

Minutes of the meeting of Cabinet held at Three Counties Hotel, Belmont Road, Belmont, Hereford, HR2 7BP on Thursday 22 July 2021 at 2.30 pm

Present: Councillor David Hitchiner, Leader of the Council (Chairperson)
Councillor Liz Harvey, Deputy Leader of the Council (Vice-Chairperson)

Councillors Felicity Norman, Ellie Chowns, Pauline Crockett, Gemma Davies, John Harrington and Diana Toynbee

Group leaders / representatives in attendance: Councillors Peter Jinman, Jonathan Lester, Terry James, Bob Matthews and Toni Fagan

Scrutiny chairpersons in attendance: Councillors Jonathan Lester

Other councillors in attendance: Councillors Ange Tyler and David Summers

Officers in attendance: Chief Executive, Acting deputy chief executive - solicitor to the council and Acting deputy chief executive - chief finance officer

17. APOLOGIES FOR ABSENCE

Councillor Ange Tyler was not able to attend the meeting in person. She joined the meeting by remote video link to present reports in her portfolio area but did not vote on the decisions taken.

18. OPENING REMARKS

The leader of the council opened the meeting with a statement highlighting the concern of cabinet members regarding the continuing impact of covid. The number of cases in Herefordshire was doubling every seven days with rates extremely high in teenagers and young adults. The leader urged residents to remain cautious and to keep social distancing, wear a mask in public places and to get vaccinated as soon as possible.

The leader explained that the Cabinet meeting was being held in a covid secure venue with a limited number of people in attendance to ensure social distancing could be observed and urged all those watching to continue to protect one another.

19. DECLARATIONS OF INTEREST

None.

20. MINUTES

Resolved: That the minutes of the meeting held on 24 June 2021 be approved as a correct record and signed by the Chairperson.

21. QUESTIONS FROM MEMBERS OF THE PUBLIC (Pages 7 - 20)

Questions received and responses given are attached as appendix 1 to the minutes.

22. QUESTIONS FROM COUNCILLORS (Pages 21 - 24)

Questions received and responses given are attached as appendix 2 to the minutes.

23. HEREFORD CITY CENTRE TRANSPORT PACKAGE (HCCTP) - DEVELOPMENT OF THE REMAINING ELEMENTS

The cabinet member infrastructure and transport introduced the report. He commented that:

- many elements of the scheme did not appear to have been appropriately thought out;
- the way such projects were managed had now changed;
- councillors had a responsibility to keep an eye on things and challenge officers;
- the overspend on the project had been identified in 2017 and there should have been questions asked at that time as to how to deal with the situation.

The interim director for economy and place spoke to explain the history of the project. Cabinet members heard that:

- The overspend emerged in 2017;
- Using compulsory purchase orders was not an easy option and the process could be protracted;
- It was decided in 2017 to utilise some of the contingency funds within the budget to deal with the increased costs of land acquisition;
- In March 2021 further monies from the project envelope had to be allocated to deal with the land purchase costs
- The overspend meant that the remaining budget was insufficient to deliver the other elements;
- The council had made commitments to the Marches Local Enterprise Partnership (LEP) on the delivery of these projects;
- The report sought to draw a line under the previous governance and activity and move forward with the remainder of the programme as individual projects.

In discussion of the report cabinet members noted that:

- There should be sufficient funds in the budget for the design work on the transport hub to be carried out, and this would include public consultation;
- The design needed to be clever and need not involve a large amount of structure;
- The report had brought a lot of clarity to the situation but there was disappointment in the way the project had been managed previously;
- The remaining elements would have an impact on disabled people and those unable to use a car, it would also be a significant element in the council's aspirations to address climate change.

The chief executive expressed concern about the way costs on the project had escalated, lack of governance and communications to residents on progress and performance. He stated that it was right to conduct an audit investigation and apologise for inaccurate information that had previously been shared with residents and councillors.

Group leaders and representatives were invited to make comments and ask questions on behalf of their groups. Key points were noted as:

- Investment was needed in other parts of the county, as well as in the city. Cabinet members highlighted in response that this programme had been inherited from the previous administration and was constrained by the commitments made in the funding bid to the LEP, but other projects sought to invest in all the market towns and rural communities;
- There had been failures to communicate the true state of affairs to councillors and reports produced in 2017 made no admission of the magnitude of the costs,

- it was suggested that if this had been raised at that time action would have been taken by the previous administration of the council;
- It was queried whether cabinet members had acted as quickly as possible to identify the problems. Cabinet members responded that they did not think they could have acted faster and noted that investigations took time to complete properly;
 - The business case stated that the cycle path was always intended to be off road and it was contended that the project was needed and had realised benefits in greater connectivity for the railway station and access for development land;
 - There was support for making the area around the railway station more attractive;
 - There was no specific timescale for the audit but the auditors were ready to start and would complete the work as quickly as possible;
 - Additional funding would be required to complete the remaining elements of the package. No funding sources had been ruled in or out at this stage;
 - It was agreed that lessons must be learned so that the mistakes of this project were not repeated;
 - In response to a query the cabinet member infrastructure and transport confirmed he had instructed officers to settle any compulsory purchase orders relating to the southern link road scheme at the earliest opportunity.

