establish a pooled fund for this purpose.

(D) Section 75 of the 2006 Act gives powers to local authorities and integrated care boards to establish and maintain pooled funds out of which payment may be made towards expenditure incurred in the exercise of prescribed local authority functions and prescribed NHS functions.

(E) The purpose of this Agreement is to set out the terms on which the Partners have agreed to collaborate and to establish a framework through which the Partners can secure the future position of health and social care services which are the subject of this Agreement through lead or joint commissioning arrangements and through which the Partners will pool funds and/or align budgets as set out in this Agreement.

(F) The aims and benefits of the Partners in entering into this Agreement are to:

a) improve the quality and efficiency of the Services;

b) meet the National Conditions; and

c) make more effective use of resources through the establishment and maintenance of a pooled fund for revenue expenditure on the Services;

(G) The Partners are entering into this Agreement in exercise of the powers referred to in Section 75 of the 2006 Act and/or Section 65Z5 of the 2006 Act as applicable, to the extent that exercise of these powers is required for the Partners to comply with their obligations under this Agreement.

1 DEFINED TERMS AND INTERPRETATION

1.1 In this Agreement, save where the context requires otherwise, the following words, terms and expressions shall have the following meanings:

2000 Act means the Freedom of Information Act 2000.

2004 Regulations means the Environmental Information Regulations 2004.

2006 Act means the National Health Service Act 2006.

Affected Partner means, in the context of Clause 24, the Partner whose obligations under the Agreement have been affected by the occurrence of a Force Majeure Event

Agreed Sharing Mechanisms means the technical measures described in paragraph 5 of Appendix 1 (Data Sharing Protocol) of Schedule 8, being the means by which the Partners shall transmit Personal Data between each other.[2]

Agreement means this agreement including its Schedules and Appendices.

Annual Report means the annual report produced by the Partners in accordance with Clause 20 (Review).

Approved Expenditure means any expenditure approved by the Partners in writing or as set out in the Scheme Specification in relation to an Individual Scheme over and above any Contract Price, Permitted Expenditure or agreed Third Party Costs.

Authorised Officers means an officer of each Partner appointed to be that Partner's representative for the purpose of this Agreement.

BCF Quarterly Report means the quarterly report produced by the Partners and provided to the Health and Wellbeing Board.

Better Care Fund means the Better Care Fund as described at **NHS England » Better Care Fund** as relevant to the Partners.

Better Care Fund Plan means the plan agreed by the Partners for the relevant Financial Year setting out the Partners' plan for the use of the Better Care Fund as attached as Schedule 6.

Better Care Fund Requirements means any and all requirements on the ICB and the Council in relation to the Better Care Fund set out in Law and guidance published by the Department of Health and Social Care and NHS England.

Change in Law means the coming into effect or repeal (without re-enactment or consolidation) in England of any Law, or any amendment or variation to any Law, or any judgment of a relevant court of law which changes binding precedent in England after the Commencement Date.

Commencement Date means 00:01 hrs on 1st April 2025

Confidential Information means information, data and/or material of any nature which any Partner may receive or obtain in connection with the operation of this Agreement and the Services and:

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2 Retain this if Schedule 8 is used.

(a) which comprises Personal Data or Sensitive Personal Data or which relates to any patient or his treatment or medical history;

(b) the release of which is likely to prejudice the commercial interests of a Partner or the interests of a Service User respectively; or

(c) which is a trade secret.

Contract Price means any sum payable under a Service Contract as consideration for the provision of goods, equipment or services as required as part of the Services and which, for the avoidance of doubt, does not include any Default Liability.

Controller has the meaning given to it in the Data Protection Legislation.

Data Protection Contact means the person appointed by each Partner and identified in paragraph 9 of Appendix 1 (Data Sharing Protocol) of Schedule 8.

Data Protection Legislation means all applicable data protection and privacy legislation in force from time to time in the UK including the UK GDPR, the Data Protection Act 2018 and the Privacy and Electronic Communications (EC Directive) Regulations 2003 and any guidance and codes of practice issues by any Regulatory or Supervisory Body from time to time.

Data Sharing Protocol means the data sharing protocol set out in Appendix 1 of Schedule 8 (Data Sharing Protocol).

Data Subject has the meaning given to it in the Data Protection Legislation.

Default Liability means any sum which is agreed or determined by Law or in accordance with the terms of a Service Contract to be payable by any Partner(s) as a consequence of (i) breach by any or all of the Partners of an obligation(s) in whole or in part) under a Service Contract or (ii) any act or omission of a third party for which any or all of the Partners are, under the terms of the relevant Service Contract, liable to the Provider.

Financial Contributions means the financial contributions made by each Partner to a Pooled Fund or Non-Pooled Fund in any Financial Year.

Financial Year means each financial year running from 1 April in any year to 31 March in the following calendar year.

Force Majeure Event means one or more of the following:

(a) war, civil war (whether declared or undeclared), riot or armed conflict;

(b) acts of terrorism;

(c) acts of God;

(d) fire or flood;

(e) industrial action;

(f) prevention from or hindrance in obtaining raw materials, energy or other supplies; or

(g) any form of contamination or virus outbreak,

in each case where such event is beyond the reasonable control of the Partner claiming relief.

Functions means the NHS Functions and the Health-Related Functions.

Health-Related Functions means those of the health-related functions of the Council, specified in Regulation 6 of the Regulations as relevant to the commissioning of the Services and which may be further described in the relevant Scheme Specification.

Host Partner means for each Pooled Fund the Partner that will host the Pooled Fund and for any Non-Pooled Fund the Partner that will host the Non-Pooled Fund.

Health and Wellbeing Board means the Health and Wellbeing Board established by the Council pursuant to Section 194 of the Health and Social Care Act 2012.

ICB Statutory Duties means the duties of the ICB pursuant to Sections 14Z32 to 14Z44 of the 2006 Act.

Indirect Losses means loss of profits, loss of use, loss of production, increased operating costs, loss of business, loss of business opportunity, loss of reputation or goodwill or any other consequential or indirect loss of any nature, whether arising in tort or on any other basis.

Individual Scheme means one of the schemes which has been agreed by the Partners to be included within this Agreement using the powers under Section 75 of the 2006 Act as documented in a Scheme Specification.

Information Commissioner has the meaning given to it in the Data Protection Legislation.

Integrated Commissioning means arrangements by which both Partners commission Services in relation to an Individual Scheme on behalf of each other in exercise of both the NHS Functions and Health-Related Functions through integrated structures.

Joint (Aligned) Commissioning means a mechanism by which the Partners jointly commission a Service. For the avoidance of doubt, a joint (aligned) commissioning arrangement does not involve the delegation of any functions pursuant to Section 75 of the 2006 Act.

Law means:

(a) any statute or proclamation or any delegated or subordinate legislation;

(b) any enforceable community right within the meaning of Section 2(1) European Communities Act 1972;

(c) any guidance, direction or determination with which the Partner(s) or relevant third party (as applicable) are bound to comply to the extent that the same are published and publicly available or the existence or contents of them have been notified to the Partner(s) or relevant third party (as applicable); and

(d) any judgment of a relevant court of law which is a binding precedent in England.

Lead Commissioning Arrangements means the arrangements by which one Partner commissions Services in relation to an Individual Scheme on behalf of the other Partner in exercise of both the NHS Functions and the Health-Related Functions.

Lead Partner means the Partner responsible for commissioning an Individual Service under a Scheme Specification.

Losses means all damage, loss, liabilities, claims, actions, costs, expenses (including the cost of legal and/or professional services), proceedings, demands and charges whether arising under statute, contract or at common law but excluding Indirect Losses and "Loss" shall be interpreted accordingly.

Month means a calendar month.

National Conditions mean the national conditions as set out in the National Guidance as are amended or replaced from time to time.

National Guidance means any and all guidance in relation to the Better Care Fund as issued from to time to time by NHS England, the Ministry of Housing, Communities and Local Government, the Department of Health and Social Care, and the Local Government Association either collectively or separately.

NHS Functions means those of the NHS functions listed in Regulation 5 of the Regulations as are exercisable by the ICB as are relevant to the commissioning of the Services and which may be further described in each Scheme Specification.

NHS Standard Contract means the contract published by NHS England which must be used by the ICB when commissioning clinical services.

Non-Pooled Fund means the budget detailing the financial contributions of the Partners which are not included in a Pooled Fund in respect of a particular Service as set out in the relevant Scheme Specification.

Non-Recurrent Payments means funding provided by a Partner to a Pooled Fund in addition to the Financial Contributions pursuant to arrangements agreed in accordance with Clause 8.4.

Overspend means any expenditure from a Pooled Fund or Non-Pooled Fund in a Financial Year which exceeds the Financial Contributions for that Financial Year.

Partner means each of the ICB and the Council, and references to "**Partners**" shall be construed accordingly.

Partnership Board[3] means the partnership board responsible for review of performance and oversight of this Agreement as set out in Clause 19.2 and Schedule 2 or such other governance arrangements as the Partners agree.

Partnership Board Quarterly Reports means the reports that the Pooled Fund Manager shall produce and provide to the Partnership Board on a Quarterly basis.

Permitted Budget means in relation to a Service where the Council is the Provider, the budget that the Partners have set in relation to the particular Service.

Permitted Expenditure has the meaning given in Clause 7.4.

Personal Data has the meaning given to it in the Data Protection Legislation.

Personal Data Breach has the meaning given to it in the Data Protection Legislation.

Pooled Fund means any pooled fund established and maintained by the Partners as a pooled fund in accordance with the Regulations.

Pooled Fund Manager means such officer of the Host Partner which includes a Section 113 Officer for the relevant Pooled Fund as nominated by the Host Partner from time to time to manage the Pooled Fund in accordance with Clause 8.

Processing has the meaning given to it in the Data Protection Legislation, and the terms "Process" and "Processed" shall be construed accordingly.

Processor has the meaning given to it in the Data Protection Legislation.

Provider means a provider of any Services commissioned under the arrangements set out in this Agreement, including the Council where the Council is a provider of any Services.

[3] We have called the lead governance group the Partnership Board throughout the Agreement. Where this is called something different then we recommend using the find and replace option to make the changes throughout the document.

Quarter means each of the following periods in a Financial Year:

1 April to 30 June

1 July to 30 September

1 October to 31 December

1 January to 31 March

and "**Quarterly**" shall be interpreted accordingly.

Regulations means the means the NHS Bodies and Local Authorities Partnership Arrangements Regulations 2000 No 617 (as amended from time to time).

Regulatory or Supervisory Body means any statutory or other body having authority to issue guidance, standards or recommendations with which the relevant Partner must comply or to which it must have regard, and includes the Information Commissioner.

Scheme means Individual Scheme.

Scheme Specification means a specification setting out the arrangements for an Individual Scheme agreed by the Partners to be commissioned under this Agreement.

Services means such health and social care services as agreed from time to time by the Partners as commissioned under the arrangements set out in this Agreement and more specifically defined in each Scheme Specification.

Service Contract means an agreement entered into by one or more of the Partners in exercise of its obligations under this Agreement to secure the provision of the Services in accordance with the relevant Individual Scheme.

Service Provider means a provider of Services under a Service Contract with one or both of the Partners.

Service Users means those individuals for whom the Partners have a responsibility to commission the Services.

