

Decision maker:	Cabinet member Infrastructure and transport
Decision date:	Thursday, 3 December 2020
Title of report:	Hereford City Centre Improvements
Report by:	Acting Assistant Director for Highways and Transport / Head of Infrastructure Delivery

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.

Notice has been served in accordance with Part 3, Section 11 (Cases of Special Urgency) of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) Regulations 2012.

Wards affected

Central;

Purpose

To approve the continuation of the public realm improvement scheme in the High Town area of Hereford City and the commencement of the development of a public realm improvement scheme for the area of Hereford city centre to the south west of High Town referred to as the Cathedral and River Wye Quarter.

To confirm that the £3m grant from The Marches LEP can be accepted and the capital programme updated accordingly.

Recommendation(s)

That:

- (a) **The Marches LEP grant of £3m be accepted and the Chief Finance Officer be authorised to sign the appropriate grant funding agreements.**
- (b) **The Hereford City Centre Improvements project is progressed to develop and deliver the following initial elements within a budget of £1.65m (as detailed in paragraph 49 of the report):**
 - (i) **A package of streetscape and green infrastructure elements, including improvement to market and event facilities for the Hereford City Centre Improvements (HCCI) area are identified and delivered as outlined in paragraph 19.**
 - (ii) **A review of the design for the public realm improvements in the remaining High Town area be undertaken;**
 - (iii) **The outline design for the Cathedral and River Wye quarter areas is undertaken, to include stakeholder engagement and public consultation of the proposals;**
 - (iv) **Further materials for the High Town area be procured in the event that expenditure on items (i) to (iv) above is forecast to be insufficient to meet the spend criteria of the LEP grant.**
- (c) **The Director for Economy and Place be authorised to take all operational decisions necessary to procure and deliver the elements (i) to (v) above and that a further report be prepared once items iii and iv have been completed to determine the remaining delivery programme for the completion of the overall HCCI project: and**
- (d) **The Chief Financial Officer be authorised to take all operational decisions necessary to accept the LEP grant and vary the capital programme by £0.5m, increasing the project budget to £6m, to incorporate the grant funding.**

Alternative options

1. Not to progress with the project. This is not recommended as this will reduce investment in Hereford city centre which is not consistent with the council's corporate policy to support the local economy and growth.
2. To progress with the delivery of the remaining areas of High Town element of the project based on the existing design. This is not recommended as the existing design was developed and consulted on over five years ago. Without further stakeholder engagement there is the potential that the scheme would not align with current needs and aspirations for the area.

Key considerations

3. Hereford City Centre Improvements are designed to support the local economy and enhance the retail environment. The refurbishment scheme is contributing to the delivery of the Herefordshire Streetscape Strategy to create an attractive, vibrant city centre to help support existing businesses and create new opportunities to encourage more visitors and retailers.

4. The current HCCI project comprises:
 - High Town refurbishment
 - St Owen Street cycle contraflow (to be delivered through the Accelerated Towns Fund)
 - City centre on street parking charging (Complete)
 - Resident parking in areas around the city centre (Complete)

5. On 21 July 2016 Cabinet considered consultation feedback and authorised the implementation of the proposals for the Hereford city centre improvements project. Details of this decision can be viewed using the following link:

<http://councillors.herefordshire.gov.uk/mglIssueHistoryHome.aspx?IId=50017877&Opt=0>

6. To date two phases of the High Town public realm refurbishment scheme have been delivered. These have provided an enhanced streetscape in High Street and Commercial Street, improving the environment for visitors and shoppers. These improvements have supported the occupation of empty premises and the conversion of space above retail units to residential accommodation.

7. The implementation of the on street parking charging and resident parking elements has also been completed. These support the mitigation of traffic impacts in the historic core area (on street parking charging), and the associated impact of displaced city centre parking on surrounding residential areas.