In discussing the recommendations set out in the report cabinet members requested that:

- the proposed audit of the programme expenditure include the LEP funded elements of the programme and what had been previously reported to the LEP;
- it be noted that changes in traffic routing had resulted in increased traffic in some routes;
- the audit report be written in such a way that it could be put into the public domain.

It was proposed by Councillor Chowns and seconded by Councillor Harrington that the following be added to recommendation (d):
'and a full climate and ecology impact assessment is included at the design stage.'

It was unanimously resolved that:

- a) **Cabinet note that the current capital programme allocation of £40.651 million for the Hereford City Centre Transport Package (HCCTP) is now insufficient to complete remaining undelivered projects (transport hub and public realm) in the programme without additional funding**
- b) **The HCCTP programme be deconstructed into individual projects to enable clearer reporting on each project**
- c) **That the Chief Executive commissions a South West Audit Partnership (SWAP) audit of the expenditure on the HCCTP programme to understand the cost escalation**
- d) **The remaining programme funding be allocated to the development of the transport hub project design and consultation and the Interim Director for Economy and Place (in consultation with the Section 151 officer and the Cabinet Member for Infrastructure and Transport) is authorised to progress this design and consultation to enable cost certainty to be established and further delivery funding sought and a full climate and ecology impact assessment included at the design stage; and**
- e) **The public realm projects in the HCCTP be considered in a wider assessment of public realm and sustainable connectivity in the City and delivered as individual projects under the wider strategy ensuring the LEP objectives are delivered. The Interim Director for Economy and Place (in consultation with**

the Section 151 officer and the Cabinet Member for Infrastructure and Transport) is authorised to progress this work

The meeting adjourned at 16:30 and resumed at 16:38.

24. RECOMMENDATION FOR POTENTIAL SITES TO PROGRESS AFFORDABLE HOUSING DELIVERY IN HEREFORDSHIRE

The cabinet member housing, regulatory services and community safety introduced the report. She highlighted that appendix 1 contained commercially sensitive information and so access had been restricted in line with the advice received.

The interim director of development summarised the key points of the report. There was uncertainty due to a number of factors, including covid, and the approach recommended would retain maximum control for the council so that it could adapt to unforeseen circumstances.

In discussing the report cabinet members noted that:

- The initial brief would be for net zero carbon homes but there was a small chance that the conditions of any grants from Homes England might require something different;
- Ward members would be kept informed as sites progressed;
- The current intention was to develop sites of affordable rent properties (typically 70-80% of market rate) and shared ownership properties (typically 85-90% of market rate) rather than social rent;
- These developments had potential to help people move to more suitable homes, releasing properties elsewhere, and would be more affordable to run as well as to buy or rent;
- In some circumstances where affordable homes could not be developed, re-circulation of these sites would help to deliver affordable housing in more suitable locations.

Group leaders and representatives were invited to put the questions and comments of their groups. It was noted that:

- There was general support for promoting affordable housing;
- The council had an opportunity to set an example in housing design;
- Any schemes should have robust project management;
- Affordability needed to take account of any standing charges;
- The council might need to consider other means to deliver affordable housing in rural communities.

The chairman of the general scrutiny committee highlighted that members of the committee had expressed a desire to scrutinise plans for the Holme Lacy site.

The ward councillor for Dinedor Hill highlighted that the Holme Lacy site had been previously considered for housing and queried that the potential number of dwellings had increased. He also raised concerns regarding drainage and stressed the importance of communication with ward members.

The cabinet member finance, corporate services and planning explained that the council was currently in the process of updating the core strategy and encouraged any neighbourhood planning groups, parish councils or other interested groups to get in touch to discuss proposals for affordable housing in their areas.

The cabinet member young people's education and attainment left the meeting at 16:56 and did not vote on this item.