Shared Personal Data means any Personal Data (including Special Category Personal Data) of any Service User(s) or Staff that fall(s) within any of the categories of Personal Data specified in paragraph 3 (Categories of Personal Data) of Appendix 1 (Data Sharing Protocol) of Schedule 8 and means in particular such data as any Disclosing Partner makes available under this Agreement and that a Receiving Partner receives under this Agreement.

Special Category Personal Data means Personal Data that falls within the scope of special categories of Personal Data specified in Article 9 of the UK GDPR.

Third Party Costs means all such third party costs (including legal and other professional fees) in respect of each Individual Scheme as a Partner reasonably and properly incurs in the proper performance of its obligations under this Agreement and as agreed by the Partnership Board.

UK GDPR has the meaning given to it in section 3(10) (as supplemented by section 205(4)) of the Data Protection Act 2018.

Underspend means any expenditure from the Pooled Fund in a Financial Year which is less than the aggregate value of the Financial Contributions for that Financial Year.

Working Day means 8.00am to 6.00pm on any day except Saturday, Sunday, Christmas Day, Good Friday or a day which is a bank holiday (in England) under the Banking & Financial Dealings Act 1971.

1.2 In this Agreement, all references to any statute or statutory provision shall be deemed to include references to any statute or statutory provision which amends, extends, consolidates or replaces the same and shall include any orders, regulations, codes of practice, instruments or other subordinate legislation made thereunder and any conditions attaching thereto. Where relevant, references to English statutes and statutory provisions shall be construed as references also to equivalent statutes, statutory provisions and rules of law in other jurisdictions.

1.3 Any headings to Clauses, together with the front cover and the index are for convenience only and shall not affect the meaning of this Agreement. Unless the contrary is stated, references to Clauses and Schedules shall mean the clauses and schedules of this Agreement.

1.4 Any reference to the Partners shall include their respective statutory successors, employees and agents.

1.5 In the event of a conflict, the conditions set out in the Clauses to this Agreement shall take priority over the Schedules.

1.6 Where a term of this Agreement provides for a list of items following the word "including" or "includes", then such list is not to be interpreted as being an exhaustive list.

1.7 In this Agreement, words importing any particular gender include all other genders, and the term "person" includes any individual, partnership, firm, trust, body corporate, government, governmental body, trust, agency, unincorporated body of persons or association and a reference to a person includes a reference to that person's successors and permitted assigns.

1.8 In this Agreement, words importing the singular only shall include the plural and vice versa.

1.9 In this Agreement, "staff" and "employees" shall have the same meaning and shall include reference to any full or part time employee or officer, director, manager and agent.

1.10 Subject to the contrary being stated expressly or implied from the context in these terms and conditions, all communication between the Partners shall be in writing.

1.11 Unless expressly stated otherwise, all monetary amounts are expressed in pounds sterling but in the event that pounds sterling is replaced as legal tender in the United Kingdom by a different currency then all monetary amounts shall be converted into such other currency at the rate prevailing on the date such other currency first became legal tender in the United Kingdom.

1.12 All references to the Agreement include (subject to all relevant approvals) a reference to the Agreement as amended, supplemented, substituted, novated or assigned from time to time.

2 TERM

2.1 This Agreement shall come into force on the Commencement Date.

2.2 This Agreement shall continue until it is terminated in accordance with Clause 22.

2.3 The duration of the arrangements for each Individual Scheme shall be as set out in the relevant Scheme Specification or if not set out, for the duration of this Agreement unless terminated earlier by the Partners in accordance with Clause 22.3.

3 GENERAL PRINCIPLES[4]

[4] Consider any overarching principles for insertion here. We have provided a list for consideration, however, this should be tailored to reflect the principles agreed between the Partners.

3.1 Nothing in this Agreement shall affect:

3.1.1 the liabilities of the Partners to each other or to any third parties for the exercise of their respective functions and obligations (including the Functions); or

3.1.2 any power or duty to recover charges for the provision of any services (including the Services) in the exercise of any local authority function.

3.2 The Partners agree to:

3.2.1 treat each other with respect and an equality of esteem;

3.2.2 be open with information about the performance and financial status of each; and

3.2.3 provide early information and notice about relevant problems.

3.3 For the avoidance of doubt, the aims and outcomes relating to an Individual Scheme may be set out in the relevant Scheme Specification.

4 PARTNERSHIP FLEXIBILITIES

4.1 This Agreement sets out the mechanism through which the Partners will work together to commission the Services. This may include one or more of the following commissioning mechanisms:

4.1.1 Lead Commissioning Arrangements;

4.1.2 Integrated Commissioning;

4.1.3 Joint (Aligned) Commissioning; and/or

4.1.4 the establishment of one or more Pooled Funds,

in relation to Individual Schemes (the "**Flexibilities**").

4.2 Where there are Lead Commissioning Arrangements and the ICB is Lead Partner the Council delegates to the ICB and the ICB agrees to exercise, on the Council's behalf, the Health-Related Functions to the extent necessary for the purpose of performing its obligations under this Agreement in conjunction with the NHS Functions.

4.3 Where there are Lead Commissioning Arrangements and the Council is Lead Partner, the ICB delegates to the Council and the Council agrees to exercise on the ICB's behalf the NHS Functions to the extent necessary for the purpose of performing its obligations under this Agreement in conjunction with the Health-Related Functions.

4.4 Where the powers of a Partner to delegate any of its statutory powers or functions are restricted, such limitations will automatically be deemed to apply to the relevant Scheme Specification and the Partners shall agree arrangements designed to achieve the greatest degree of delegation to the other Partner necessary for the purposes of this Agreement which is consistent with the statutory constraints.

4.5 At the Commencement Date the Partners agree that the following shall be in place:

4.5.1 The following Individual Schemes with Lead Commissioning with the Council as Lead Partner:

- Advocacy
- Adult Social Care Long-term Placements
- Brokerage

- Carers Support
- Disabled Facilities Grant
- Discharge to Assess
    - Care Act Assessment Team
    - Discharge to Assess Beds at Hillside
    - Home First Service
    - Hospital Liaison Team
    - Housing Hospital Discharge
    - Short-term Care Home Beds
    - Short-term Home Care Placements
- DoLS / AMHPs
- Partnerships & integration Staffing
- Safeguarding
- Trusted Assessors
- Wye Valley Trust Integrated Care Services
    - Home First Therapy
    - Integrated Discharge Lead
    - Care Home Practitioners

4.5.2 The following Individual Schemes with Lead Commissioning with the ICB as Lead Partner:

- Acorns Children's Hospice Carers Support
- Discharge to Assess
    - Discharge to Assess Beds at Ledbury Intermediate Care Unit
    - Hospital Discharge Transport
    - Medical Cover for D2A Care Home Beds
- Falls Response & Prevention
    - Falls First Response
    - Falls Care Navigator
- St. Michael's Hospice Carer's Support
- Wye Valley Trust Integrated Care Services
    - Neighbourhood Teams
    - General Rehabilitation Beds
    - Discharge Bridging Service
    - Integrated Discharge Staffing

5 FUNCTIONS

5.1 The purpose of this Agreement is to establish a framework through which the Partners can secure the provision of health and social care services in accordance with the terms of this Agreement.

5.2 This Agreement shall include such Functions as shall be agreed from time to time by the Partners as are necessary to commission the Services in accordance with their obligations under this Agreement.

5.3 The Scheme Specifications for the Individual Schemes included as part of this Agreement at the Commencement Date are set out in Schedule 1 Part 2.

5.4 Where the Partners wish to add a new Individual Scheme to this Agreement a Scheme Specification for each Individual Scheme shall be completed and approved by each Partner in accordance with the variation procedure set out in Clause 30 (Variations). Each new Scheme Specification shall be substantially in the form set out in Schedule 1 Part 1.

5.5 The Partners shall not enter into a Scheme Specification in respect of an Individual Scheme unless they are satisfied that the Individual Scheme in question will improve health and well-being in accordance with this Agreement.

6 COMMISSIONING ARRANGEMENTS

General

6.1 The Partners shall comply with the commissioning arrangements as set out in the relevant Scheme Specification and their obligations in Schedule 4 (Joint Working Obligations).

6.2 The Partners shall comply with all relevant legal duties or, and guidance applicable to, both Partners in relation to the Services being commissioned.

6.3 Each Partner shall keep the other Partner and the Partnership Board regularly informed of the effectiveness of the arrangements including the Better Care Fund and any Overspend or Underspend in a Pooled Fund or Non-Pooled Fund.

6.4 Where there are Integrated Commissioning or Lead Commissioning Arrangements in respect of an Individual Scheme then prior to any new Service Contract being entered into the Partners shall agree in writing:

6.4.1 how the liability under each Service Contract shall be apportioned in the event of termination of the relevant Individual Scheme; and

6.4.2 whether the Service Contract should give rights to third parties (and in particular if a Partner is not a party to the Service Contract to that Partner, the Partners shall consider whether or not the Partner that is not to be a party to the Service Contract should be afforded any rights to enforce any terms of the Service Contract under the Contracts (Rights of Third Parties) Act 1999 and if it is agreed that such rights should be afforded the Partner entering the Service Contract shall ensure as far as is reasonably possible that such rights that have been agreed are included in the Service Contract and shall establish how liability under the Service Contract shall be apportioned in the event of termination of the relevant Individual Scheme.

6.5 The Partners shall comply with the arrangements in respect of Joint (Aligned) Commissioning as set out in the relevant Scheme Specification, which shall include where applicable arrangements in respect of the Service Contracts.

Integrated Commissioning

6.6 Where there are Integrated Commissioning arrangements in respect of an Individual Scheme:

6.6.1 the Partners shall work in cooperation and shall endeavour to ensure that Services in fulfilment of the NHS Functions and Health-Related Functions are commissioned with all due skill, care and attention; and

6.6.2 both Partners shall work in cooperation and endeavour to ensure that the relevant Services as set out in each Scheme Specification are commissioned within each Partners Financial Contribution in respect of that particular Service in each Financial Year.

Appointment of a Lead Partner

6.7 Where there are Lead Commissioning Arrangements in respect of an Individual Scheme the Lead Partner shall comply with its obligations under Schedule 4 Part 1 and:

6.7.1 exercise the NHS Functions in conjunction with the Health-Related Functions as identified in the relevant Scheme Specification;

6.7.2 endeavour to ensure that the NHS Functions and the Health-Related Functions are funded within the parameters of the Financial Contributions of each Partner in relation to each particular Service in each Financial Year;

6.7.3 commission Services for individuals who meet the eligibility criteria set out in the relevant Scheme Specification;

6.7.4 contract with Provider(s) for the provision of the Services on terms agreed with the other Partner;

6.7.5 comply with all relevant legal duties and guidance of both Partners in relation to the Services being commissioned;

6.7.6 where Services are commissioned using the NHS Standard Contract, perform the obligations of the "Commissioner" and "Co-ordinating Commissioner" with all due skill, care and attention and where Services are commissioned using any other form of contract to perform its obligations with all due skill and attention;

6.7.7 undertake performance management and contract monitoring of all Service Contracts including (without limitation) the use of contract notices where Services fail to deliver contracted requirements;

6.7.8 make payment of all sums due to a Provider pursuant to the terms of any Service Contract; and

6.7.9 keep the other Partner and Partnership Board regularly informed of the effectiveness of the arrangements including the Better Care Fund and any Overspend or Underspend in a Pooled Fund or Non-Pooled Fund.

7 ESTABLISHMENT OF A POOLED FUND

7.1 In exercise of their respective powers under Section 75 of the 2006 Act, the Partners have agreed to establish and maintain such pooled funds for revenue expenditure as agreed by the Partners.