8. The St Owen Street contraflow cycleway provides a direct link from the east of the city and Rotherwas, along St Owen St to the city centre, providing enhanced crossing facilities for pedestrians and improvements to the layout of parking. Formal statutory consultation was undertaken in March and April 2019 for the proposed regulations and measures for the scheme. Further works to implement this scheme will now be delivered and funded through the Accelerated Towns Fund.

9. A feasibility business case was developed in 2019/2020 to provide justification for continuing the development the HCCI project and to support a capital funding bid for the project. As part of the request for further capital funding for the HCCI project, the extents of the HCCI project have been extended to include an area to the west of High Town. This includes Broad Street, King Street, Bridge Street and other smaller streets in the vicinity referred to as the Cathedral and River Wye Quarter.

10. The bid submitted was on the basis of need and scored against a criteria. The inclusion of the HCCI project within the Capital Programme 2019/20 was approved by Full Council on 15 February 2019. Details of this decision can be viewed using the link below:

<http://councillors.herefordshire.gov.uk/mglIssueHistoryHome.aspx?IId=50029532>

11. The capital request was approved to enable the continuation of the HCCI project including the completion of the High Town public realm element of the project, the development and delivery of public realm improvements in the Cathedral and River Wye Quarter.

12. A bid was made to The Marches LEP for funding for the HCCI project in June 2020 from the Getting Building Fund. The bid was selected by the LEP as one of the projects to be funded and was allocated £3m funding, to be matched by £3m from the council's Capital funding. This

grant funding will reduce the overall requirement for council capital funding for the project by £2.5m.

13. The terms of the Getting Building Fund require 50% of the grant funding (£1.5m) to be spent by March 2021, with the remaining 50% of the grant funding (£1.5m) to be spent by March 2022. This funding profile has informed the approach to the delivery of the project in the remainder of the 20/21 financial year and in the 21/22 financial year.

High Town Area

14. Following the completion of the first two phases of the High Town area and prior to the completion of the remaining phases, it is considered appropriate to review the design. This will be on the basis of lessons learnt from the delivery and operation of the first two phases of the High Town and the current aspirations for the development of this area.
15. The scope of the design review will include a review of the material pallet, and layout of hard landscaping as well as the overall streetscape including soft landscaping and street furniture. This will be undertaken within the context of the existing design and of the sections of the project completed to date to ensure that the public realm is coherent in this area.
16. The review will also evaluate the elements of public realm completed to date (Widemarsh Street, High Street and Commercial Street) to consider if further enhancements or amendments to these areas are required to align with the approach to the remaining area or to improve the public realm in these existing areas.
17. This design review will provide the opportunity for further engagement and consultation with businesses, organisations and other stakeholders. This will ensure that the approach to the remaining areas of the High Town area reflects the current aspirations of both the Council and stakeholders.
18. The design review will be undertaken in the initial phase of the project, and is currently anticipated to be completed by the end of March 2021.
19. A package of streetscape and green infrastructure elements will be identified and procured within the initial phase of the project. These elements will include:
 - Street furniture including benches and bins
 - Trees and soft landscaping
 - Public art
 - Provisions to maintain public safety including the risk of errant vehicles
 - Cycle storage provision
 - Street Lighting
 - Improvements to the facilities for markets and events
 - Measures to improve air quality
20. The distribution of these streetscape elements will be determined as part of the design review and where appropriate they will be installed within the public realm. This will provide for an early enhancement to the public realm whilst other elements come forward over a longer period.
21. In the event that the expenditure on the design review and streetscape elements is forecast not to be sufficient to meet the required spend profile of the grant funding, additional paving materials will be procured based on the existing High Town design. This will initially focus on the materials that would be required for the vehicle route through St Peter St to Commercial

St. The continuation of these materials would provide continuity of material pallet for vehicle routes throughout High Town. The design review will initially focus on this element such that it can be given consideration prior to material procurement should that be required.

