

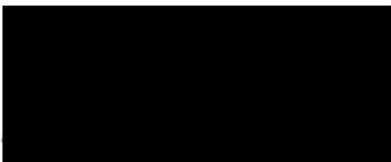
Record of operational decision

Decision title:	Hereford Western Bypass Phase 1 – Release of Development Funding
Date of decision:	8 July 2026
Decision maker:	Corporate Director, Economy & Environment
Authority for delegated decision:	The Cabinet decision dated 17 July 2025 Procurement Strategy for the Hereford Western Bypass – Phase One:- (c) Cabinet delegates authority 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 the design and early contractor involvement on the project within the current approved budget. The Cabinet decision dated the 28th March 2024 New Road Strategy for Hereford. c) Agrees to draw down and spend £10.3m of approved capital funding for Phase 1 of the Hereford Western Bypass (HWB) and £760,000 of revenue funding for Phase 2 of the HWB as included in this report at para 102 to 107; and
Ward:	All Wards
Consultation:	Consultation for this decision has taken place with Cabinet Member Infrastructure & Transport.
Decision made:	There is £10.3m available for the development of Phase One of the bypass. The largest element so far procured is following tender evaluations, a contract for a Pre-Construction Services agreement (PCSA) was awarded to John Graham Construction Limited for the sum of £1,859,960.73 in February 2026. As part of the decision, it was noted that several works and associated costs necessary for the design of Phase 1 were yet to be committed. These costs have now crystallised. Authority is sought for the release of funding from the development budget for: 1. To progress additional pre-construction works to keep the project on agreed programme. 2. Spend on utilities (surveys, making safe and moving where required) ensuring that the planned construction work doesn't adversely impact the critical utilities in the area. 3. Extension of professional services with AECOM providing critical design advice and technical overview of the emerging works. Specifically in relation to item 1 above the works that would be added to the PCSA are: - Design of the bridge structure that will pass over the Welsh Marches line. - Fencing works. - Site clearance.

	- Taking forward ecological mitigation works such as the instillation of barrier fencing for Great Crested Newts. - Various survey works required to inform the design. All of these works were known as being required and budgetary allowance made within the overall £10.3m development budget. Work with utility operators has also progressed and arrangements for some utility relocations ahead of construction are due to take place over the coming months. AECOM have completed work on the Full Business Case but are now supporting the pre-construction work with technical advice on planning and ecology works.
Reasons for decision:	The additional pre-construction activities identified within this report are necessary to complete the development of Phase 1 and maintain the approved programme for delivery. Whilst the requirement for these activities was known at the time the Pre-Construction Services Agreement (PCSA) was awarded, the precise scope, timing and associated costs could not be fully defined until the contractor was appointed and further investigation, surveys and design development had been undertaken. The proposed works represent an essential continuation of the development activities already being undertaken. Progressing these activities now will enable the contractor and design team to continue the detailed development of the scheme, reduce delivery risks, improve cost certainty and ensure that the project remains on track for consideration of the main construction contract award by Cabinet in September. The additional expenditure does not introduce new scope to the project. Rather, it enables the progression of elements already anticipated within the approved development budget of £10.3 million and is required to deliver the information, designs and mitigation measures necessary to support a fully informed decision on the construction phase. Collectively, the proposed activities will ensure that Cabinet is presented with a mature, de-risked and deliverable construction proposal, supported by developed designs, robust cost estimates and identified value engineering opportunities, thereby maximising confidence in the project's affordability and deliverability.
Highlight any associated risks/finance/legal/equality considerations:	Financial Implications The total budget for this project is £45.3m. This is made up of £10.3m which Cabinet authorised spend against for development work and £35m of capital allocation for construction. £2.960m has already been spent, with £1.43m also committed on development work against the £10.3m capital budget. This report is seeking to: 1 – Increase the PCSA costs by £1m to £2,859,960. 2 – Authorise all necessary works to protect the utility infrastructure in the works area, estimated costs of £1m. 3 - Authorise an uplift of £0.680m to the AECOM contract to allow for the technical support the Council requires to execute the works.

	The total released by the decision in this paper is: £2.680m. Risk Management This project has an up-to-date risk register, which is monitored at the monthly project board meetings. Key risks to the project are also reviewed monthly with the project steering group and with Cabinet. Legal Implications All aspects of contract, land and procurement processes have been supported by external legal advisers together with HC Legal. Equality considerations The public sector equality duty (specific duty) requires us to consider how we can positively contribute to the advancement of equality and good relations and demonstrate that we are paying 'due regard' in our decision making in the design of policies and in the delivery of services. The areas of investment will carry out equality impact assessments in design prior to delivery. The EIAs for each element will demonstrate they have considered the impact of the projects in change and improvements they are making.
Details of any alternative options considered and rejected:	1 - Not to increase spend limits on pre-construction works. This is not recommended as it would mean delays to the current programme, particularly delays to the completion of ecology work such as the installation of newt fencing and removal of vegetation which needs to be done in September/October or would otherwise have to wait until May next year.
Details of any declarations of interest made:	None

Signed.....



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Date: 9 July 2026