7.2 At the Commencement Date there shall be a single Pooled Fund in respect of this Agreement

7.3 Each Pooled Fund shall be managed and maintained in accordance with the terms of this Agreement.

7.4 Subject to Clause 7.5, it is agreed that the monies held in a Pooled Fund may only be expended on the following:

7.4.1 the Contract Price;

7.4.2 where the Council is to be the Provider, the Permitted Budget;

7.4.3 Third Party Costs where these are set out in the relevant Scheme Specification or as otherwise agreed in advance in writing by the Partnership Board; and

7.4.4 Approved Expenditure as set out in the relevant Scheme Specification or as otherwise agreed in advance in writing by the Partnership Board,

("**Permitted Expenditure**").

7.5 The Partners may only depart from the definition of Permitted Expenditure to include or exclude other revenue expenditure with the express written agreement of each Partner.

7.6 For the avoidance of doubt, monies held in the Pooled Fund may not be expended on Default Liabilities unless this is agreed by all Partners in accordance with Clause 7.5.

7.7 Pursuant to this Agreement, the Partners agree to appoint a Host Partner for each of the Pooled Funds set out in the Scheme Specifications. The Host Partner shall be the Partner responsible for:

7.7.1 holding all monies contributed to the Pooled Fund on behalf of itself and the other Partners;

7.7.2 providing the financial administrative systems for the Pooled Fund;

7.7.3 appointing the Pooled Fund Manager; and

7.7.4 ensuring that the Pooled Fund Manager complies with their obligations under this Agreement.

8 POOLED FUND MANAGEMENT

8.1 When introducing a Pooled Fund, the Partners shall agree which officer of the Host Partner shall act as the Pooled Fund Manager for the purposes of Regulation 7(4) of the Regulations.

8.2 The Pooled Fund Manager for each Pooled Fund shall have the following duties and responsibilities:

8.2.1 the day-to-day operation and management of the Pooled Fund;

8.2.2 ensuring that all expenditure from the Pooled Fund is in accordance with the provisions of this Agreement and the relevant Scheme Specification;

8.2.3 maintaining an overview of all joint financial issues affecting the Partners in relation to the Services and the Pooled Fund;

8.2.4 ensuring that full and proper records for accounting purposes are kept in respect of the Pooled Fund;

8.2.5 reporting to the Partnership Board as required by this Agreement and by the Partnership Board;

8.2.6 ensuring action is taken to manage any projected under or overspends relating to the Pooled Fund in accordance with this Agreement;

8.2.7 preparing and submitting to the Partnership Board Quarterly Reports (or more frequent reports if required by the Partnership Board) and an annual return about the income and expenditure from the Pooled Fund together with such other information as may be required by the Partners and the Partnership Board to monitor the effectiveness of the Pooled Fund and to enable the Partners to complete their own financial accounts and returns. The Partners agree to provide all necessary information to the Pooled Fund Manager in time for the reporting requirements to be met including (without limitation) comply with any reporting requirements as may be required by relevant National Guidance; and

8.2.8 preparing and submitting reports to the Health and Wellbeing Board as may be required by it and any relevant National Guidance including (without limitation) supplying Quarterly Reports referred to in Clause 8.2.7 above to the Health and Wellbeing Board.

8.3 In carrying out their responsibilities as provided under Clause 8.3, the Pooled Fund Manager shall:

8.3.1 have regard to National Guidance and the recommendations of the Partnership Board; and

8.3.2 be accountable to the Partners for delivery of those responsibilities.

8.4 The Partnership Board may agree to the viring of funds between Pooled Funds or amending the allocation of the Pooled Fund between Individual Schemes.

9 NON-POOLED FUNDS

9.1 Any Financial Contributions agreed to be held within a Non-Pooled Fund will be notionally held in a fund established solely for the purposes agreed by the Partners. For the avoidance of doubt, a Non-Pooled Fund does not constitute a pooled fund for the purposes of Regulation 7 of the Partnership Regulations.

9.2 When introducing a Non-Pooled Fund in respect of an Individual Scheme, the Partners shall agree:

9.2.1 which Partner if any[5] shall host the Non-Pooled Fund; and

9.2.2 how and when Financial Contributions shall be made to the Non-Pooled Fund.

9.3 The Host Partner of the relevant Non-Pooled Fund will be responsible for establishing the financial and administrative support necessary to enable the effective and efficient management of the Non-Pooled Fund, meeting all required accounting and auditing obligations.

9.4 Both Partners shall ensure that any Services commissioned using a Non-Pooled Fund are commissioned solely in accordance with the relevant Scheme Specification.

9.5 Where there are Joint (Aligned) Commissioning arrangements, both Partners shall work in cooperation and shall endeavour to ensure that:

9.5.1 the NHS Functions funded from a Non-Pooled Fund are carried out within the ICB Financial Contribution to the Non-Pooled Fund for the relevant Service in each Financial Year; and

9.5.2 the Health-Related Functions funded from a Non-Pooled Fund are carried out within the Council's Financial Contribution to the Non-Pooled Fund for the relevant Service in each Financial Year.

10 FINANCIAL CONTRIBUTIONS

10.1 The Financial Contributions of the ICB and the Council to any Pooled Fund or Non-Pooled Fund for the first Financial Year of operation shall be as set out in the relevant Scheme Specification.

10.2 The Financial Contribution of the ICB and the Council to any Pooled Fund or Non-Pooled Fund for each subsequent Financial Year of operation shall be subject to review by the Partners in line with published BCF policy frameworks and planning guidance.

10.3 Financial Contributions will be paid as set out in Schedule 3.

10.4 With the exception of Clause 13, no provision of this Agreement shall preclude the Partners from making additional contributions of Non-Recurrent Payments to a Pooled Fund from time to time by mutual agreement. Any such additional contributions of Non-Recurrent Payments shall be explicitly recorded in Partnership Board minutes and recorded in the budget statement as a separate item.

[5] Transfers between Partners for Non-Pooled funds need to be made by S76/256 of the 2006 Act.

11 NON-FINANCIAL CONTRIBUTIONS

11.1 Unless set out in a Scheme Specification or otherwise agreed by the Partners, each Partner shall provide the non-financial contributions for any Service that they are Lead Partner or as required to comply with its obligations under this Agreement in respect of the commissioning of a particular Service. These contributions shall be provided at no charge to the other Partners or to the Pooled Fund.

11.2 Each Scheme Specification shall set out non-financial contributions of each Partner including staff (including the Pooled Fund Manager), premises, IT support and other non-financial resources necessary to perform its obligations pursuant to this Agreement (including, but not limited to, management of Service Contracts and the Pooled Fund(s)).

12 RISK SHARE ARRANGMENTS, OVERSPENDS AND UNDERSPENDS[6]

Risk share arrangements

12.1 The Partners have agreed risk share arrangements as set out in Schedule 3, which provide for risk share arrangements arising within the commissioning of services from the Pooled Funds as set out in National Guidance.

Overspends in Pooled Fund

12.2 Subject to Clause 12.3, the Host Partner for the relevant Pooled Fund shall manage expenditure from a Pooled Fund within the Financial Contributions and shall use reasonable endeavours to ensure that the expenditure is limited to Permitted Expenditure.

12.3 The Host Partner shall not be in breach of its obligations under this Agreement if an Overspend occurs provided that it has used reasonable endeavours to ensure that the only expenditure from a Pooled Fund has been in accordance with Permitted Expenditure and it has informed the Partnership Board in accordance with Clause 12.4.

12.4 In the event that the Pooled Fund Manager identifies an actual or projected Overspend the Pooled Fund Manager must ensure that the Partnership Board is informed as soon as reasonably possible and the provisions of the relevant Scheme Specification and Schedule 3 shall apply.

Overspends in Non-Pooled Funds

12.5 Where in Joint (Aligned) Commissioning Arrangements either Partner identifies an actual or projected Overspend in relation to a Partner's Financial Contribution to a Non-Pooled Fund, that Partner shall as soon as reasonably practicable inform the other Partner and the Partnership Board.

12.6 Where there is a Lead Commissioning Arrangement the Lead Partner is responsible for the management of the Non-Pooled Fund. The Lead Partner shall as soon as reasonably practicable inform the other Partner and the Partnership Board in the event that the Lead Partner identifies an actual or projected Overspend.

Underspend

12.7 In the event that expenditure from any Pooled Fund or Non-Pooled Fund in any Financial Year is less than the aggregate value of the Financial Contributions made for that Financial Year or where the expenditure in relation to an Individual Scheme is less than the agreed allocation to that particular Individual Scheme, the Partners shall agree how the monies shall be spent, carried forward and/or returned to the Partners and the provisions of Schedule 3 shall apply.

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6 We have provided a suggested approach to overspends and underspends, however, the details will need to be considered by the Partners in the context of the specific risk sharing arrangements agreed between the Partners.

Such arrangements shall be subject to the Law and the standing orders and standing financial instructions (or equivalent) of the Partners.

13 CAPITAL EXPENDITURE

13.1 Except as provided in Clause 13.2, neither Pooled Funds nor Non Pooled Funds shall normally be applied towards any one-off expenditure on goods and/or services, which will provide continuing benefit and would historically have been funded from the capital budgets of one of the Partners.

13.2 The Partners agree that capital expenditure may be made from a Better Care Fund Pooled Fund where this is in accordance with National Guidance. If a need for capital expenditure to be funded from any Pooled Fund relating to a non-Better Care Fund Scheme or from any Non Pooled Fund is identified this must be in accordance with the Partners' respective statutory powers and agreed by the Partners in writing.

14 VAT

The Partners shall agree the treatment of each Pooled Fund for VAT purposes in accordance with any relevant guidance from HM Revenue and Customs.

15 AUDIT AND RIGHT OF ACCESS

15.1 The Partners shall promote a culture of probity and sound financial discipline and control. The Host Partner shall arrange for the audit of the accounts of the relevant Pooled Fund in accordance with the Regulations and the Local Audit and Accountability Act 2014.

15.2 All internal and external auditors and all other persons authorised by the Partners will be given the right of access by them to any document, information or explanation they require from any employee, member of the relevant Partner in order to carry out their duties. This right is not limited to financial information or accounting records and applies equally to premises or equipment used in connection with this Agreement. Access may be at any time without notice, provided there is good cause for access without notice.

15.3 The Partners shall comply with relevant NHS finance and accounting obligations as required by relevant Law and/or National Guidance.

16 LIABILITIES AND INSURANCE AND INDEMNITY

16.1 Nothing in this Agreement shall affect:

16.1.1 the liability of the Council to the Service Users in respect of the Health-Related Functions; or

16.1.2 the liability of the ICB to the Service Users in respect of the NHS Functions.

16.2 Subject to Clause 16.3, and 16.4, if a Partner (the "Indemnified Partner") incurs a Loss arising out of or in connection with this Agreement (including a Loss arising under an Individual Scheme) as a consequence of any act or omission of another Partner (the "Indemnfiying Partner") which constitutes negligence, fraud or a breach of contract in relation to this Agreement or any Service Contract then the Indemnifying Partner shall be liable to the Indemnified Partner for that Loss and shall indemnify the First Partner accordingly.

16.3 Clause 16.2 shall only apply to the extent that the acts or omissions of the Indemnifying Partner contributed to the relevant Loss. Furthermore, it shall not apply if such act or omission occurred as a consequence of the Indemnifying Partner acting in accordance with the instructions or requests of the Indemnified Partner or the Partnership Board.