22. The delivery of the remaining High Town Areas (St Peters Street & Central High Town) is anticipated to take place from the middle of 2021 through to the end of 2022. These works will be delivered in phases to manage the impact on the key city centre space. This programme is subject to the outcome of the design review.
23. There is an existing Western Power Distribution (WPD) substation that WPD advised has reached 'end of life' and requires replacement. It is currently located in the basement of a premises within the central High Town area. Discussions are ongoing with WPD over possible above ground locations for this substation but a location has yet to be agreed. The location of the new substation may require adaptation of the existing power cable network within High Town to accommodate the new location. This aspect needs to be resolved prior to further significant repaving works commences.

Cathedral & River Wye Quarter

24. An outline design for improvements to the Cathedral and River Wye Quarter will now need be developed. This will draw on the approach to the High Town area but will reflect the distinct character and function of this area.
25. The package of streetscape and green infrastructure elements as described in paragraph 20, will also cover the Cathedral & River Wye Quarter. Where feasible, these will be initially installed in the existing streets and will be subsequently be integrated into the improvements in this area.
26. Following the addition of the Cathedral & River Wye Quarter to the HCCI project, some early engagement with stakeholders was undertaken in late 2019 and early 2020. This engagement will continue as part of the development of the outline design. A public consultation will also be undertaken to inform the outline design.
27. It is anticipated that the development of the outline design will be completed by the middle of 2021.
28. Following the completion of the outline design, a detailed design will be developed taking on the outline design and consultation feedback to develop a final set of proposals. Further consultation will be undertaken in this period including where necessary statutory consultation on traffic regulation orders. The detailed design is currently anticipated to be completed in early 2022, and will be the subject of a further governance report.
29. Delivery of the improvements in the Cathedral and River Wye Quarter will, like the High Town area, proceed in a phased approach. Subject to the design that emerges from the outline design process, some phases of the delivery may come forward in parallel with the completion of detailed design in other areas. It is currently anticipated that the delivery will be completed by the middle of 2023. The progression of the delivery of the improvements will the subject of a further governance report.

Façade Grants

30. The overall appearance of the public realm includes the facades of premises fronting the public realm. In areas of High Town completed to date a number of premises have undertaken improvements to their façades and this has made an important contribution to the improvements in these areas.

31. In the current trading conditions the ability of businesses to invest in capital improvements to their facades is limited. It is therefore proposed that as part of the council's match funding element of the project a business grant programme for capital improvements to facades be developed. The detail of a grant scheme is subject to further development and will be the subject of a further governance report/decision.
32. The provision of grants to businesses was not part of the original feasibility business case for capital funding approved in April 2019, and was not explicitly referenced in the funding bid to the LEP but has been considered as part of the due diligence process thereafter. The LEP bid proposed the project would '*...increase private investment in property and businesses*' and it is from this aspect of the bid that the proposed grant scheme has been developed. The inclusion of a grant scheme as part of the project is something which the Cabinet are keen to consider further and its implementation will be the subject of a further governance decision.

Community impact

33. The Herefordshire Council Local Transport Plan 2016 – 2031 includes the HCCI as a package of works to make the city a more attractive place to visit and to provide a pedestrian and cycle friendly environment. It is intended that there will be a benefit to wide range of people and groups within the business and resident community.
34. The HCCI proposals also contribute to the County plan (2020 – 2024) which outlines the ambitions for the council over the next four years. These are:
 - Protect and enhance our environment and keep Herefordshire a great place to live.
 - Strengthen communities to ensure that everyone lives well and safely together.
 - Support an economy which builds on the county's strengths and resources.
35. The Herefordshire Council Delivery Plan 2020-2022 identifies that in the light of the Covid 19 pandemic the council seeks to reorder some of its plans and strategies capture, strengthen and increase the pace of change in some areas including Hereford City Centre and our market towns being reimaged, refocused and transformed as the way in which we live, work and play has dramatically changed even in the space of a few months.
36. The city centre refurbishment will provide better access, improve the space and liveability of the area and provide an improved and consistent approach to the city centre. This will bring economic benefits to the city centre and reduce on-going maintenance costs.

