

## Appendix 4 – Option B

Option	Summary and Implications
<p>Pause all work on the Hereford Bypass, undertake a review of the project to determine next steps and continue work on HTP active travel measures</p>	<p><b>Scope of work:</b></p> <p>Pause current HTP delivery programme.</p> <p>Develop a scope for a detailed review of the evidence base developed for the HTP to date. This could comprise a technical review of the original problem identification undertaken, a detailed review of the project objectives developed and the option assessment work completed.</p> <p>Initially a budget of £70,000 is estimated to enable the scope of such a commission to be developed and costed. This cost would be funded from the approved HTP capital budget for 2019/20.</p> <p>Once a scope and review cost has been developed and estimated a further report would be presented to enable further governance decision to be taken to commission the review and confirm how it will be funded. There is currently no allocation specified within the approved HTP capital budget for 2019/20 to develop and deliver HTP walking, cycling, bus and public space improvements only. Therefore a further governance report will be required to set out a delivery programme and cost of these projects to enable a decision to progress and to allocate this capital budget to the delivery of these improvements. Any amendment to the capital programme will require council approval and this decision report will also need to consider if the delivery of these projects meets the test to capitalise this spend.</p> <p><b>Considerations &amp; Risks:</b></p> <p>The HTP is identified in both the adopted Local Transport Plan and Core Strategy. It forms part of the council's policy framework and there is a risk that not progressing undermines/conflicts with adopted policy.</p> <p>The HTP and SWTP include the infrastructure needs for Hereford identified within the Core Strategy as being necessary to enable the full development of the HEZ and the Strategic Urban Extension housing sites and total housing number identified for Hereford during the plan period. Not progressing these packages could restrict or delay the development on the HEZ and prevent or delay the delivery of housing and other developments identified for Hereford in the core strategy. A delay in delivering housing in Hereford could also reduce the housing land supply for the county and</p>

restrict the council's ability to resist unplanned housing developments and undermine the plan led approach.

The council has engaged a wide range of stakeholders and partners in progressing its transport strategy and the HTP project. This comprises residents and businesses, organisations looking to invest in the city and wider county, statutory bodies responsible for associated infrastructure and regulation and potential funding bodies. There is a risk that a decision to pause and review the packages will signal a change in priorities, undermine confidence in the council's direction and result in greater uncertainty.

A decision to pause and review the bypass element of the HTP will mean that design and development of planning application will not progress to current programme and the planned development of the DfT's Transport Analysis Guidance (webTAG) compliant outline business case for the HTP will pause. Midlands Connect has identified the Hereford Bypass as a regional priority in the regional transport strategy and for consideration in the Department for Transport Large Local Majors funding process. In this option, the submission of a Strategic Outline Business Case to Midlands Connect and DfT as part of the process for Large Local Majors funding would not be progressed and this would impact on this potential funding source for the project.

Development of the information required for the LLM bid is well advanced and Midlands Connect have indicated that they would require confirmation of whether to continue to put forward the scheme for funding by 1<sup>st</sup> October 2019.

Bids have already been submitted by the council for funding for the project to the Housing Infrastructure Fund and Highways England Route Investment Strategy. These are currently being considered by central Government and no announcements have yet been made. This option could impact upon the likely success of these bids and the ability of the council to deliver in accordance with the terms likely to be applied by these funding routes.

The funding bids identified above could provide funding to deliver the project over the period 2020 to 2025. There are currently no other Government funding streams identified for major road infrastructure projects.

The work done to date on the scheme and business case development could inform continuation of this project if a decision is taken to proceed on completion of the review. Some current data and information may need to be updated

or resurveyed if it is no longer valid – this would depend on the length of the pause and review duration.

A pause on the bypass project may cause the land owners affected by the scheme / preferred route alignment to seek to force the council to acquire their land and there is currently no funding for land acquisition. If this occurs a further governance report will be required to enable a decision to progress and to allocate capital budget from the capital programme. Any amendment to the capital programme will require council approval.

If the bypass element of the project recommences after a review scheme costs are likely to have increased as a result of inflation.

The decision to pause the works would need to be reviewed on a regular basis. If the outcome of such a review is to cease then all capitalised costs will need to be funded from an appropriate revenue reserve.