16.4 If any third party makes a claim or intimates an intention to make a claim against either Partner which may reasonably be considered as likely to give rise to liability under this Clause 16, the Indemnified Partner will:

16.4.1 as soon as reasonably practicable give written notice of that matter to the Indemnifying Partner specifying in reasonable detail the nature of the relevant claim;

16.4.2 not make any admission of liability, agreement or compromise in relation to the relevant claim without the prior written consent of the Indemnifying Partner (such consent not to be unreasonably conditioned, withheld or delayed); and

16.4.3 give the Indemnifying Partner and its professional advisers reasonable access to its premises and personnel and to any relevant assets, accounts, documents and records within its power or control so as to enable the Indemnifying Partner and its professional advisers to examine such premises, assets, accounts, documents and records and to take copies at their own expense for the purpose of assessing the merits of, and if necessary defending, the relevant claim.

16.5 Each Partner shall ensure that they maintain policies of insurance (or equivalent arrangements through schemes operated by the National Health Service Litigation Authority) in respect of all potential liabilities arising from this Agreement and in the event of Losses shall seek to recover such Loss through the relevant policy of insurance (or equivalent arrangement).

16.6 Each Partner shall at all times take all reasonable steps to minimise and mitigate any loss for which one Partner is entitled to bring a claim against the other Partner pursuant to this Agreement.

Conduct of Claims

16.7 In respect of the indemnities given in this Clause 16:

16.7.1 the Indemnified Partner shall give written notice to the Indemnifying Partner as soon as is practicable of the details of any claim or proceedings brought or threatened against it in respect of which a claim will or may be made under the relevant indemnity;

16.7.2 the Indemnifying Partner shall at its own expense have the exclusive right to defend conduct and/or settle all claims and proceedings to the extent that such claims or proceedings may be covered by the relevant indemnity provided that where there is an impact upon the Indemnified Partner, the Indemnifying Partner shall consult with the Indemnified Partner about the conduct and/or settlement of such claims and proceedings and shall at all times keep the Indemnified Partner informed of all material matters; and

16.7.3 the Partners shall each give to the other all such cooperation as may reasonably be required in connection with any threatened or actual claim or proceedings which are or may be covered by a relevant indemnity.

17 STANDARDS OF CONDUCT AND SERVICE

17.1 The Partners will at all times comply with Law and ensure good corporate governance in respect of each Partner (including the Partners respective standing orders and standing financial instructions).

17.2 The Council is subject to the duty of Best Value under the Local Government Act 1999. This Agreement and the operation of the Pooled Fund is therefore subject to the Council's obligations for Best Value and the other Partners will co-operate with all reasonable requests from the Council which the Council considers necessary in order to fulfil its Best Value obligations.

17.3 The ICB is subject to the ICB Statutory Duties and these incorporate a duty of clinical governance, which is a framework through which they are accountable for continuously improving the quality of its services and safeguarding high standards of care by creating an environment in which excellence in clinical care will flourish. This Agreement and the operation of the Pooled Funds are therefore subject to ensuring compliance with the ICB Statutory Duties and clinical governance obligations.

17.4 The Partners are committed to an approach to equality and equal opportunities as represented in their respective policies. The Partners will maintain and develop these policies as applied to service provision, with the aim of developing a joint strategy for all elements of the Services.

18 CONFLICTS OF INTEREST

18.1 The Partners shall comply with the policy for identifying and managing conflicts of interest as agreed by the Partners from time to time.

19 GOVERNANCE[7]

19.1 Operational strategic oversight of partnership working between the Partners is vested in the Herefordshire BCF PARTNERSHIP BOARD, which for these purposes shall make recommendations to the Partners as to any action it considers necessary.

19.2 The Partners have established a Partnership Board to:

- Provide strategic leadership and oversight of integrated commissioning arrangements under the Section 75 agreement.
- Ensure that commissioning decisions reflect the priorities of the Integrated Care System, the One Herefordshire Partnership, and other relevant strategic plans.
- Monitor the effectiveness, safety, and experience of services commissioned under the Section 75 agreement.

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7 We have set out a proposed approach to governance with an officer working group structure. There are three separate functions here which need to be addressed: First, strategic overview of partnership working which is the responsibility of the Health and Wellbeing Board for BCF save to the extent that the HWB signs off the Better Care Fund Plan and variations to it. Secondly, oversight and holding to account the management structures for delivery of the Schemes; we have suggested a partnership board to avoid ICB accountability running through the HWB (which is not possible legally). Finally there is the management of the individual Schemes. Depending on complexity this could be the Pooled Fund Manager or a commissioning officer but could equally be a management group.

It is possible for the ICB and the Council to form a joint committee (under Regulation 10) to take responsibility for the management of the arrangements including monitoring the arrangements and receiving reports and information on the operation of the arrangements. This would be a different arrangement to the working group structure suggested here (which relies upon authority for decision-making being delegated to individual officers in the relevant group (e.g. the Partnership Board)).

The Partners will need to agree the detail of how the governance structure will work and terms of reference will need to be developed for the relevant groups. The remit of each group and the circumstances in which matters/decisions may need to be referred or are reserved to ICB/Council governance structures (e.g. the Council Cabinet and ICB Board) should be clearly set out.

The Partners may also wish to consider how these governance arrangements will align / link in with the governance arrangements for their local Place-Based Partnership. For example, many Places are looking to align their BCF governance arrangements with their Place-based Partnership so that wider Place partners are around the table and able to participate in discussions around the BCF arrangements (but not make decisions). Conflicts of interest need to be carefully managed in these situations, however it would for example be possible to include the BCF Partnership Board as part of a wider meeting which includes the Place-based Partnership and (potentially) an ICB sub-committee. Specific legal advice should be sought in designing such Place governance arrangements to ensure that the appropriate governance and statutory frameworks are complied with and conflicts of interest are managed appropriately.

- Oversee the development and implementation of joint commissioning strategies and integrated models of care across adults and children's services.

19.3 The Partnership Board is based on a joint working group structure. Each member of the Partnership Board shall be an officer of one of the Partners and will have individual delegated responsibility from the Partner employing them to make decisions which enable the Partnership Board to carry out its objects, roles, duties and functions as set out in this Clause 19 and Schedule 2.

19.4 The terms of reference of the Partnership Board shall be as set out in Schedule 2 as may be amended or varied by written agreement from time to time.

19.5 The Partnership Board shall be supported by the BCF PARTNERSHIP BOARD, which meets at least six-weekly and is responsible for operational delivery of the Section 75 agreement. The BCF PARTNERSHIP BOARD is chaired jointly by the Corporate Director Community Wellbeing and the Accountable Officer of the CCG, and is supported by the Joint Strategic Commissioning Partnership Group (JSCPG), which develops agendas and coordinates business between meetings.

19.6 Each individual scheme commissioned under the Section 75 agreement shall have a designated Scheme Lead, responsible for day-to-day delivery, performance monitoring, and reporting to the BCF PARTNERSHIP BOARD. Scheme Leads shall be identified within the commissioning plans and shall operate within the delegated authority of their employing Partner.

19.7 An overarching Better Care Fund (BCF) Lead shall ensure compliance with national BCF reporting requirements, alignment with the Herefordshire BCF plan, and coordination of performance monitoring across schemes. The BCF Lead shall report to the BCF PARTNERSHIP BOARD and ensure timely submission of interim and annual reports to the BCF PARTNERSHIP BOARD.

20 REVIEW

20.1 The Partners shall produce a BCF Quarterly Report which shall be provided to the Health and Wellbeing Board in such form and setting out such information as required by National Guidance and any additional information required by the Health and Wellbeing Board or NHS England.

20.2 Save where the Partnership Board agree alternative arrangements (including alternative frequencies) the Partners shall undertake an annual review ("**Annual Review**") of the operation of this Agreement, any Pooled Fund and Non-Pooled Fund and the provision of the Services within 3 Months of the end of each Financial Year.

20.3 Subject to any variations to this process agreed by the Partnership Board, Annual Reviews shall be conducted in good faith.

20.4 The Partners shall within 20 Working Days of the annual review prepare an Annual Report including the information as required by National Guidance and any other information required by the Health and Wellbeing Board. A copy of this report shall be provided to the Health and Wellbeing Board and Partnership Board.

20.5 In the event that the Partners fail to meet the requirements of the Better Care Fund Plan and NHS England the Partners shall provide full co-operation with NHS England to agree a recovery plan.

21 COMPLAINTS

The Partners' own complaints procedures shall apply to this Agreement. The Partners agree to assist one another in the management of complaints arising from this Agreement or the provision of the Services.

22 TERMINATION & DEFAULT

22.1 This Agreement may be terminated by any Partner giving not less than 3 Months' notice in writing to terminate this Agreement provided that such termination shall not take effect prior to the termination or expiry of all Individual Schemes.

22.2 Unless otherwise agreed in the relevant Scheme Specification, each Individual Scheme may be terminated by either Partner giving not less than 12 Months' notice in writing or such shorter notice period agreed between the Partners provided that:

22.2.1 such termination is possible in accordance with the National Guidance and Law; and

22.2.2 that the Partners ensure that the statutory Better Care Fund Requirements continue to be met, and

for the avoidance of doubt the operation of the Agreement shall continue in respect of the remaining Individual Schemes.

22.3 If a Partner ("**Relevant Partner**") fails to meet any of its obligations under this Agreement, the other Partner may by notice require the Relevant Partner to take such reasonable action within a reasonable timescale as the other Partner may specify to rectify such failure. Should the Relevant Partner fail to rectify such failure within such reasonable timescale, the matter shall be referred for resolution in accordance with Clause 23.

22.4 Termination of this Agreement (whether by effluxion of time or otherwise) shall be without prejudice to the Partners' rights in respect of any antecedent breach and the provisions of Clauses as set out below:

22.5 Upon termination of this Agreement for any reason whatsoever the following shall apply:

22.5.1 the Partners agree that they will work together and co-operate to ensure that the winding down and disaggregation of the integrated and joint activities to the separate responsibilities of the Partners is carried out smoothly and with as little disruption as possible to Service Users, the Services, the employees, the Partners and third parties, so as to minimise costs and liabilities of each Partner in doing so;

22.5.2 where either Partner has entered into a Service Contract which continues after the termination of this Agreement, both Partners shall continue to contribute to the Contract Price in accordance with the agreed contribution for that Service prior to termination and will enter into all appropriate legal documentation required in respect of this;

22.5.3 the Lead Partner shall make reasonable endeavours to amend or terminate a Service Contract (which shall for the avoidance of doubt not include any act or omission that would place the Lead Partner in breach of the Service Contract) where the other Partner requests the same in writing Provided that the Lead Partner shall not be required to make any payments to the Provider for such amendment or termination unless the Partners shall have agreed in advance who shall be responsible for any such payment;

22.5.4 where a Service Contract held by a Lead Partner relates all or partially to services which relate to the other Partner's Functions then provided that the Service Contract allows the other Partner may request that the Lead Partner assigns the Service Contract in whole or part upon the same terms mutatis mutandis as the original Service Contract;

22.5.5 the Partnership Board shall continue to operate for the purposes of functions associated with this Agreement for the remainder of any contracts and commitments relating to this Agreement; and

22.5.6 termination of this Agreement shall have no effect on the liability of any rights or remedies of either Partner already accrued, prior to the date upon which such termination takes effect.