Environmental Impact

37. 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.
38. Transport and transport infrastructure are currently significant contributors to carbon emissions in both embodied and operational carbon. Both new and existing infrastructure has the potential to impact the ecological environment in the area surrounding that infrastructure. The public realm improvements provide an opportunity to support a mode shift from cars to public transport, walking and cycling through enhanced provisions for these alternative modes. This will make the access to and circulation within this area more attractive for non-car modes, whilst maintaining provision for those for whom car use is essential.

39. The development of the design for the Cathedral & River Wye Quarter will incorporate the lessons learnt from the pedestrian and cycle measures introduced as part of the response to the Covid 19 pandemic. This will support the inclusion of active travel elements in the scheme design.
40. The initial package of streetscape and green infrastructure elements will provide an opportunity to make a considerable enhancement to the soft landscaping and biodiversity within the city centre area. This will be achieved through a significant increase in tree planting, using above ground planters where necessary to maintain flexibility and as a result of significant below ground obstructions. Opportunities for further biodiversity enhancements through the use of green roofs on cycle shelters will also be accommodated where feasible.
41. Measures to make improvements to air quality within the city centre area will also be developed as part of the initial package of streetscape and green infrastructure elements. By making provision for measures within the HCCI, this provides the opportunity to improve air quality in the HCCI area and realising the benefits to people visiting and working in this area.

Equality duty

42. Under section 149 of the Equality Act 2010, the 'general duty' on public authorities is set out as follows:

A public authority must, in the exercise of its functions, have due regard to the need to -

 - (a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;
 - (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
 - (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
43. Public consultation took place from November 2015 to January 2016 on draft proposals for the original phases of the High Town refurbishment scheme together with the introduction of on-street parking charges, residents parking and the potential for a cycle contraflow scheme in St Owens Street. Whilst a range of views were expressed during public consultation and there were varying levels of support for the individual elements of the package, there was a generally high level of support for taking forward the proposed measures. A detailed consultation report was produced which outlined feedback received and was considered by Cabinet 21 July 2016. This can be viewed using the link provided in paragraph 3.
44. When redesigning the public realm in our city and town centres we are committed to working with user groups to ensure the design improves access for all. Through careful design of layouts, materials and the use of measures such as tactile paving we can help make it easier to move around and access shops and services.
45. Changes in the public realm in this key city centre area which is accessed by large numbers of visitors, shoppers and workers has the potential to have a high impact including the potential for negative impacts on those with protected characteristics. It will be essential that the needs of users are reflected in the design process as the scheme develops. Further Equality Impact Assessments (EqIA) will be carried out during the scheme development process to understand potential positive and negative impacts the scheme may have on each of the nine protected characteristics and on any other vulnerable groups.

Resource implications

46. The feasibility business case developed and submitted for the HCCI project as part of the Capital Programme 2019/20 identifies a budget of £5.5m funded from Prudential borrowing. The inclusion of the HCCI project within the Capital Programme 2019/20 was approved by Full Council on 15 February 2019. Details of this decision can be viewed using the link below:

<http://councillors.herefordshire.gov.uk/mglIssueHistoryHome.aspx?Ild=50029532>

47. Following the allocation of £3m grant funding from the Marches LEP for the project, the capital programme is to be amended to reflect the £3m grant funding and the required £3m match funding. As a result the overall project budget will increase by £0.5m from £5.5m to £6m, but the Council contribution from Prudential borrowing will reduce by £2.5m from £5.5m to £3m.
48. The terms of the LEP funding require 50% of the grant (£1.5m) to be spent by the end of March 2021, with the balance of the grant funding by the end of March 2022.
49. The tables below outlines the breakdown of spend between elements, profile and current funding source for the project:

