

Record of operational decision

Decision title:	To approve the re-profiling of the HCCI budgets
Date of decision:	6 October 2022
Decision maker:	Director for Economy and Environment
Authority for delegated decision:	<p>On 7 October 2021 the Cabinet Member Infrastructure and Transport took a decision to authorise the various HCCI elements to be progressed and authorised the Director for Economy and Place (now Director of Economy and Environment) to take all operational decisions necessary in consultation with the Chief Financial Officer to progress and deliver the programme elements within the overall programme budget outlined within the report on a programme basis across the projects.</p> <p>This decision can be viewed using the following link: https://councillors.herefordshire.gov.uk/ieDecisionDetails.aspx?ID=8255</p>
Ward:	Central
Consultation:	Consultation of this decision has taken place with the council's finance legal services and communications teams and has been discussed with officers at the project board.
Decision made:	<ul style="list-style-type: none"> • To re-profile HCCI budgets for the delivery of the individual elements. • To request that the Marches LEP agrees to the re-profile.
Reasons for decision:	<ol style="list-style-type: none"> 1) The 7 October 2021 Cabinet Member decision (see above) set out the outline budgets for the Hereford City Centre Improvements. 2) Within the above decision it set out clearly the budgets as they were very high level due to the limited time to develop the elements. 3) As the schemes have reached detailed design stage a number of budget pressures have been identified. A number of elements of the HCCI programme have also identified savings. 4) The purpose of this decision is to re-profile the HCCI budgets and align the funding where it is required ensuring that the LEP grant spend for 22/23 is capable of being achieved as previously agreed. This does not change the overall project budget of £6m, it varies the spend on some elements within the programme of works. 5) The matter was discussed at Cabinet Briefing of 14 July 2022. Cabinet members agreed to the principles of the budget movements designed to achieve the aims of the Cabinet Member and wider Cabinet. 6) The realigned budgets are set out in appendix 1. 7) City Greening budget is reduced by nearly £65k however, the scheme can be adjusted by reducing the scope accordingly. 8) Hostile Vehicle Mitigation budget is reduced by £288k but is mitigated by the consideration that there is low risk and existing streetscape items can be utilised to achieve the desired effect of speed reduction. 9) Both planter schemes and the Market & Event Infrastructure have completed and commitments met, budget is reduced to match the spend incurred to deliver the project. 10) The total scheme budget for St Owen St is increased by to take into

	<p>account additional construction costs from the initial scheme ie upgrading the scheme to be LTN1/20 compliant, replacing the Bath St junction traffic signals</p> <p>11) Resurfacing of St Owen St is separate to the cycle contraflow scheme and is being carried out coincidentally to prevent the need to carry out further maintenance works and disrupt business in the coming years. Without this additional funding, the deteriorating street would require resurfacing in the next 5-10 years.</p> <p>12) The total scheme budget for Widemarsh St is increased by £594.5k in line with guidance provided by Cabinet at a briefing of 14 July 2022 to uplift the road surface in line with the pavement, replace kerbing and introduce Acco drains (or similar). £275k of this increase is funded through the LTP budget.</p> <p>13) The cycle shelter element has also been adjusted to account for the construction of a solid concrete base foundation and introduction of lighting to ensure a safe and secure location.</p> <p>14) The Marches Local Enterprise Partnership (LEP) has formally been consulted for their decision regarding the variation and have agreed at their meeting of 27.09.22.</p> <p>15) It should be noted that it is unlikely that any further revisions to the budget will be agreed by Marches LEP.</p> <p>16) There is a minor increase in cost for High Town existing enhancements to match the spend to deliver the works.</p>
Highlight any associated risks/finance/legal/equality considerations:	<p>1) If budgets are not realigned as suggested a number of elements which have been designed in line with the aims and objectives of the Cabinet Member and with the agreement from Cabinet will not be delivered.</p> <p>2) As schemes are further developed there is a possibility that further budget movements will be required where possible.</p> <p>3) There is a risk that businesses will be reluctant to commit to a match element of the façade grant. This will be mitigated with a greater intervention rate to encourage take-up.</p> <p>4) If the grant is not redirected into alternative projects, the required LEP grant spend for 22/23 will not be achieved rendering the total £3million grant at risk.</p>
Details of any alternative options considered and rejected:	<p>1) To not adopt the re-profile of budgets. Not recommended as this would render a number of the elements undeliverable which would result in a risk that the £3million grant would not be spent in line with the grant agreement.</p>
Details of any declarations of interest made:	None recorded.

Signed..... Date:

Please ensure that signatures are redacted before publishing.