It was unanimously resolved by the remaining cabinet members that:

- a) The output of the feasibility work completed on selected council owned sites is noted;**
- b) An outline design for the council site at the former Holme Lacy Primary School is commissioned to allow housing market assessment and for the designs up to and including planning submission for houses on this council owned site;**
- c) An outline design for the council site at The Paddock, Aylestone Hill Ward, is commissioned to allow for the design, submission of planning application and disposal of the site subject to securing planning permission; and**
- d) The Chief Finance Officer is authorised to take all operational decisions with regard the former Holme Lacy Primary School and The Paddock, Aylestone Hill Ward, projects including any potential future land sale of the site within a budget of £400k.**

The meeting ended at 5.07 pm

Chairperson

PUBLIC QUESTIONS TO CABINET – 22 JULY 2021**Question 1****Name: C Protherough****To: Leader of the Council**

Since 2019 the current Coalition has uncovered horrendously botched projects

- Total un-deliverability of the South Wye Transport Package's SLR, resulting from botched procurement. Tens of millions of pounds were returned to the LEP;
- £220k wasted attempting unnecessary, undeliverable housing development of the old Bromyard Depot, including financial bullying and intimidation of neighbours and agricultural tenants on the site;
- Chronic and Systemic failures to safeguard and protect children in the council's care over more than a decade;
- The Audit & Governance Committee warned to expect a qualified opinion for the 2019 accounts due to an inability to demonstrate Value for Money from work passed to BBLP without competition
- Failure to sign off the council's accounts since 2016, due to an outstanding Value for Money issue which remains veiled in secrecy.

What else should the public know about?

Response

Thank you for the question, when we came into office we were committed to ensuring that issues that arise when the council have got things wrong we are open and transparent about the problems, this commitment has not changed. We will not shy away from difficult issues and as you will see from the agenda today, we are sharing an issue in respect of the Hereford City Centre Transport program. The recommendations show how we are proposing to bring transparency by commissioning a South West Audit Partnership (SWAP) audit of the expenditure on the HCCTP programme to understand the cost escalation; the remaining programme funding be allocated to the development of the transport hub project design and consultation and the Interim Director for Economy and Place (in consultation with the Section 151 officer and the Cabinet Member for Infrastructure and Transport) is authorised to progress this design and consultation to enable cost certainty to be established and further delivery funding sought; and the public realm projects in the HCCTP be considered in a wider assessment of public realm and sustainable connectivity in the City and delivered as individual projects under the wider strategy ensuring the LEP objectives are delivered.

Question 2

Name: J Liddle, Ledbury

To: cabinet member, adults and wellbeing

West Mercia Rape and Sexual Abuse Support Centre (WMRSASC) has had to close its waiting list for referrals for counselling due to lack of funding. I appreciate that the Council have found emergency funding for three months. This is an essential service, taking referrals from a variety of settings, including NHS, GPs, social care and the police. It provides support and help for women, men and children aged 5+ who are impacted by sexual and domestic violence. There is currently a long waiting list and referrals have to wait for 18 months to be seen. Can the Cabinet say how it intends to work with strategic partners to find a longer term funding solution, so that the WMRSASC services are resilient, and not dependent on grant funding.

Response

This regional service is not one which the council has commissioned in the past. The council is therefore having discussions with WMRSASC, in conjunction with Worcestershire County Council, to understand the current risk to services and the population need and clarifying how quality and sustainability of provision could be secured. This will also involve partners including Police and Herefordshire, Worcestershire CCG and other NHS organisations. The council recognises the importance of ensuring appropriate support for victims of sexual violence and will work to help find solutions.

Question 3

Name: Mr A Bridges, Hereford

To: cabinet member, infrastructure and highways

In 2018 in a review by Historic England they stated they were shocked that in ten years nothing had been done to create a high-quality public space in front of the railway station. They expected the Council to have a long-term transport strategy looking to encourage the use of modes other than the private car. That included public transport for the workforce, the students, and their families hoping to make a real success of the new University, then thought to be opening in 2019. We are now in 2021, so what is happening?

Response

Thank you for your question, it is interesting that a body such as Historic England should make such a comment, I am sure many of us in the County were struck at how beautiful the station looked when the industrial buildings at Station Approach were knocked down and how lacking in good pedestrian and cycling connectivity that area is. I am determined that a design for the transport hub does not obscure this vista but celebrates it. I am also conscious that currently the environment around the station is bleak and uninviting and opportunities were not taken to put in a segregated cycle lane, better pedestrian crossing

points or decent green landscaping when the City Link Road was built. I hope that will be rectified by the soon to be recommenced and long awaited design of the hub and improvements to the public realm here.

For clarity and background, some very early design development for the transport hub and public realm elements was produced by BBLP following the completion of the City Link Road (CLR) after the 2017 Cabinet Member decision to develop a concept design. Commencement of stakeholder engagement and consultation was delayed as a result of the pre-election period for local and general elections in 2019. During this period further negotiations were ongoing with remaining land owners in relation to claims associated with land acquired by Compulsory Purchase Order (CPO) for the CLR. The need to review the budget in the light of this was raised with me in early 2020 and further works on the design had to be paused whilst this took place. I do not think this early concept work reflected the ambitions of the new administration nor grasped the opportunities we have here to create a transport hub that is both efficient in design and respectful of our historic railway building. We will be reviewing the early work by BBLP to ensure value for money was achieved.