Capital cost of project	2020/21	2021/22	2022/23	Future Years	Total
	£000	£000	£000	£000	£000
High Town Area					
<i>Design Review</i>	100	0	0	0	100
<i>Construction</i>	0	955	955	0	1,910
Cathedral and River Wye Quarter					
<i>Outline Design and consultation</i>	75	75	0	0	150
<i>Detailed Design</i>	0	159	0	0	159
<i>Construction</i>	0	296	1,185	298	1,779
Streetscape & Green Infrastructure	1,330	72	0	0	1,402
Business Grants	0	250	250	0	500
TOTAL	1,505	1,807	2,390	298	6,000

Funding streams	2020/21	2021/22	2022/23	Future Years	Total
	£000	£000	£000	£000	£000
<i>LEP Getting Building Grant</i>	1,505	1,495			3,000
<i>Capital Programme / Prudential Borrowing</i>		312	2,390	298	3,000
TOTAL	1,505	1,807	2,390	298	6,000

50. Whilst the works covered by this decision are capital expenditure the ongoing maintenance costs of the public realm will be a revenue cost. The proposed investment will support a reduction in maintenance costs for the hard landscaping elements of the public realm. The future revenue cost resulting from maintaining other elements of the proposed improvements will be managed within the overall public realm budget.
51. The delivery of the project will require procurement of a combination of professional services, products and construction services. An assessment of the approach to the delivery of these elements has been undertaken by the commercial services team in conjunction with the project team. This has recommended the delivery and procurement routes which can achieve the required spend profile as laid out in the terms of the LEP grant.
52. In considering the elements below the delivery approach encompassed a review of; existing contracts, use of frameworks and open procurement processes and their ability to meet the constraints associated with funding available.
53. The delivery/ procurement routes for the elements of the project are detailed below and take into consideration the requirement of project timescales and dependency on LEP funding available until March 2021:

Element	Proposed Delivery/ Procurement Route	Comment
High Town Area		
<i>Design Review</i> <i>To be complete by end of March 2021</i> <i>Estimated value £100k</i>	Call off through an existing contract	This is an acceptable delivery route for public realm design services. The use of the public realm contract for this element of the project will enable the funding secured to be spent on the project elements within the funding timescales. It prevents the loss of external grant funding. The works to be delivered are within the scope of the core services of the public realm contract and therefore can be commissioned using this route. The public realm contract was competitively tendered and the rates for these services have been tested as part of the tendering process.

		<p>A detailed brief and cost for these works will be scrutinised and agreed prior to works commencing and any variation will be managed through a robust change control process to enable value for money to be achieved and demonstrated.</p> <p>Using existing contractual mechanisms, this approach enables the review to commence immediately and support the other elements of spend in this period.</p> <p>All the existing design information, and construction aspects have been developed to date through this contract enabling this review to be completed quickly and efficiently</p>
<p><i>Construction</i></p> <p><i>To be completed by the end of 2022</i></p> <p><i>Estimated value £1.9m</i></p>	<p>Competed (Framework / Open Tender through procurement portal.)</p>	<p>This is the required route for works of this value under the contract procedure rules and there is sufficient time to procure in this way.</p> <p>The value of these works will require the procurement to follow OJEU (or subsequent UK) procurement process.</p> <p>It is anticipated that BBLP professional resource will be required to support this procurement and management of the subsequent contract.</p>
<p>Cathedral and River Wye Quarter</p>		
<p><i>Outline Design and consultation</i></p> <p><i>To be complete by end of June 2021</i></p> <p><i>Estimated value £150k</i></p>	<p>Competed (Framework / Open Tender through procurement portal.)</p>	<p>Given this is a new element of design it is considered that competitive procurement of these services is appropriate.</p> <p>In order to commence works as swiftly as possible a framework that has already been set up through an OJEU process is proposed.</p> <p>By undertaking a competition through a framework best value from the framework can be achieved.</p>
<p><i>Detailed Design</i></p> <p><i>To be complete by end of December 2021</i></p> <p><i>Estimated value £159k</i></p>	<p>Competed (Framework / Open Tender through procurement portal.)</p>	<p>A further procurement exercise for the detailed design will ensure that best value for this second element is maintained.</p> <p>By utilising a framework for a further competition, the next stage of the design can be procured in a short period after completion of the outline design so as to maintain the required programme.</p>
<p><i>Construction</i></p> <p><i>To be complete by end of March 2023</i></p> <p><i>Estimated value £1.8m</i></p>	<p>Competed (Framework / Open Tender through procurement portal.)</p>	<p>This is the required route for works of this value under the contract procedure rules and there is sufficient time to procure in this way.</p> <p>The value of these works will require the procurement to follow OJEU (or subsequent UK) procurement process.</p>

