



Merton Meadow Flood Alleviation Scheme

Decision maker: Corporate Director for Economy and Environment

Date of Decision: 21 September 2026

Report by: Service Director Economy and Growth, Interim Head of Housing Development

Classification

Open

Decision type

Non-key

Wards affected

Widemarsh;

Purpose

Approval for additional expenditure due to the impact of unprecedented levels of rainfall and flooding on the site during January to March 2026

Recommendation(s)

That:

- a) **To approve expenditure of up to £250,000 to meet the additional cost incurred on the Merton Meadow Flood Alleviation scheme due to unprecedented rainfall incurred during the construction period leading to delays and increased groundwater levels, and;**
- b) **To delegate to the Director for Growth all operational decisions in finalising the project.**

Alternative options

- 1. To utilise a different budget to meet the additional costs. The reserve identified is income to the council from a project to support growth.

Key considerations

1. The construction of a flood alleviation scheme to solve long standing flooding issues around the Merton area to release city centre land for residential development has been a long-held Council policy ambition and is a priority in the Council Delivery Plan.
2. A £2million grant to fund the project was secured in September 2021 via the Government's Brownfield Land Release fund (BLRF). The conditions of the grant are that the scheme will release land for the development of 210 homes.
3. A planning application was submitted in April 2025 for the flood alleviation scheme, with approval granted in July 2025. Following a procurement process in accordance with the council's Contract Procedure Rules, Speller Metcalfe was appointed as the contractor and started on site on 20 October 2025.
4. The relevant governance decision can be found here: [Decision - Merton Meadows Flood Alleviation - delivery of construction works - Herefordshire Council](#)
5. Following the commencement of the construction programme it was impacted by a series of abnormal adverse weather events, in particular the level of rainfall. Due to the nature of the works; which includes excavations, foundations to retaining structures and the creation of a lined pond, delays were occurred due to flood water impairing works and the groundwater levels being significantly higher than determined during the pre-design site investigations.
6. Government records show that between October 2025 and June 2026, water levels and flood trends in Hereford followed a highly seasonal pattern, shifting from historic record lows in the summer of 2025 to volatile, repetitive flooding throughout the winter, starting with Storm Claudia on the 13–14 November, before stabilizing back to normal ranges by mid-June 2026. Water levels in excess of 150% of seasonal average being recorded.

Chronological Trend Overview

[Oct 2025]	---->	[Nov 2025]	---->	[Dec 2025]	---->	[Feb 2026]	---->	[Jun 2026]
Low/Normal		Storm Claudia		Major Surge		Lugg Overflows		Low/Stable
Baseline		Peak ~4.6m-5.6m		Peak ~4.4m-4.8m		Rapid Spikes		~0.37m-0.42m

7. This resulted in a significant and persistent delays to delivery of the required works due to the adverse weather conditions on site. The contractor Speller Metcalfe has provided compliant Compensation Events (CEs) with photographic evidence relating to flood events on the following dates;
 - a. 12th November 2025
 - b. 19th December 2025
 - c. 27th January 2026
 - d. 16th February 2026
 - e. 16th March 2026 – still flooded 23rd March 2026
 - f. 22nd May
 - g. 2nd June
8. Whilst these are the notification dates, on each occasion it has taken several days for the waters to subside/be removed via pumping to allow works to continue.
9. These surface water flood events have also led to issues with groundwater levels being considerably higher than those determined during the pre-construction site investigations. The

groundwater levels impacted construction progress and necessitated revised design solutions which in turn has had an adverse impact on cost and programme.

10. Council Officers have worked with the contractor to mitigate the additional costs as far as possible, but they could not be fully absorbed or negated.
11. Each Compensation Event submitted by the contractor has been fully reviewed by the technical design team and the council to ensure that it is valid in the context of the contractual conditions.