22.6 In the event of termination in relation to an Individual Scheme the provisions of Clause 22.6 shall apply in relation to the Individual Scheme (as though references as to this Agreement were to that Individual Scheme).

23 DISPUTE RESOLUTION

23.1 In the event of a dispute between the Partners arising out of this Agreement, either Partner may serve written notice of the dispute on the other Partner, setting out full details of the dispute.

23.2 The Authorised Officer shall meet in good faith as soon as possible and in any event within seven (7) days of notice of the dispute being served pursuant to Clause 23.1, at a meeting convened for the purpose of resolving the dispute.

23.3 If the dispute remains after the meeting detailed in Clause 23.2 has taken place, the Partners' respective chief executives or nominees shall meet in good faith as soon as possible after the relevant meeting and in any event with fourteen (14) days of the date of the meeting, for the purpose of resolving the dispute.

23.4 If the dispute remains after the meeting detailed in Clause 23.3 has taken place, then the Partners will attempt to settle such dispute by mediation in accordance with the CEDR Model Mediation Procedure or any other model mediation procedure as agreed by the Partners. To initiate a mediation, either Partner may give notice in writing (a **"Mediation Notice"**) to the other requesting mediation of the dispute and shall send a copy thereof to CEDR or an equivalent mediation organisation as agreed by the Partners asking them to nominate a mediator. The mediation shall commence within twenty (20) Working Days of the Mediation Notice being served. Neither Partner will terminate such mediation until each of them has made its opening presentation and the mediator has met each of them separately for at least one (1) hour. Thereafter, paragraph 14 of the Model Mediation Procedure will apply (or the equivalent paragraph of any other model mediation procedure agreed by the Partners). The Partners will co-operate with any person appointed as mediator, providing him with such information and other assistance as he shall require and will pay his costs as he shall determine or in the absence of such determination such costs will be shared equally.

23.5 Nothing in the procedure set out in this Clause 23 shall in any way affect either Partner's right to terminate this Agreement in accordance with any of its terms or take immediate legal action.

24 FORCE MAJEURE

24.1 Neither Partner shall be entitled to bring a claim for a breach of obligations under this Agreement by the other Partner or incur any liability to the other Partner for any losses or damages incurred by that Partner to the extent that a Force Majeure Event occurs and it is prevented from carrying out its obligations by that Force Majeure Event.

24.2 On the occurrence of a Force Majeure Event, the Affected Partner shall notify the other Partner as soon as practicable. Such notification shall include details of the Force Majeure Event, including evidence of its effect on the obligations of the Affected Partner and any action proposed to mitigate its effect.

24.3 As soon as practicable, following notification as detailed in Clause 24.2, the Partners shall consult with each other in good faith and use all best endeavours to agree appropriate terms to mitigate the effects of the Force Majeure Event and, subject to Clause 24.4, facilitate the continued performance of the Agreement.

24.4 If the Force Majeure Event continues for a period of more than sixty (60) days, either Partner shall have the right to terminate the Agreement by giving fourteen (14) days written notice of termination to the other Partner. For the avoidance of doubt, no compensation shall be payable by either Partner as a direct consequence of this Agreement being terminated in accordance with this Clause 24.

25 CONFIDENTIALITY

25.1 In respect of any Confidential Information a Partner receives from another Partner (the "**Discloser**") and subject always to the remainder of this Clause 25, each Partner (the "**Recipient**”) undertakes to keep secret and strictly confidential and shall not disclose any such Confidential Information to any third party, without the Discloser’s prior written consent provided that:

25.1.1 the Recipient shall not be prevented from using any general knowledge, experience or skills which were in its possession prior to the Commencement Date; and

25.1.2 the provisions of this Clause 25 shall not apply to any Confidential Information which:

(a) is in or enters the public domain other than by breach of the Agreement or other act or omission of the Recipient; or

(b) is obtained by a third party who is lawfully authorised to disclose such information.

25.2 Nothing in this Clause 25 shall prevent the Recipient from disclosing Confidential Information where it is required to do so in fulfilment of statutory obligations or by judicial, administrative, governmental or regulatory process in connection with any action, suit, proceedings or claim or otherwise by applicable Law.

25.3 Each Partner:

25.3.1 may only disclose Confidential Information to its employees and professional advisors to the extent strictly necessary for such employees to carry out their duties under the Agreement;

25.3.2 will ensure that, where Confidential Information is disclosed in accordance with Clause 25.3.1, the recipient(s) of that information is made subject to a duty of confidentiality equivalent to that contained in this Clause 25; and

25.3.3 shall not use Confidential Information other than strictly for the performance of its obligations under this Agreement.

26 FREEDOM OF INFORMATION AND ENVIRONMENTAL INFORMATION REGULATIONS

26.1 The Partners agree that they will each cooperate with each other to enable any Partner receiving a request for information under the 2000 Act or the 2004 Regulations to respond to a request promptly and within the statutory timescales. This cooperation shall include but not be limited to finding, retrieving and supplying information held, directing requests to other Partners as appropriate and responding to any requests by the Partner receiving a request for comments or other assistance.

26.2 Any and all agreements between the Partners as to confidentiality shall be subject to their duties under the 2000 Act and 2004 Regulations. No Partner shall be in breach of Clause 26 if it makes disclosures of information in accordance with the 2000 Act and/or 2004 Regulations.

27 OMBUDSMEN

The Partners will co-operate with any investigation undertaken by the Health Service Commissioner for England or the Local Government Commissioner for England (or both of them) in connection with this Agreement.

28 INFORMATION SHARING

28.1 The Partners agree to exercise their rights and obligations under this Agreement at all times in compliance with their respective obligations under the Data Protection Legislation.

28.2 Without prejudice to the obligation under Clause 28.1, the Partners will comply with the Data Sharing Protocol set out in Schedule 8, as agreed and amended between the Partners from time to time.

29 NOTICES

29.1 Any notice to be given under this Agreement shall either be delivered personally or sent by first class post or electronic mail. The address for service of each Partner shall be as set out in Clause 29.3 or such other address as each Partner may previously have notified to the other Partner in writing. A notice shall be deemed to have been served if:

29.1.1 personally delivered, at the time of delivery;

29.1.2 posted, at the expiration of forty eight (48) hours after the envelope containing the same was delivered into the custody of the postal authorities; or

29.1.3 if sent by electronic mail, at the time of transmission and a telephone call must be made to the recipient warning the recipient that an electronic mail message has been sent to him (as evidenced by a contemporaneous note of the Partner sending the notice) and a hard copy of such notice is also sent by first class recorded delivery post (airmail if overseas) on the same day as that on which the electronic mail is sent.

29.2 In proving such service, it shall be sufficient to prove that personal delivery was made, or that the envelope containing such notice was properly addressed and delivered into the custody of the postal authority as prepaid first class or airmail letter (as appropriate), or that the electronic mail was properly addressed and no message was received informing the sender that it had not been received by the recipient (as the case may be).

29.3 The address for service of notices as referred to in Clause 29.1 shall be as follows unless otherwise notified to the other Partner in writing:

29.3.1 if to the Council, addressed to the [INSERT JOB TITLE];

Tel: [INSERT]
Email: [INSERT]

and

29.3.2 if to the ICB, addressed to the [INSERT JOB TITLE];

Tel: [INSERT]
Email: [INSERT]

30 VARIATION

30.1 [No variations to this Agreement will be valid unless they are recorded in writing and signed for and on behalf of each of the Partners.]

30.2 Where the Partners agree that there will be:

30.2.1 a new Pooled Fund;

30.2.2 a new Individual Scheme; or

30.2.3 an amendment to a current Individual Scheme,

the Partnership Board shall agree the new or amended Individual Scheme and this must be signed by the Partners. A request to vary an Individual Scheme, which may include (without limitation) a change in the level of Financial Contributions or other matters set out in the relevant Scheme Specification may be made by any Partner but will require agreement from all of the Partners in accordance with the process set out in Clause 30.3. The notice period for any variation unless otherwise agreed by the Partners shall be 3 Months or in line with the notice period for variations within the associated Service Contract(s), whichever is the shortest.

30.3 The following approach shall, unless otherwise agreed, be followed by the Partnership Board:

30.3.1 on receipt of a request from one Partners to vary the Agreement including (without limitation) the introduction of a new Individual Scheme or amendments to an existing Individual Scheme, the Partnership Board will first undertake an impact assessment and identify those Service Contracts likely to be affected;

30.3.2 the Partnership Board will agree whether those Service Contracts affected by the proposed variation should continue, be varied or terminated, taking note of the Service Contract terms and conditions and ensuring that the Partner holding the Service Contract/s is not put in breach of contract, its statutory obligations or financially disadvantaged;

30.3.3 wherever possible agreement will be reached to reduce the level of funding in the Service Contract(s) in line with any reduction in budget; and

30.3.4 should this not be possible and one Partner is left financially disadvantaged as a result of holding a Service Contract for which the budget has been reduced, then the financial risk will, unless otherwise agreed, be shared equally between the Partners.

31 CHANGE IN LAW

31.1 The Partners shall ascertain, observe, perform and comply with all relevant Laws, and shall do and execute or cause to be done and executed all acts required to be done under or by virtue of any Laws.

31.2 On the occurrence of any Change in Law, the Partners shall agree in good faith any amendment required to this Agreement as a result of the Change in Law subject to the Partners using all reasonable endeavours to mitigate the adverse effects of such Change in Law and taking all reasonable steps to minimise any increase in costs arising from such Change in Law.

31.3 In the event of failure by the Partners to agree the relevant amendments to the Agreement (as appropriate), the Clause 23 (Dispute Resolution) shall apply.

32 WAIVER

No failure or delay by any Partner to exercise any right, power or remedy will operate as a waiver of it nor will any partial exercise preclude any further exercise of the same or of some other right to remedy.

33 SEVERANCE

If any provision of this Agreement, not being of a fundamental nature, shall be held to be illegal or unenforceable, the enforceability of the remainder of this Agreement shall not thereby be affected.

34 ASSIGNMENT AND SUBCONTRACTING

The Partners shall not sub-contract, assign or transfer the whole or any part of this Agreement, without the prior written consent of the other Partners, which shall not be unreasonably withheld or delayed. This shall not apply to any transfer to a statutory successor of all or part of a Partner's statutory functions.

35 EXCLUSION OF PARTNERSHIP AND AGENCY

35.1 Nothing in this Agreement shall create or be deemed to create a partnership under the Partnership Act 1890 or the Limited Partnership Act 1907, a joint venture or the relationship of employer and employee between the Partners or render either Partner directly liable to any third party for the debts, liabilities or obligations of the other.

35.2 Except as expressly provided otherwise in this Agreement or where the context or any statutory provision otherwise necessarily requires, neither Partner will have authority to, or hold itself out as having authority to:

35.2.1 act as an agent of the other;

35.2.2 make any representations or give any warranties to third parties on behalf of or in respect of the other; or

35.2.3 bind the other in any way.

36 THIRD PARTY RIGHTS

Unless the right of enforcement is expressly provided, no third party shall have the right to pursue any right under this Agreement pursuant to the Contracts (Rights of Third Parties) Act 1999 or otherwise.

37 ENTIRE AGREEMENT

37.1 The terms herein contained together with the contents of the Schedules constitute the complete agreement between the Partners with respect to the subject matter hereof and supersede all previous communications representations understandings and agreement and any representation promise or condition not incorporated herein shall not be binding on any Partner.