		<p>Subject to the design developed, it is likely that the construction will be split into smaller packages which will be procured separately.</p> <p>It is anticipated that BBLP professional resource will be required to support this procurement and management of the subsequent contract.</p>
<p>Streetscape & Green Infrastructure</p> <p><i>To be complete by end of June 2021</i></p> <p><i>Estimated value £1.4m</i></p>	<p>Call off through an existing contract</p>	<p>This element will require some design / specification of products and integration with the design review of High Town. The works to be delivered are within the scope of the core services of the public realm contract and therefore can be commissioned using this route.</p> <p>This element of the project will enable the funding secured to be spent on the project elements within the funding timescales. It prevents the loss of external grant funding.</p> <p>The public realm contract was implemented following a compliant OJEU process, and the rates for these services have been tested as part of the tendering process.</p> <p>A detailed brief and cost for these works will be prepared and will be required to evidence value for money through competition where relevant, on an open book basis. This will be scrutinised and agreed prior to works commencing and any variation will be managed through a robust change control process to enable value for money to be achieved and demonstrated.</p> <p>Given the anticipated value of products, the requirement for specification together with installation, this is the route which would best mitigate the risk of not achieving the required level of grant funding spend by March 2021.</p>
<p>Business Grants</p>	<p>N/A</p>	<p>Subject to decision to deliver a grant scheme it is considered these will be administered by Herefordshire Council.</p>

Legal implications

54. This is an Executive function under the Council's Constitution Part 3 Section 3 and 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 in Herefordshire) affected. It is also likely to result in the council incurring expenditure which is, or the making or savings which are, significant having regard to the Council's budget for the service or function concerned.

55. The Cabinet member infrastructure and transport has been given delegated authority from Cabinet in exercise of its functions under Part 3 Section 3 of the constitution to accept the grant from The Marches LEP, update the capital programme and give delegated authority to officers to sign the appropriate grant funding agreements to enable the Hereford City Centre Improvements project to be developed and delivered and for the continuation of the public realm improvement scheme referred to in the recommendation.
56. To secure these funds the council will be required to enter into a Grant Funding Agreement a copy of which has not yet been received. It is anticipated that the funding agreement will set out the detailed works which must be undertaken and will be funded as eligible expenditure. It is also understood that the grant monies have to have been defrayed by 31 March 2021.
57. It is likely that as well as detailing the works that will be funded there will be a number of clawback and termination events set out in the agreement which will allow Shropshire Council, as the Accountable Body for the LEP, to terminate the grant funding agreement and require monies paid to be recovered in the event that the project is not delivered in accordance with the grant funding agreement.
58. Local authorities have a fiduciary duty to council taxpayers, business ratepayers and other providers of local government finance to balance the interests of those who will benefit from expenditure against those who have contributed to the funds of the local authority when expending significant amounts of money like in the present case. Members should therefore be clear as to the likely benefits that will arise from the expenditure and that the way it will be spent gives value for money consistent with the council's best value.
59. The commissioning of contractors to provide the HCCI works will be in compliance with the Public Contracts Regulations 2015 ('PCR') and the council's own contract procedure rules.
60. There are no legal problems with the Cabinet member doing what is proposed.