Community impact

12. The failure to complete the flood alleviation works will mean properties in the Merton Area will continue to be affected by flooding, and the land will not be released for the development of much needed affordable and open market housing.
13. The Council Plan specifically states that we will deliver affordable housing in the right locations. It states 'to address the need for affordable housing across the county we will work with housing partners to meet the target of 16,100 homes being built by 2041'.
14. The project will also support the regeneration of the city centre, bringing inner city living to the heart of Hereford generating leisure, culture and retail spend.
15. The council's policy in relation to this site are set out in
 - a. [Herefordshire Council Plan-2024-28](#)
 - b. [Herefordshire Housing Market Need Assessment 2021](#)
 - c. [Herefordshire Green and Blue Infrastructure Strategy 2023](#)
 - d. [Herefordshire Strategic Housing Market Assessment June 2008](#)
 - e. [Hereford City Strategic Flood Risk Assessment level-2 August-2020](#)

Environmental impact

16. The flood alleviation scheme not only seeks to unlock prime city centre land for residential development but also deliver on the council's [environmental policy commitments](#) and aligns to the following success measures in the County Plan.
 - a. Increase flood resilience
 - b. Reduce the council's carbon emissions by encouraging more people to live in the city centre and thus reduce reliance on the private car.
 - c. Improve residents' access to green space in Herefordshire
 - d. Improve energy efficiency of homes and build standards for new housing
 - e. Increase the number of short distance trips being done by sustainable modes of travel – walking, cycling, public transport

Equality duty

17. Due to the potential impact of this decision being low, a full Equality Impact Assessment is not required at this stage. However, EIA will be undertaken on the future delivery stages of the project which will deliver up to 400 units of inter-generational housing, designed to meet the needs of all communities including those with specific needs. The design of the housing will fully consider accessibility and make provision for affordable and social housing. The location near to the medical centre, the hospital, as well as services in the nearby city centre provides a range of opportunities to support local people with varying needs and demographics.
18. However, at this stage this decision only seeks approval to complete the implementation of the flood alleviation works.

Resource implications

19. The tables below set out the capital costs and spend to date on this capital project, as set out in the original decision paper, and relates solely to the proposal to fund the construction overspend due to the abnormal extreme weather event. The additional funds of up to £250,000 will be funded from the Skylon Reserve (B434). The funds are generated from the leased commercial property on the Hereford Enterprise Zone developed with previous grant funding, which requires income (over and above maintenance) to support growth.

Capital cost of project	2024/25	2025/26	2026/27	2027/28	Future Years	Total
	£000	£000	£000	£000	£000	£000
Construction & Professional Fees costs	393	620	987	0		2,000
Additional Expenditure due to extreme weather			250			250
TOTAL	393	620	1,237	-	-	2,250

Funding streams (indicate whether base budget / external / grant / capital borrowing)	2024/25	2025/26	2026/27	2027/28	Future Years	Total
	£000	£000	£000	£000	£000	£000
BLRF grant	393	620	987			2,000
Skylon Court Reserve (B434)			250			250
TOTAL	393	620	1,237	-	-	2,250

Legal implications

20. The intended use of funds for this project must satisfy and comply with any relevant funding conditions in light of the fact that the Hereford Enterprise Zone was developed with grant funding. The Chief Financial Officer is required to approve the use of reserves and report to Cabinet in accordance with the Council's Financial Procedure Rules.

The relevant legal provisions for this decision can be found in the council's constitution, www.herefordshire.gov.uk/constitution.

Risk management

21. The risk associated with decision relate to the contract financial obligations to pay the contractor under the terms of the construction contract entered into by the parties.
22. There are no perceived mitigation factors, the sum due is based on the original contract price and appropriate compensation event (CE) claims submitted under the terms of the contract post contract value engineering and mitigation.
23. If the recommendation is declined the council will need to identify alternative funding or it could face legal action.
24. Working on the assumption that the recommendation will be approved, the Project management office will ensure the outstanding CEs are correct and the amounts claimed are verified by the project cost consultants prior to seeking approval for payment at service level, via the usual council regime.

Consultees

21. Consultation has taken place with the S151 officer, Director of Finance, Strategic Capital Finance Manager, Corporate director Economy and Environment, and Council Cabinet. The reserve funding source, the principles have been agreed subject to the appropriate Council Governance being observed. A political group consultation was also undertaken as part of the original decision to proceed with the project.

Appendices

None

Background papers

None

Glossary of terms, abbreviations and acronyms used in this report

None