I am committed to the delivery of the remaining elements of the project as they are a core element of to the Council's plan for transport in the city of Hereford. It is disappointing that these elements have not substantially progressed to date and that lack of clarity over remaining budget, the increases in land costs and forecast increase in professional fees have diminished the original capital available to deliver these key elements of the transport package. This decision, should enable us to progress the design and consultation so that we can have certainty on how much further funding we will need to find to deliver the Transport Hub. There will be meaningful opportunities for stakeholders and residents to feed into this work so we get the very best fit for our station, hub and City.

Supplementary question

Councillor Harrington, thank you for the detailed response which is most appreciated. As you are aware the access and egress to the railway station is currently one way in and out and causes all sorts of traffic issues with the junction of Morrisons. As part of the design work there needs to be a better flowing system for traffic for all modes of transport as the current design layout just doesn't work today.

Can we please ensure that as part of the works there is more than one way in and out of the new transport hub and also remove the traffic lights and replace with roundabouts, otherwise it will just become more of a bottleneck and will not resolve what is trying to be achieved.

Response

It's a very good point which has been raised by many other people. At the moment we don't have a design, as we'll discover as we talk through this meeting today but the idea that we would only have one access point has been something that's been discounted by myself. So two access points, an entrance and an exit is the direction that we'll be giving to our designers.

Question 4

Name: P Rudd

To: cabinet member, corporate services, finance and planning

In 2017 the £1m overspend on the **Blueschool House** project budget was found to have involved officers acting beyond their delegations and outside of the requirements of the council's constitutional Financial Regulations. Has an investigation of officer actions taken place in this instance too and if so, have any of the council's procedures, regulations or authorities been breached upon this occasion?

Response

As you can see from the agenda, the recommendation is that SWAP carry out an audit of expenditure and how the costs escalated. Their work will be reported to the Audit and Governance committee. In addition, the Chief Executive will use the report to consider what steps are taken in terms of officers.

Question 5

Name: C Palgrave, How Caple

To: cabinet member, infrastructure and transport

I must praise this council administration for being open and transparent about the legacy of overspend and poor project management they inherited in May 2019. I would like to know what impact the approximate £6m overspend on the City Link Road will have on the delivery of other elements of the HCCTP, namely the Transport Hub, new cycling and pedestrian spaces, public realm works on Commercial Road, Blueschool Street and Newmarket Street and crucially, flood defence work to protect the Edgar Street Grid? Given the horrendous flooding in Western Europe this month, I think it is essential the Council do not delay or scale back adaptations to protect Hereford from a similar fate.

Response

Thank you for your question Mr Palgrave and can I take this opportunity to thank you and others for your long and continued interest in getting the City a transport hub that is modern, fit for purpose and truly reflective of the need for local authorities to respond to government direction to support alternative means of transport and meaningful modal shift on our networks. The short answer is the hub that you and I and many others would like to see will not be delivered without further funding being sought, however please see my answer to Mr Bridges. We are committed to delivering the remaining elements of the project as they are a core element of the Council's plans for a 21st century transport strategy in the city of Hereford and will make sure we get the very best in modern and efficient design. I do not intend to scale back the scope of the transport hub or public realm projects, in fact this delayed start may allow us to be even more ambitious in design (and more judicious in further spending).

Question 6

Name: E Morfett, Breinton

To: cabinet member, infrastructure and transport

Despite years of work to access development sites in the City, nobody surveyed the groundwater flow rates under the Essex Arms site. This is extraordinary given that the natural gravel aquifers, 1.5m to 3m thick are so close to surface and the site regularly floods. I understand that Avara and Heineken extract millions of gallons of groundwater from the City aquifer. This is in an extensive buried river channel that flows East from Three Elms underlying much of the proposed development areas in the City.

I would like to ask what are the flood management plans in the event of cessation of groundwater abstraction by some or all of commercial operations? How much would the groundwater levels rise and how would this affect seasonal surface water flooding? Would the County Council be liable for pumping costs to protect low-lying developments?

Response

Thank you for your question Mr Morfett. I am told that assessment of groundwater formed part of the geo-environmental investigation for the City Link Road that was understood to be sufficient for the development of that project.

During 2019/20 an Integrated Catchment Strategy was completed. A copy of this can be provided. This study did not consider groundwater monitoring at the time but it should be noted that the Edgar Street area is governed primarily by the channel capacity of the Widemarsh Brook. The provision of groundwater flow data would not have brought any tangible benefit to the accuracy of the Widemarsh Brook hydraulic model, so there would not have been any benefit to completing groundwater monitoring. Although there are some basements within properties located within the Edgar Street grid area of Hereford, groundwater flood risk is governed by the level of the receiving watercourse which in most cases is lower than adjacent property.