Risk management

61. Key risks for the project and their mitigation are indicated below:

Risk / opportunity	Mitigation
<p>The required spend profile outlined by the LEP (50% LEP grant spend in 20/21 FY and 50% in 21/22FY) cannot be met, resulting in possible loss of grant funding and the return to a fully HC funded scheme.</p>	<p>Focus of initial elements of work on the areas of the project that have been developed previously to enable early start on works and expenditure.</p> <p>Adopt a delivery approach that encompasses use of existing contracts and competitive procurement procedures for initial elements of work that supports the necessary spend profile.</p> <p>Allow for advance material purchase to mitigate underspend if that is forecast.</p>
<p>The time constraint of the grant funding requires an approach to the project that differs from the original intention.</p>	<p>Review approach to project delivery with cabinet at early stage to understand</p>

	<p>aspirations and how these can be delivered within grant funding constraints.</p> <p>Sequence works to enable initial elements to be those for which there is greater certainty on what is to be delivered allowing further time to confirm and agree remaining elements.</p>
The ability of the market to respond and deliver in the required timescales.	Identify delivery routes early and commence market engagement at the outset to make the market aware of upcoming requirements.
Acceptable proposals for the replacement for the Maypole (High Town) substation cannot be agreed with Western Power Distribution (WPD). This could delay the delivery of parts of the city centre refurbishment works.	Ongoing discussions are being held with WPD to explore opportunities for the replacement substation.
Impact of undertaking construction works on businesses during the current Covid-19 situation causing additional pressure.	Ensure early and regular liaison with businesses throughout development and delivery of project.
Proposed works exceeding budget	Detailed scheme cost estimates to be developed and reviewed, with regular monitoring of project costs to be undertaken through the Verto project management system.
That the scale of investment in streetscape and green infrastructure may reduce the level of investment in public realm refurbishment than previously envisaged.	As part of the design review and design development ensure that the approach achieves the project objectives, even if the level of investment in the public realm is reduced.
Covid-19 - restrictions from Covid-19 impact on project staffing and ability to secure materials incurring additional cost and programme delay.	<p>Regular reviews to be undertaken to ensure sufficient resource levels together with business continuity plans to maintain project progress.</p> <p>Early engagement with suppliers to identify and allow for where possible increased lead time for materials.</p>
Grant funding time constraints limit extent of consultation possible.	<p>Identify key stakeholders who can support accelerated consultation where required on initial delivery elements.</p> <p>Sequence works to enable initial elements to be those for which there is greater certainty on what is to be delivered allowing</p>

	further time to confirm and agree remaining elements.
Aspirations identified in the consultation cannot be achieved within the current constraints. This could impact public acceptance of the scheme.	Ensure engagement and consultation is framed around scheme objectives.

62. The project is managed through the councils Verto project management system. Risks are reviewed and rated by the project board each month and reported to the programme board. Where indicated by the project or programme board, risks are escalated to the directorate and corporate risk register.

Consultees

63. Stakeholder engagement and public consultation was carried out on the Hereford City Centre Improvement schemes outlined in paragraph 4 in 2015. A detailed consultation report was produced which outlined feedback received. This was considered by Cabinet 21 July 2016 and authorised the implementation of the proposals for the Hereford city centre improvements project.
64. In 2019 a stakeholder reference group (SRG) was established for the HCCI and comprises of representatives of local businesses and organisations. The SRG is an advisory group who contribute to the design development process by helping to identify issues, outcomes, solutions and evaluate design proposals as they emerge.
65. As future proposals for the project progress a detailed Communications Strategy will be produced and further stakeholder engagement and public consultation will take place to inform the design development.

Appendices

None

Background papers

None

Please include a glossary of terms, abbreviations and acronyms used in this report.

HCCI	Hereford City Centre Improvements
LEP	Marches Local Enterprise Partnership
BBLP	Balfour Beatty Living Places
OJEU	Official Journal of the European Union