37.2 No agreement or understanding varying or extending or pursuant to any of the terms or provisions hereof shall be binding upon any Partner unless in writing and signed by a duly authorised officer or representative of the parties.

38 COUNTERPARTS

This Agreement may be executed in one or more counterparts. Any single counterpart or a set of counterparts executed, in either case, by all Partners shall constitute a full original of this Agreement for all purposes.

39 GOVERNING LAW AND JURISDICTION

39.1 This Agreement and any dispute or claim arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims) shall be governed by and construed in accordance with the laws of England and Wales.

39.2 Subject to Clause 23 (Dispute Resolution), the Partners irrevocably agree that the courts of England and Wales shall have exclusive jurisdiction to hear and settle any action, suit, proceedings, dispute or claim, which may arise out of, or in connection with, this Agreement, its subject matter or formation (including non-contractual disputes or claims).

This Agreement has been entered into on the date stated at the beginning of it.

Signed by [**NAME AND JOB TITLE OF SIGNATORY**] for and on behalf of **[INSERT] COUNCIL**

____

Authorised Signatory

Signed by **[NAME AND JOB TITLE OF SIGNATORY]** for on behalf of **NHS [INSERT] INTEGRATED CARE BOARD**

____

Authorised Signatory

SCHEDULE 1 – SCHEME SPECIFICATION

Part 1 – TEMPLATE SERVICES SCHEDULE

See attached BCF Full Plan

Part 2 – AGREED SCHEME SPECIFICATIONS

See attached Project Delivery Plan

SCHEDULE 2 – GOVERNANCE[8]

Herefordshire Better Care Fund (BCF) Partnership Board

Terms of Reference

1. Aims

1.1 To support the integration of NHS, social care, public health and related services for the benefit of Herefordshire residents through:

- The development of joint commissioning strategies that support the integration of care across adults and children's services – in the context of the Integrated Care System, the One Herefordshire Partnership, Herefordshire Joint Strategic Needs Assessment, the Health and Well-being Strategy, the Herefordshire Children and Young People's Plan and other relevant strategic plans across the Council and CCG
- Ensuring effectiveness, safety and improved experience of services commissioned under the Section 75 (S75) agreement.
- Working within the budgets delegated by partner organisations through the powers delegated to the lead officers in accordance with the Schemes of Delegation of the two partner organisations
- To support the development of new models of care, focussing specifically upon integration and improvement of health and social care across Herefordshire.

2. Membership and representation

2.1 The core membership of the group is as follows:

Corporate Director Community Wellbeing	Herefordshire County Council
Assistant Director - All Age Commissioning	Herefordshire County Council
Director of Children's Services	Herefordshire County Council
Director of Public Health	Herefordshire County Council
Accountable Officer	Herefordshire and Worcestershire Clinical Commissioning Group
Chief Finance Officer	Herefordshire and Worcestershire Clinical Commissioning Group
Director of Partnership and Change	Herefordshire and Worcestershire Clinical Commissioning Group
Associate Director of Strategic Commissioning and Transformation	Herefordshire and Worcestershire CCG

2.2 In addition the following will attend meetings as required according to the agenda:

8 This is only an initial example and is based on a working group arrangement. Other options include a formal Regulation 10 Committee or a parallel committee structure if the Council has opted back to committee governance. Consider also whether or not the BCF governance can / should be aligned / integrated with the local Place-based Partnership governance arrangements.

Joint Strategic Finance Lead	Herefordshire County Council/ Herefordshire and Worcestershire CCG
Deputy Chief Finance Officer	Herefordshire and Worcestershire CCG

3. All members are appointed by virtue of the post or role that they hold. They will therefore remain a member for as long as they fulfil that post or role.

4. Members may have named substitutes but someone acting as a substitute for one member cannot also be the substitute for another member.

3. **Objectives**

Operational Business

3.1 Establish and maintain appropriate integrated commissioning arrangements and review their effectiveness annually.

3.2 Develop and implement appropriate and effective integrated commissioning plans in accordance with the priorities, outcomes and budgets set by the respective partner organisations and the Health and Well-being Board.

3.3 Establish appropriate and rigorous financial accountability mechanisms to ensure that the S75 agreement is fully implemented, and all contributed funds are used effectively for the intended purpose within agreed limits.

3.4 Agree and report against a joint performance management framework, including: monitoring achievement against the BCF standards; contract performance, and quality assurance.

3.5 Ensure timely and transparent budget reconciliation processes are in place, enabling both partners to monitor in-year expenditure against plan, identify variances, and agree corrective actions through the Joint Commissioning Board or equivalent governance forum.

3.6 Support development and implementation of the Herefordshire Better Care Fund plan.

3.7 Ensure that public, patients, service users and carers are given the opportunity to shape how services are organised and provided.

3.8 Ensure that the statutory duties and responsibilities of relevant partners are discharged by integrated commissioned services, including Safeguarding responsibilities in respect of children and vulnerable adults.

3.9 Ensure that all integrated commissioning meets the requirements of the Equality Act and undertake an Equality Impact Assessment for service developments or significant service changes.

4. Reporting arrangements

4.1 The members of the Joint Strategic Commissioning Executive Group (BCF PARTNERSHIP BOARD) will be responsible for ensuring that their organisations are briefed appropriately.

4.3 The BCF PARTNERSHIP BOARD will ensure that reporting of the Better Care Fund is in line with the national requirements.

4.4 The BCF PARTNERSHIP BOARD will produce a full report for the Health and Well-being Board annually, with an interim report half-way through the year.

5 Conducting the business of the meetings

5.1 The BCF PARTNERSHIP BOARD will be supported by the Joint Strategic Commissioning Partnership Group. The Chairing of the group will be agreed between the Corporate Director Community Wellbeing and the Accountable Officer.

5.2 Meetings will be held a minimum of six-weekly on dates to be agreed in advance or at such other intervals as may be agreed by the members.

5.3 The agenda will be developed by the members of the JSCPG at their monthly meeting which will meet in between meetings of the BCF PARTNERSHIP BOARD. Agendas and any papers will be agreed jointly between the partner organisations.

5.4 To be quorate, there must be a minimum of two representatives from each organisation, to include: the Corporate Director Community Wellbeing from the County Council or their designated deputy and the Accountable Officer from the CCG or their designate deputy.

Terms of Reference agreed on: November 2025

For review by 31st August 2026 or before if required.

SCHEDULE 3 – FINANCIAL ARRANGEMENTS, RISK SHARE AND OVERSPENDS[9]

1.1 Unless the context otherwise requires, the defined terms used in this Schedule shall have the same meanings as set out in Clause 1 of the main body of Agreement.

1.2 Subject to any contrary provision in the relevant Scheme Specification, the Parties agree that Overspends or Underspends shall be managed in accordance with this Schedule 3.

Financial Contributions

1.3 Herefordshire Council shall be the host of the pooled funds for which it is lead commissioner. Financial Contributions will be paid into the Pooled Fund quarterly on invoice from Herefordshire Council to Herefordshire and Worcestershire NHS ICB.

1.4 Herefordshire and Worcestershire NHS ICB shall be the host of the pooled funds for which it is lead commissioner. Financial Contributions will be paid into the Pooled Fund quarterly on invoice from Herefordshire and Worcestershire NHS ICB to Herefordshire Council.

Pooled Fund Management

1.5 Overspending

1.5.1 The Partnership Board shall consider what action to take in respect of any actual or potential Overspending.

1.5.2 The Partnership Board shall, acting reasonably and having taken into consideration all relevant factors (including where appropriate the Better Care Fund Plan and any agreed outcomes and any other budgetary constraints) agree appropriate action in relation to Overspending which may include the following:

a) whether there is any action that can be taken in order to contain expenditure;

b) whether there is any underspending that can be transferred from any other fund maintained under this Agreement; and

c) how any Overspending shall be apportioned between the Partners, such apportionment to be just and equitable taking into consideration all relevant factors.

1.5.3 The Partners agree to co-operate fully to establish an agreed position in relation to any Overspending.

1.5.4 Where there is Overspending in a Non-Pooled Fund at the end of the Financial Year or at termination of the Agreement, such Overspending shall be met by the Partner whose Financial Contributions to the relevant Non-Pooled Fund

9 The Partners will need to carefully consider how to deal with Overspends and whether this will be applicable across all Funds under the Agreement or different for each Individual Scheme.

were intended to meet the expenditure to which the Overspending relates save to the extent that such Overspending is not the fault of the other Partner.

1.6 Underspending

1.6.1 The Partnership Board shall consider what action to take in respect of any actual or potential Underspending

1.6.2 The Partnership Board shall, acting reasonably and having taken into consideration all relevant factors (including where appropriate the Better Care Fund Plan and any agreed outcomes and any other budgetary constraints) agree appropriate action in relation to Underspending which may include the following:

a) whether there is any action that can be taken in order to expedite expenditure in schemes or services that are delayed.

b) whether any Underspending that can be transferred to any other fund maintained under this Agreement; and

c) how any Underspend shall be apportioned between the Partners, such apportionment to be just and equitable taking into consideration all relevant factors.

1.6.3 The Partners agree to co-operate fully to establish an agreed position in relation to any Underspends.

1.6.4 Where there is an Underspend in a Non-Pooled Fund at the end of the Financial Year or at termination of the Agreement, such Underspend shall be retained by the Partner whose Financial Contributions to the relevant Non-Pooled Fund were intended to meet the expenditure to which the Underspend relates save to the extent that such Underspend is not agreed to be shared with the other Partner.

1.7 Subject to any continuing obligations under any Service Contract entered into by either Partner, either Partner may give notice to terminate a Service or Individual Scheme where the Scheme Specification provides and where the Service does not form part of the Better Care Fund Plan.

SCHEDULE 4 – JOINT WORKING OBLIGATIONS

Part 1 – LEAD PARTNER OBLIGATIONS[10]

1. COMMISSIONING OBLIGATIONS

1.1 Education, health and social care commissioners in Herefordshire recognise that they have individual principles and commissioning cycles, below is a broad set of obligations that underpin the commissioning process:

- Effective leadership is key in commissioning and de-commissioning services, with transparency and accountability in decision-making process;
- Commissioning takes place within relevant legislative, regulatory frameworks and agreed strategic approaches;
- Person-centred service models are at the heart of the commissioning cycle, with genuine involvement and consultation with local people and their carers who use commissioned services;
- The commissioning process is based on local data, such as the Joint Strategic Needs Assessment, providing information about local population needs now and in the future;
- Commissioning and investment decisions ensure services are value for money and will achieve the best possible outcomes for local people;
- There is a focus on quality and outcomes for patients/service users and their carers. Innovation and new ways of working together are welcomed within a service framework that offers quality and improved outcomes. This includes commissioners agreeing with and services abiding by their agreed policies and procedures including staff recruitment, training and supervision, appraisal, managing allegations against staff/volunteers, whistleblowing, complaints and serious case reviews/incident reports.
- There is a robust performance and contract management framework which monitors service provision including outcomes, and supports the delivery of high quality services with best value for money.;
- Ensuring commissioners develop competencies and procurement skills that promote good working relations with service providers and achieve expected outcomes.
- Commissioners act as an enabler to place shaping and market management to ensure choice and quality provision is available.

