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 2025/6 C/Fwd	Adjustments in Year* £000s Grant & Other changes Table B	2026/27 Current Capital Budget £000s	2026/27 Q1 Forecast £000s	2026/27 Outturn Variance to Forecast £000s	Reason for Forecast Variance to Current Capital Budget
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)