It is worth noting that the Essex Arms Site and other low lying sites in the surrounding area such as the Merton Meadow area are also at risk of fluvial flooding from the Widemarsh Brook. The Flood Risk Assessment prepared for the City Link Road identified the need to raise ground levels in these low lying plots to mitigate the fluvial flood risk in the hope that such ground raising would also mitigate groundwater flood risk in these sites. It is our view as a new administration that a more natural solution can be found to mitigating the flood risk here, by allowing a City wetland to be developed on the Essex Arms site for example, as well as attenuation measures that would be more practical and considerably cheaper than raising ground levels, with all the considerable cost and risk that would bring.

Supplementary question

Thank you for your response to my question on groundwater levels beneath the City Link Road and groundwater flow rates under the Essex Arms Site. I am heartened to hear

that the development of our Natural Capital in the form of a City Wetland Wildlife Reserve with ponds for the flood alleviation will be considered in the scheme.

My question remains unanswered on the impact of water abstraction by Heineken and Avara on water levels in the proposed development areas. It is a technical due diligence question that relates to flood management over a major development site.

Engineers have calculated the need to raise ground levels but we don't know the impact on groundwater levels if commercial water abstraction ceased. The chances are, like many flood zones, that a combination of exceptional surface and subsurface flows could combine to create exceptional flooding conditions. The main river rises almost 7m in exceptional floods and the City Groundwater level also rises.

Did the planners overlook the very high water volumes pumped out of the City aquifer and the impact, if pumping ceased, on the peak groundwater levels across the development site?

Response

That is a very technical question which I can't answer in the room. Your general point – was enough due diligence given to the impacts of flooding on that area through the Yazor Brook, did we do enough mitigation – my personal view is that we haven't yet done enough mitigation if we were to continue with previous plans but we are not continuing with some of the plans for the development of the site.

A detailed written answer was promised to this question.

Question 7

Name: N Geeson, Breinton

To: cabinet member, infrastructure and transport

Last winter I photographed and mapped numerous winter springs and streams that input to the Yazor Brooks floodplain from slopes above. These, and therefore their implications for increased flood risk, are not mentioned in any Council reports supporting planning applications, e.g. at Three Elms or along the City Link Road. They do not seem to have been included in any modelling. To reduce flood risk it will be good if the site opposite the new medical centre is left as a sink, as an urban wetland park, but even with that site left open the 2012 Flood Alleviation Scheme has not protected e.g. Merton Meadows from flooding (e.g. 2012, 2019/20). Please can we be assured that there will be a comprehensive review of flood risk strategy for Hereford City, especially before more buildings are built along the City Link Road?

Response

Thank you Dr Geeson for this question and your considerable interest and efforts in highlighting the effects of the Yazor brook and its tributaries on flooding in and around the City. I am aware that you raised this matter with me directly by email earlier this month and I have shared this with Cllr Harvey who has responsibility for planning and updating

the Core Strategy. I have asked officers to look into this matter and liaise with you and provide a briefing to myself and Cllr Harvey. We will then be able to provide a more detailed response to you. Please be assured that any planned development (including any along the City Link Road) would need to produce an up to date and comprehensive flood risk assessment for consideration by the planning authority. With regard to your suggestion of an urban sink being left to help mitigate the effects of any flooding, please see my response to Mr Morfett, we support this approach as a new administration.

Question 8

Name: M Willmont, Hereford

To: cabinet member, infrastructure and transport

Path at Saracens Head Hereford

This section of path has now been closed to the public for well over a year.

Can the appropriate Cabinet Member explain in detail why the repairs are delayed and when the path will be re-opened. If it is a question of responsibility for the work, given the importance of the path, why have the Council not carried out the work and argued about the responsibility/cost afterwards?

Response

Thank you Mr Willmont, I do agree we need to reopen this path as soon as possible and have been pushing on this regularly since its closure. This a complicated one. The path is supported by the adjacent buildings connected to the pub and we needed to establish the condition of the supports and what the appropriate repair works are that need to be done by the building owner and the council. There was a considerable delay caused by differences of opinion of ownership and who was responsible for the works. This has been amicably resolved and some shoring works have been done by the owners, allowing us to then assess the integrity of the Victorian concrete supporting beam. This took time and there is no simple solution to this repair. A survey was needed due to the age and condition of the path and the supporting beams and specialised contractors were required to undertake the survey, which we could not do outside certain times due to river levels and the need to work from the river. We undertook a preliminary survey last year. The extensive survey of the beams is programmed to be complete next week. The information will then be collated and modelled. As soon as we have the condition confirmed we will be able to take the next steps to repair and reopen the path. I anticipate this will be within the next 6 weeks.

Question 9

Name: J Furniss, Hereford

To: cabinet member, corporate services, finance and planning

What are the reasons recorded or given, for why the previous Conservative led administration chose a valuation and payment method for CPO landblocks, which allowed landowners a six-year window to argue the final cost?