2. SUMMARY

2.1 Our commitment, embedded within our obligations is to strive to achieve commissioning that is intelligent and outcomes based, demonstrating:

- Person-centred and focuses on outcomes
- Promotes health and wellbeing for all
- Delivers social value
- Coproduced with stakeholders, people, their carers and their communities
- Promotes positive engagement with providers/stakeholders
- Promotes equality

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10 These are illustrative only of the sorts of things that the Partners may want to have reported, agreed etc. It is based on the NHS Standard Contract so will need to be amended to reflect the fact that Councils are likely to commission some services on their own contracts. The Partners need to consider/amend these and consider whether there are other restrictions or requirements that need to be imposed. Also consider if consent would be needed from all Partners or just relevant Partners (e.g. dependant on the type of services affected)

- Effective joint leadership
- Demonstrates a whole systems approach
- Uses evidence/data to inform modelling
- Ensures diversity, sustainability and quality of the market
- Provides value for money
- Develops the commissioning and provider workforce

2.2 Terminology used in this Schedule shall have the meaning attributed to it in the NHS Standard Form Contract save where this Agreement or the context requires otherwise.

3. Specific Duties of the Lead Commissioner include:

3.1 The Lead Commissioner shall notify the other Partners if it receives or serves:

a. a Change in Control Notice;
b. a Notice of an Event of Force Majeure;
c. a Contract Query;
d. Exception Reports

and provide copies of the same.

3.2 The Lead Commissioner shall provide the other Partners with copies of any and all monitoring reports, performance reports, action plans in accordance with monitoring arrangements set out in this agreement:

3.3 The Lead Commissioner shall consult with the other Partners before attending:

- An Activity Management Meeting;
- Contract Management Meeting;
- Review Meeting; and
- to the extent the Service Contract permits, raise issues reasonably requested by a Partner at those meetings.

3.4 The Lead Commissioner shall not:

- Permanently or temporarily withhold or retain monies pursuant to the Withholding and Retaining of Payment Provisions;
- Vary any Provider Plans (excluding Remedial Action Plans);
- Agree (or vary) the terms of a Joint Investigation or a Joint Action Plan;
- Give any approvals under the Service Contract;
- Agree to or propose any variation to the Service Contract (including any Schedule or Appendices);
- Suspend all or part of the Services;
- Serve any notice to terminate the Service Contract (in whole or in part);
- Serve any notice;
- Agree (or vary) the terms of a Succession Plan;

Without the prior approval of the other Partners (acting through the Joint Commissioning Board) such approval not to be unreasonably withheld or delayed.

3.5 The Lead Commissioner shall advise the other Partners of any matter which has been referred for dispute and agree what (if any) matters will require the prior approval of one or more of the other Partners as part of that process.

3.6 The Lead Commissioner shall notify the other Partners of the outcome of any Dispute that is agreed or determined by Dispute Resolution

3.7 The Lead Commissioner shall share copies of any reports submitted by the Service Provider to the Lead Commissioner pursuant to the Service Contract (including audit reports)

4. OBLIGATIONS OF THE OTHER PARTNER

4.1 Terminology used in this Schedule shall have the meaning attributed to it in the NHS Standard Form Contract save where this Agreement or the context requires otherwise.

- Each Partner shall (at its own cost) provide such cooperation, assistance and support to the Lead Commissioner (including the provision of data and other information) as is reasonably necessary to enable the Lead Commissioner to:
- Resolve disputes pursuant to a Service Contract;
- Comply with its obligations pursuant to a Service Contract and this Agreement;
- Ensure continuity and a smooth transfer of any Services that have been suspended, expired or terminated pursuant to the terms of the relevant Service Contract;
- No Partner shall unreasonably withhold or delay consent requested by the Lead Commissioner.

4.2 Each Partner (other than the Lead Commissioner) shall:

- Comply with the requirements imposed on the Lead Commissioner pursuant to the relevant Service Contract in relation to any information disclosed to the other Partners;
- Notify the Lead Commissioner of any matters that might prevent the Lead Commissioner from giving any of the warranties set out in a Services Contract or which might cause the Lead Commissioner to be in breach of warranty.

4.3 Where the Services Contract in use is not in the form of the NHS Standard Contract and Lead Commissioning Arrangements apply, the Partners will agree with one another how the Partner who is acting as Lead Commissioner will report to the other Partner and how the other Partner will work with the Lead Commissioner, on terms which will be (where appropriate) equivalent to those set out in this Schedule.

SCHEDULE 5 – PERFORMANCE ARRANGEMENTS

Better Care Fund Performance Management Framework

1. Introduction

The Better Care Fund (BCF) Performance Management Framework works within the governance, management and project assurance requirements of the commissioning Partners and therefore aims not to create a separate process, but to ensure that the role of the BCF as a significant lever for transformation through collaboration and integration is effectively planned, delivered, monitored, reviewed and redirected as appropriate within existing arrangements.

2. Roles and Responsibilities

The Health and Wellbeing Board will

- receive quarterly reports on the progress of the BCF implementation
- and scrutinise delivery against the expectations of the Health and Wellbeing Strategy and the BCF outcomes set out in the BCF Plan.

The Herefordshire Strategic Commissioning Executive Group may exercise all powers available to individual members, within the authority delegated by existing HC and H&WCCG governance arrangements, and in accordance with any constitutional or legislative requirements and will:

- receive a monthly Summary Highlight Report on the progress of BCF implementation
- specifically challenge progress against the Joint Commissioning Plan
- review the Performance Dashboard and the achievement of agreed outcomes
- review the Risk and Issues Log and agree appropriate mitigation requirements
- Take and record decisions made in order to ensure delivery against the BCF Plan and or changes to the plan that improve the opportunity to deliver the required outcomes

The Herefordshire Strategic Commissioning Executive Group also has responsibility for the monitoring of the Section 75, Risk Share and Contingency Plan for the Pooled Fund arrangements (Schedule 4). The process for this is covered within the separately documented Governance arrangements but the agendas will run in parallel to ensure that the board has the full picture for decision making.

The Herefordshire Strategic Commissioning Partnership Group is the Steering Group for the delivery of the BCF Plan. The membership is commissioners at a senior management

level. Members of the group take responsibility for delivery of the schemes or projects that they are leading and communications into and across their organisations in order to ensure effective understanding of the planned activity and outcomes and support for identifying interdependencies and opportunities to great greater benefits. A key role for this group is to provide assurance to the Herefordshire Strategic Commissioning Executive Group.

3. Documents

Standard templates have been put in place to support consistent planning recording of progress and ease of performance analysis.

SCHEDULE 6 – BETTER CARE FUND PLAN

See attached

SCHEDULE 7 - POLICY FOR THE MANAGEMENT OF CONFLICTS OF INTEREST

See attached

SCHEDULE 8 – INFORMATION SHARING

See Attached

APPENDIX 1 – DATA SHARING PROTOCOL / DATA EXCHANGE

See Attached

Herefordshire Council

Title of report: Western Bypass Phase One – Update Report

Meeting:	**Cabinet**
Meeting date:	**24 September 2026**
Cabinet Member:	**Councillor Philip Price, Transport and Infrastructure**
Director:	**Corporate Director, Economy and Environment**
Report Author:	**Corporate Director, Economy and Environment**

Classification

Open

Decision type

Key

Ward(s) affected

All Wards

Purpose

To note the progress made to date with the design of the Western Bypass Phase One in line with the first stage of the Pre-Contract Services Agreement (PCSA) and to delegate authority to the Corporate Director to implement the actions set out in this report.

Recommendation(s)

That Cabinet

a) Notes the progress that has been made to date following the award of the Pre-Construction Services Agreement (PCSA) on 30 April 2026;
b) Receives an update from the Corporate Director Economy and Environment on the progress which has been made with land acquisition and the Compulsory Purchase Order;
c) Delegates authority to the Corporate Director Economy and Environment to conclude corrective action in the PCSA process with the contractor to achieve construction works and costs under the NEC4 Engineering and Construction Contract ('Construction Contract') within the agreed governance and budget;

d) Following the conclusion of the Corporate Director Economy and Environment's review in recommendation c), then delegates authority to the Corporate Director to implement the actions in paragraph 24 or 25 of this report in consultation with the Cabinet Member Infrastructure and Transport.

Alternative options

1. To not ask the Corporate Director Economy and Environment to conclude the corrective action within the PCSA process, which will result in a bid from the contractor for the construction works. This is not recommended as the council would receive an incomplete bid under the PCSA which may not keep the final costings within the agreed governance and budget.

Key considerations

Background:

2. In July 2025 Cabinet agreed to the Western Bypass Phase 1 Procurement Strategy (the Procurement Strategy) and delegated to the Corporate Director Economy and Environment to undertake a two-stage procurement process and award of a Pre-Construction Services Agreement (PCSA) to a contractor through a compliant framework for design and early contractor involvement on the Western Bypass Phase 1 (the Project). This report provides a progress update on the PCSA.

3. In July 2025 Cabinet delegated authority to the Commercial and Investment Manager Property Services to agree the Heads of Terms and subsequent acquisition of land, within the approved budget. In December 2025 Cabinet agreed to resolve that the Council make *The County of Herefordshire District Council (Hereford Western Bypass – Phase One) Compulsory Purchase Order 2026* (the CPO) and *The County of Herefordshire District Council (Hereford Western Bypass – Phase One) Side Road Order 2026* (the SRO) and Cabinet delegated authority to the Corporate Director Economy and Environment to take the operational steps to progress both of these. This report provides a progress update on the CPO and the acquisition of land by negotiation.

4. In April 2026, Cabinet approved the criteria by which the full business case would be assessed against (Assessment Criteria). With the design phase of the PCSA nearing completion, it is now prudent for the council to seek assurance that the corrective action in the PCSA, which is set out in paragraphs 18 to 23, will result in works and costings within the agreed governance and budget. This will enable an assessment of the full business case against the Assessment Criteria.

Progress Under the Pre-Construction Services Agreement

5. The PCSA authorised by Cabinet in July 2025 allowed the contractor to be brought on board at an early stage and enable the necessary design works to be undertaken in parallel with construction preparations.

6. The contractor has been working to finalise a design since their appointment on 30 April and, alongside Herefordshire Council Officers, they have engaged with third parties who are necessary for the progression of the scheme including National Highways and Network Rail. During this engagement it has become apparent that revisions to the scheme were required to accommodate changes to road and bridge standards implemented by National Highways through the revised Design Manual for Roads and Bridges.

7. It is expected that the final design works and costings will be completed during the Autumn.

Update on Land Acquisition and the Compulsory Purchase Order

8. The Council has engaged in negotiations with landowners for the acquisition of land by private treaty since the start of the project. These negotiations have, by nature, been confidential and it is not proposed to give a case by case update in this report.

9. These negotiations have been complex, in part, due to the need to resolve issues around future land access, separation of land parcels, accommodation works and in addition to these to work around other issues associated with farming cycles.

10. As the draft programme of construction works has emerged changes have also had to be made which impacted on the areas of land required for temporary use whilst the scheme is under construction and these have also taken time to resolve.

11. There are seven parcels of land required to construct the Phase One scheme. One is already in council ownership. Substantial progress has been made to acquire the remaining parcels by negotiation with the landowners. The council has Heads of Terms with four, is currently finalising the Heads of Terms with one and has received confirmation from the remaining landowner that they do not wish to negotiate with the council any further. Progress has been made towards making the CPO order which would acquire the final piece of land.