Response

The council used compulsory purchase powers to acquire land for the City Link Road. This enabled land to be assembled using statutory powers if it could not be acquired by agreement / negotiation. It is the CPO process under the Limitations Act 1980 that provides the six year period for the claimants to submit claims to the council and for the parties to reach an agreed value for the final claim payments. Whilst most of the land acquisition payments have been agreed and paid there are a small number of landowners where final valuation and payments are still being discussed to reach agreement.

The CPO route provides the council with certainty on the ability to acquire the necessary land in a defined timescale and within a prescribed legal framework of costs that are payable. It is therefore normal practice to instigate a CPO process such that the project can proceed as planned, even for plots where a negotiated purchase is underway. This approach provides risk mitigation against land acquisition.

Question 10

Name: R Palgrave, How Caple

To: cabinet member, infrastructure and transport

Recommendation d) in the Cabinet report for 22 July is to re-allocate the remaining HCCTP programme funding to developing the transport hub project design and consultation so that cost certainty can be established and further delivery funding sought. This is a welcome step: however the meeting papers don't disclose how much that re-allocated funding amounts to. Back in November 2017, the then Cabinet authorised the Director for Economy, Communities and Corporate to "take all operational decisions necessary to progress detailed design and feasibility within an allocated budget of £563k for the delivery of the Transport Hub and ATM element of the package." Can we hear today how much of this £563k has been spent, what it has delivered, and how much more money is needed to complete the designs?

Response

I understand that to date £297k of the original £563k Transport Hub and Public Realm professional fees budget has been spent on concept design development. This work was carried out by BBLP and will be subject to a value for money review by this administration. It is anticipated that the remaining balance will be insufficient to complete the remaining works required but that there will be sufficient funds available in the overall budget to

undertake the detailed design work which is essential for us to complete in order for us to understand the further funding we will need to secure the delivery of a fit for purpose, modern 21st Century transport hub for the City. This decision today would allow to proceed on that basis.

Supplementary question

The HCCTP business case from November 2015 stated that new trees and shrubs would be planted along the CLR to compensate for the loss of greenery associated with the scheme. Also that the then design of the Transport Hub included the introduction of resin bound footways and the planting of new trees in the station's forecourt. Have the CLR trees been planted and is the commitment to plant trees in in the station forecourt going to be met?

Response

No I don't think the commitment has been met yet but then neither has the delivery or velocity outcomes that were promised at this point. I can assure you that as an administration we intend to plant a huge amount of greenery and plant trees hopefully along both the city link road and directly outside the station but in actual fact we are discussing whether or not we would have an apple orchard outside of the train station. What better way to arrive in Hereford than to walk outside instead of seeing over-engineered metal sculpture or block work that's highly expensive and not particularly any more useful than a normal surface and instead see a garden in front of you or specimen orchard to be able to greet you and link you into town. That's something we will definitely be concentration on.

Question 11

Name: V Wegg-Prosser, Breinton

To: cabinet member, infrastructure and transport

While welcoming the HCCTP Update published on the Council's News site on Wednesday 14 July, and the Chief Executive's unreserved apology for management and communications failures throughout the project, there are nevertheless serious concerns which need to be addressed.

The land acquisition costs for the HCCTP had an £11.135M estimate in the 2015 business case. The forecast land acquisition costs as at January 2021 (worst case scenario) have an estimate of £17.75M - an increase of £6.615M (less £1.5M if best case scenario is achieved by the settlement deadline of 31.12.2021).

The Council appeared to justify this more than 50% increase by claiming that they had procured more land than was originally envisaged for the City Link Road route. Using these figures, how much per acre acquired is the cost of this extra land - best and worst case scenario?

Response

I understand the increase in land cost has arisen from a number of factors not just the acquisition of additional land. Land beyond that required for the City Link Road was included in the original CPO for regeneration purposes. An important element of the proposed SWAP audit is to understand how land acquisition decisions were made because to date it is not clear to me what governance was in place for those decisions to be made.

In addition, following confirmation of the orders, I believe one plot the owner exercised their statutory right to require the Council to acquire the full plot resulting in an increase in land acquired beyond the original CPO.

Other land cost increases have resulted from increased costs associated with land included in the original CPO from factors including; disturbance costs for the legal interests in the land and increases in agent and legal fees.

On this basis the allocation of cost against the land beyond that required for the road is not an appropriate calculation, given as outlined above the cost increases are not solely attributable to this element. The land acquired was not intended to be solely for the construction of the road, but to support the realisation of city centre regeneration. To date this has included providing student accommodation to support the development of NMITE & Hereford College of Arts, and the station medical centre providing improved healthcare facilities for local residents. The balance of the land which is additional to the land required to deliver the City Link Road is available for further regeneration projects including the provision of housing and green spaces within this area of the city

Question 12

Name: T Meadows, Hereford

To: cabinet member, infrastructure and transport

Did the previous Conservative Administration let the public know that the road we are using today was not yet fully paid for?

Response

Thank you for that. That is a good question and perhaps one for the previous Cabinet Member or former Leader of the Council under the Conservatives to answer. The short answer is I suspect not, I have certainly not ever heard a member of the previous administration admit that whilst the road has been physically built (at considerably more cost than projected) outstanding costs have not been fully paid and closed off. The costs are associated with a number of landowner payments where agreement on value of their land has not yet been reached.

What is now clear is that the increases in City Link Road land costs and forecast increase in professional fees set out in the cabinet report have diminished the budget available to deliver the key sustainable travel elements of the transport package, the Transport Hub and Public Realm works which are contractual commitments to the Marches LEP. This cabinet decision will enable us to progress and to enable cost certainty to be established

and further delivery funding sought to deliver the Transport Hub and to consider and delivery the public realm projects as part of a masterplan for the city.

Supplementary question

When did you as a new administration become aware that the city link road wasn't actually paid for?

Response

Not immediately strangely enough. You would think as the cabinet member I would have been made aware of that fairly quickly but it was about six months into my tenure that it was discovered, partly because we had started an investigation into the project management and the financial accounts of the road.

Question 13

Name: E Morawiecka, Breinton

To: cabinet member, corporate services, finance and planning

The June 2016 SWAP report clearly showed budgets for the City Link Road at £27M and Hereford City Centre Transport Package at £13.6M. This SWAP report stated "It has been agreed, by the Head of Corporate Finance and Deputy Section 151 Officer that the relationship between the 'Hereford City Link Road' and 'The Herefordshire City Centre Transport Package' figures are explained in future reports, and that the categories of expenditure are coded to facilitate detailed reporting".

Despite this agreement, the previous administration maintained, even at CPO public inquiry, that at £34M the City Link Road was within budget and left sufficient funds to complete the entire project. After requests from the public and opposition councillors to urgently review the detailed spend and budget on this project which were repeatedly rejected, what action can be taken against those who deliberately mislead?

Response

I share your concern that we need to understand how money has been spent on this project and I asked the same question when I was in opposition. As you can see from the papers, there is a recommendation that our internal audit team carry out an audit of the expenditure and of the cost escalation. I fully support this recommendation and it will enable the spotlight of public examination to be shone on the spend on this project. Once this has been carried out, the chief executive will consider if there are any further actions to be followed.

Supplementary question

I would like to thank Councillor Harvey for her response. I appreciate the work and efforts Councillor Harvey put in over many years to try and obtain good project management and tight budgetary control on large capital projects. However, the SWAP report on Blueschool house seemed to make little to no difference as to how capital budgets were

managed by the previous administration. The current report on the City Link Road appears to indicate that no lessons were learned from that SWAP report.

What reassurance can the public receive that money spent on a further SWAP report on the City Link Road, will actually change the culture and management of public money in Herefordshire to better ensure that there is robust financial management, and that the Council will obtain value for money for local taxpayers?

Response

I can understand that members of the public listening will be wondering what it is that needs to be done in order to learn lessons like these. I think all that I can say is that there are different hands on the tiller now, we are a different administration to the one under which these issues were generated. We also have a new chief executive who is sending very strong messages to officers about his expectations in terms of how projects are to be delivered and how capital programs are to be managed, we have a section 151 officer who is all over the finances and is keeping a very tight control on how we release funds and under what conditions we start projects going. I think with those three differences coming together in a positive and reinforcing fashion I hope that we will not find ourselves in this position again and that lessons will be learned and they are being learned and that we can make sure that the projects under our control now are delivered in an organised timely and financially controlled fashion.

Question 14

Name: A Morawiecki, Breinton

To: cabinet member, infrastructure and transport

A key decision was taken in Nov 2017 by the then Cabinet member for Infrastructure for the Director for Economy, Communities and Corporate be authorised to take all operational decisions necessary to progress detailed design and feasibility within the allocated budget of £563,000 identified in paragraph 24 for the professional fees associated with the remaining package elements of a transport hub and upgrading the existing highway from the junction of the City Link Road, along Commercial Road, Blue School Street to its junction with Widemarsh Street and Newmarket Street to inform further decisions. Where can the detailed design and feasibility work that was commissioned for the remainder of the project be found and who provided it and at what meeting of the council was this key decision made?

Response

Some design development for the transport hub and public realm elements took place following the 2017 Cabinet Member decision to develop a concept design within an allocated budget of £563,000, please see my answer to Mr Palgrave. This work will be subject to a value for money exercise by this administration and those results will be shared with the public.

I understand commencement of stakeholder engagement and consultation during the last administration was delayed as a result of the pre-election period for local and general elections in 2019. During this period further negotiations were ongoing with remaining

land owners in relation to claims associated with land acquired by CPO. The need to review the budget in the light of this was identified in early 2020 and further detailed design works on the design were paused whilst this took place and therefore this concept design has not been published.