12. As the negotiations for acquiring the land and access rights by agreement have continued (and one landowner has publicly stated they would not agree to a sale), the CPO and Side Roads Order (SRO) must now continue to ensure that all necessary ownership rights are obtained and third-party rights (including unknown rights) are extinguished.

13. The decision to progress the CPO and SRO (together the Orders) for the scheme was authorised previously by Cabinet in December 2025 with authorisation delegated to the Corporate Director for Economy and Environment to make any minor or technical amendments required to the Orders before they are made.

14. The PCSA has identified the need to include further land and rights identified during the design work and the Orders will be revised accordingly.

15. The timeline for the conclusion of the Orders process will depend on whether they are contested, however any final decision by the Secretary of State is still expected to take 12-18 months (from the point that the Orders are ready to be issued).

16. Despite the potential need to rely on the Orders for the acquisition of one parcel of land and to remove any unknown legal rights, the Council has been advised that the Contract for the construction of the Western Bypass Phase 1 can be signed prior to the acquisition of all parcels of land providing any remaining land needed is included within the Orders.

17. It should be noted that due to the seasonal nature some of the key pre-construction works such as ecology surveys and vegetation clearance, where entry works have not been completed by October for vegetation clearing/fencing, then it is likely that the construction works for those areas cannot commence until May 2027.

Corrective Action in the PCSA

18. The PCSA contains a mechanism to ensure that the risk of cost increases is handled in an appropriate manner and envisages that where these arise they will be managed through corrective action.

19. As highlighted earlier in the report, changes to the design have been required to bring elements up to the latest standards mandated by National Highways and Network Rail. The resulting impact of these changes has been to increase the estimated cost of the works.

20. Work to validate the proposed full business case Value Engineering (VE) options has also identified that planned savings to reduce total scheme cost are not achievable as they would require additional planning consents or impact on the extant, principal planning consent.

21. Seeking additional planning consents is not a viable option as the delays caused by the planning process would increase scheme costs and erode the savings being sought. The result is a reduction in the amount of savings VE options can have on the construction budget.

22. In addition to the above, since the procurement strategy was agreed by Cabinet in July 2025 and the PCSA was awarded in March 2026 there has been significant disruption to global supply chains due to conflict in the Middle East. This has led to significant construction inflation with the Department of Business and Trade publishing preliminary figures showing that Construction materials prices for “All Work” rose by 6.0% in the 12 months to June 2026[1].

23. The Council’s external Quantity Surveyors are supporting the processes set out in the PCSA which require the contractor to take corrective action in these situations however, due to the nature and extent of developments highlighted above, it is now recommended that assurance is sought by the Corporate Director for Economy and Environment that this process continues and will still result in a bid from the contractor for the construction works within the agreed governance and budget.

Scope of Mitigating Actions Proposed

24. Where the Corporate Director of Economy and Environment determines that the corrective action in the PCSA **will** result in a Construction Contract within the agreed governance and budget, then prior to the award of the Construction Contract, the Corporate Director will report back to Cabinet seeking approval of the full business case and the evaluation against the Assessment Criteria.

25. Should the Corporate Director of Economy and Environment determine that the corrective action in the PCSA **will not** result in a Construction Contract within the agreed governance and budget, then the Corporate Director of Economy and Environment shall:

    a. Conduct a procurement process with the intention to award a new Construction Contract to build the Western Bypass Phase 1 and prior to the award of the Construction Contract, will report back to Cabinet seeking approval of the full business case and the evaluation against the Assessment Criteria; or

    b. Revert to Cabinet with alternative proposals if a. cannot be achieved

Community impact

26. The full business case for Phase One has shown that the scheme will reduce traffic on Walnut Tree Avenue, Holme Lacy Road and on a section of the Belmont Road bringing improvements to these communities.

27. The proposals would directly impact those who own land along the route. This comprises seven different landowners. The Council Plan 2024 to 2028 notes that ‘We will create the conditions to deliver sustainable growth across the county; attracting inward investment,

[1] Latest construction materials prices | BCIS

building business confidence, creating jobs, enabling housing development and provide the right infrastructure'. The 2026/27 Delivery plan has the objective to expand and maintain the transport infrastructure network in a sustainable way and improve connectivity across the county; and continue the construction of Phase One and the development of Phase Two of the Hereford Western Bypass

Environmental impact

28. Herefordshire Council provides and purchases a wide range of services for the people of Herefordshire. Together with partner organisations in the private, public and voluntary sectors we share a strong commitment to improving our environmental sustainability, achieving carbon neutrality and to protect and enhance Herefordshire's outstanding natural environment.

29. The environmental impact will be considered in full during approval of the full business case and forms part of the Assessment Criteria.

30. The environmental impact of this proposal has been considered through the service specification and includes appropriate requirements on the contractor / delivery partner to minimise waste, reduce energy and carbon emissions and to consider opportunities to enhance biodiversity. This will be managed and reported through the ongoing contract management.

31. The development of this project has sought to minimise any adverse environmental impact and will actively seek opportunities to improve and enhance environmental performance.

Equality duty

33. The Public Sector Equality Duty requires the Council to consider how it can positively contribute to the advancement of equality and good relations and demonstrate that it is paying 'due regard' in our decision making in the design of policies and in the delivery of services.

34. The scheme includes changes and rerouting of some of the public footpaths in the area. Public footpaths can often be utilised by people on low incomes and disabled people as a method of accessing education or employment. Therefore, any public footpaths retained within the ownership of the council will need to continue to be maintained to ensure accessibility to all users and any newly diverted/ created footpaths retained by the council or returned to the landowner will need to ensure that accessibility is improved or maintained within ongoing maintenance requirements. Any enhanced maintenance of land returned to landowners will need to be considered within acquisition costs.

35. At the planning stage none of the objections to the scheme were related to equality issues. The scheme has received planning consent and objections to the scheme have been taken into consideration as part of that process.

36. The previous compulsory purchase order process received several objections from members of the public not directly impacted by the proposals. Valid concerns raised at that time by landowners and other stakeholders were taken on board and included within the final version of proposals and remain included within the current scheme. Further impacts may come to light as part of this process and consideration will be given at all stages to ensure that any reasonable impacts are mitigated by the final proposals.

Resource implications

37. There are no direct resource implications arising from the recommendations of this report. The total approved budget for this scheme is £45.3 million.

38. As identified in paragraph 24 and 25 above, the Corporate Director will report back to Cabinet prior to any decision to award the contract for construction works.

39. The budget for Phase One has previously been approved in the following governance decisions:

   a. £10.3m addition approved by Council (December 2023)
   b. £30.0m addition approved by Council (February 2025)
   c. £5.0m addition approved by Council (February 2026)

40. Total expenditure of £4.0m has been incurred to date (September 2026) with further commitments of £1.6m.

Legal implications

41. The recommendations is essentially an update to Cabinet on the current works and costings being performed under the PCSA and the status in relation to the land acquisitions.

42. The recommendations remain within the original authority from Council during approval of the capital budget. The recommendation d) delegates instruction to the corporate director to either proceed with actions to approve the full business case/assessment criteria or reprocure depending on the outcome of the review.

43. Construction can commence in advance of any residual land acquisitions providing that there remains a realistic route to acquiring the residual land (whether through conclusion of private negotiations or through compulsory purchase).

44. Any further procurements will be carried out in accordance with the Council's Contract Procedure Rules and current procurement legislation.

Risk management

45. The key risks associated with the PCSA phase leading to the full business case assessment are largely relate to the full project risks – those that move the project to the construction phase are set out below

Ref	Risk	Potential Impact	Mitigation
1	Full Business Case is found to be inaccurate or based on inaccurate data bringing the value for money case into question.	The council is unable to proceed with the construction of the scheme	The Full Business case includes a model validation report which demonstrates the accuracy, methodology and efficacy of the data that has been collected.

2	Full Business Case information not correct or robust enough to provide assurance	Council proceeds with a scheme which isn’t value for money	Consideration and challenge of the Full Business Case and summary assessment by scrutiny and with input from technical consultants.
3	The council is not successful in acquiring sufficient land either through negotiation or CPO.	The council is unable to proceed with the construction of the scheme	The council is working closely with landowners to incentivise the acquisition of the land through negotiation to ensure that the council receives good value for money and remove the need to acquire all the land by compulsory purchase order. A CPO will be sought and powers exercised if necessary to acquire the land.
4	The council is not successful in acquiring land through the CPO process.	The council is unable to proceed with the construction of the scheme on the unacquired land.	The council is looking to keep the land CPO requirements as close to the same requirements that were approved by the secretary of state previously when the Southern Link Road was being progressed. This should limit any potential challenge to the CPO given the previous CPO was approved.
5	Construction costs estimate exceeds available budget	The council is unable to proceed with the construction of the scheme	During the PCSA the quantity surveyor will work with the contractor to develop a series of further value engineering measures to ensure costs can be reduced and sufficient contingency is available in budgets before construction starts.
6	Required approvals from Network Rail, National Highways and Natural England are not achieved	The council is unable to proceed with the construction of the scheme	Officers have engaged early with key external organisations that need to approve elements of the scheme working towards design approvals.

7	Required planning permissions are not achieved	The council is unable to proceed with the construction of the scheme variation in costs that the council may be subject to.	Officers have carried out a pre-application review with the planning team to identify the key considerations and requirements.

Consultees

46. A Political Group Consultation was held on the 22nd July 2026 to consider the Full Business Case. A further PGC was held on 10th September 2026 to consider the issues that have emerged during the PCSA period. Similarly, comments received from members during the Political Group Consultation have helped inform the drafting of the summary report drawing out the following issues:

    a. Resolution of issues raised in scrutiny

    b. Timetable

    c. Business case and Assessment criteria

    d. Capital programme

    e. Value engineering

    f. Planning consent

    g. Traffic modelling

    h. Contracting method

47. Additionally, the Full Business Case for the Phase One project was considered by Connected Communities Scrutiny Committee on the 20 July 2026. The committee provided useful feedback on the Full Business Case and made nine recommendations for Cabinet to consider. These recommendations were considered by Cabinet on the 30 July and were accepted. This included the request that a high-level summary of the projects risk register be provided to Cabinet and that Cabinet consider increasing the amount of contingency budget. This matter is being picked up by the Council's external Quantity Surveyors.

Appendices

None

Background papers

Council Decisions

Council Meeting 08 December 2023
Capital Programme Review and Update
Proposed capital investment revisions from 2023-24

Outline Business Case

Council Meeting 09 February 2024
Capital Investment Budget and Capital Strategy Update
Current Status of the approved capital programme

Council Meeting 07 February 2025
Proposed Capital Investment Additions from 202526
Total Proposed Capital Programme
Outline business case

Council Meeting 13 February 2026
Capital Investment Budget and Capital Strategy Update
Proposed capital investment additions from 2627
Outline business case

Cabinet Decisions

Cabinet Meeting 28 March 2024
New Road Strategy for Hereford

Cabinet Meeting 17 July 2025
Procurement Strategy for Western Bypass

Cabinet Meeting 18 December 2025
Hereford Western Bypass Phase One Land Acquisition CPO

Cabinet Meeting 30 April 2026
Hereford Western Bypass Phase 1 – Assessment Criteria

Connected Communities Scrutiny Committee

CCSC Meeting 15 April 2026
Hereford Western Bypass Phase One – Assessment Criteria

CCSC Meeting 20 July 2026
Hereford Western Bypass Phase One - Full Business Case

Glossary of terms, abbreviations and acronyms used in this report

PCSA : Pre-Construction Services Agreement