This cabinet decision today will enable us to progress detailed design and consultation and to enable cost certainty to be established and further delivery funding sought to deliver the Transport Hub and to consider and delivery the public realm projects as part of a masterplan for the city.

Supplementary question

Thank you for the detailed response, though I note that the answer does not provide the information as to which council meeting in 2017 this key decision was taken. Please would you provide the date of the Herefordshire Council meeting at which the key decision to spend £563,000 was approved.

My supplementary question is “As this was a key decision, and with the value being in excess of £500K, the design work should have gone out to competitive tender to assure Value for Money for the taxpayer. Where was the competitive tender advertised and if not, why not?”

Response

A written response was promised to this question.

COUNCILLOR QUESTIONS TO CABINET – 22 JULY 2021

Question 1

Councillor Tracy Bowes, Belmont Rural Ward

To: Cabinet member, infrastructure and transport

The questions and concerns being raised by Independents and It's Our County Councillors and by members of the public back in 2016 and 2017 should have led to these overspends being admitted to and action taken to address the ballooning project costs. How was it that their questions and concerns were allowed to be deflected with misleading and dissembling responses from Officers and Politicians?

Response

Thank you Cllr Bowes, that is a fair question. I cannot say whether councillors or officers deliberately set out to mislead or dissemble in their responses but I can say it is my opinion that the Council historically has fallen short in giving clear and fair responses to questions from members of the public and councillors. However, I have full faith in the new Chief Executive's open, honest and robust approach to transparency.

Looking forward, we as an administration have always tried to be as honest and open as possible when responding to councillor and public questions, no matter how embarrassing or otherwise those answers may be because if we are not always accountable to the public what is the point of being elected representatives of the public - being clear and transparent is the least tax payers can expect from us.

Supplementary question

Thank you for your response and in the interests of transparency, are there any other areas of concern the public should be aware of?

Response

I don't know if you mean just relating to the HCCTP or other areas. I think to be honest we're getting to the back of the cupboard of things that we need to tell the public about that have not been entirely transparently displayed in the past so nothing obvious, but if there is it'll go into the public domain because we are publicly accountable. What's the point of being elected by the public to be accountable and the very first thing that we do is seek to protect our own reputation or the reputation even of a different administration? So if anything is looming - and we have always asked for things that were looming to be brought to us and that's why it was very disappointing that it took six months for me to be told that the compulsory purchase mechanism we used meant that we were going to overspend on the land purchases - we are pretty much assured that that won't happen again but in terms of what's in the cupboard I think the door was quite wide open at the moment and the lights in there.

Question 2

Councillor William Wilding, Penyard Ward

To: Cabinet member, infrastructure and transport

Ref the City Link Road.-

Surely the point of the road connecting to a transport hub, is so we could provide active transport measures linking it to the city. At present this road doesn't have a dedicated cycle path. Why was this not designed into the original scheme?

Response

Thank you Cllr Wilding, I concur with the opening part of your question but cannot answer the second. That is a question that should be asked of the previous Conservative Cabinet Member or the previous Leader of the Council.

I do know that when the City Link Road was first being publicly discussed way back in 2009/10 much focus was given by the then Cabinet Member, Cllr Graham Powell, on what an important cycling route this would be – to and from the railway station and transport hub – but by the time we got to actual delivery we got a huge broad road with lost space in a central reservation and a shared cycle path dumped on the pavement. I cannot yet work out where along the process this change occurred or if it was originally always to be a substandard shared path on the pavement. We intend to revisit and improve this poor offering, which is no longer in compliance with the government's guidance, LTN 1/20, which says the government will no longer support shared pedestrian and cycle paths.

Supplementary question

I thank Councillor Harrington for his answer, which suggests that we ask the previous conservative administration to explain: 1) how did they get the design and cost of this road so disastrously wrong, 2) two why did the design not reflect the need to encourage active travel measures linking to the station and 3) where did the money needed to create a modern travel hub go?

Response

I can't necessarily answer that but because the thinkings of the previous administration are for themselves to explain or otherwise. I think in relation to your last question quite simply the money meant for active travel measures, including a decent cycle path if one was originally designed or planned and other elements, has gone on building the road or purchasing the land to build the road.

Question 3

Councillor Paul Andrews, Hagley Ward

To: Leader of the Council

When the link road was completed, the then Conservative Leader of the Council, Jonathan Lester, said it had been built on time and on budget. Was that true?

Response

Thank you for that question. Once again it may be more appropriate to ask that question of Cllr Lester. My own view is that I have a high regard of Cllr Lester as someone who always attempts to speak accurately and truthfully on matters but I think it is not accurate to say that the road was built on time and on budget when we have not finished paying for it and costs associated with land purchases and Compulsory Purchase Orders have increased considerably. It may be he was not presented fully with the facts before he made such statements.

