

To Accept and Spend Any Approved Levelling Up Funding Allocated to Herefordshire

Decision maker: Cabinet

Decision date: Thursday 12 January 2023

Report by: Cabinet member environment and economy;

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.

This 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) affected.

Notice has been served in accordance with Part 3, Section 9 (Publicity in Connection with Key Decisions) of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012.

Wards affected

Ledbury North, Leominster East, Ross East Widemarsh, Central, Dinedor Hill, Saxton Gate

Purpose

To accept and approve the expenditure of any Levelling Up Funding allocated to Herefordshire Council's northern and southern constituency, and Hereford transport bids submitted to government in August 2022. To approve the creation of a development company to lead the development of the proposed Ross Enterprise Park site as well as exploring the feasibility of the development of employment land in the other market towns.

Recommendations

That:

- a) **To accept and approve expenditure related any Levelling Up Funding offered by government for a package of public realm improvements in Leominster and Ledbury town centres and enhancements to the Leominster Old Priory building;**
- b) **To accept and approve expenditure related any Levelling Up Funding offered by government for the development of the site infrastructure and development plots for the Ross Enterprise Park;**
- c) **To accept and approve expenditure related any Levelling Up Funding offered by government for a package of transport and active travel measures in and around Hereford city;**
- d) **To delegate to the Corporate Director for Economy and Environment, in consultation with the Cabinet Member for Environment and Economy, the Cabinet Member for Infrastructure and Highways, and the Section 151 Officer, all operational decisions in implementing the funding in accordance with the bids to government;**
- e) **Subject to government approval of the Levelling Up Funding, approve the creation of a new development company to lead the development of Ross Enterprise Park and the feasibility of developing employment land sites in the other market towns.**
- f) **To delegate to the Corporate Director for Economy and Environment, in consultation with the Cabinet Member for Environment and Economy and the Section 151 Officer, all operational decisions in relation to the creation of the proposed development company.**

Alternative options

1. Alternative Option 1 – to not accept any Levelling Up Funding offered by government in response to the council's northern and southern constituency bids and the Hereford transport proposals. Should the council choose not to accept any offered funding, we would be unable to deliver the proposed Ross Enterprise Park development, the proposed developments in Leominster and Ledbury, and the Hereford transport hub and active travel measures. The proposed projects were brought forward as priorities identified in the respective Market Town Investment Plans, and the transport review. The council would fail to deliver key projects in these plans if we do not secure the required grant support. This option is not recommended.

Key considerations

2. In April 2022 government launched the second round of the Levelling Up Fund for local authority led applications through a competitive process, identifying Herefordshire as a priority 1 area for funding consideration.
3. The number of bids that a local authority could submit was based on the number of MPs in their area. Local authorities could submit one bid of up to £20m for every MP whose constituency lies wholly within their boundary, plus one further transport focused bid. Accordingly Herefordshire submitted two constituency bids plus one transport focused bid. The related cabinet decision can be found here: [Decision - Levelling Up Fund Bid Submission to Government - Herefordshire Council](#)
4. The council submitted the bids to government at the start of August 2022, the deadline set by government. We are awaiting the outcome of the bids, government have indicated this will be

by end of January 2023. However, a requirement of the funding is that projects can commence in 2022/23. Therefore, this decision has been brought forward to seek approval to accept and spend any approved funds, so we can quickly commence delivery to meet this government requirement.

5. The following is a summary of the projects included in the bids.

North Herefordshire Constituency Bid

6. For the North Herefordshire constituency a package was submitted which includes the following projects:
 - A. Leominster Corn Square regeneration and Public Realm projects
 - B. Leominster Old Priory / Innovation Hub
 - C. Landscaping at Ledbury Master's House and St Katharine's car park
7. Project A comprises a public realm programme in Leominster town centre which will enhance the public realm proposals included in the High Streets Heritage Action Zone programme, focussing on Corn Square, Broad Street, West Street and South Street. The Leominster Market Town Investment Plan (MTIP) identifies significant tourism potential, building on its heritage, culture and independent retail. The MTIP identifies a need to significantly enhance the town centre's public realm and to provide space for events to realise this potential. The proposals will increase vitality and vibrancy within the town centre, by creating a more attractive pedestrian environment to increase dwell time and support the retail and leisure experience. The Corn Square component will enable a greater number and quality of events to be held, by providing utility infrastructure and enhanced public realm, attracting additional visitors into the town centre with associated spend. The project will enhance the environmental quality of the town centre, support footfall, and enable visitors to better appreciate the historic environment.
8. Project B will invest in optimising the use of the Grade II listed Old Priory, which has transferred in September 2022 from the council to Leominster Town Council via community asset transfer. Identified as a priority project in the Leominster MTIP, the proposals will refurbish and convert unused parts of the building, which are currently vacant due to their disrepair and unsuitability for use, delivering new flexible office floor space, to support local start-up and other small businesses by providing attractive, affordable office accommodation. The project will also deliver self-catered visitor accommodation, contributing to Leominster's attractiveness as a visitor destination, particularly supporting overnight stays and associated spend. These commercial activities will cross-subsidise the continued accommodation for important social infrastructure, including Leominster Food Bank and Leominster Meeting Centre.
9. Project C, identified as a priority project in the Ledbury MTIP in supporting the growth of tourism in the town, will deliver new public realm improvements adjacent to the Master's House in Ledbury town centre. This will redevelop part of St Katherine's Car Park to create pedestrianised public realm adjacent to the Grade II listed Master's House and to the rear of the Grade II listed St Katherine's Chapel, Hall and Stable and Grade II listed Barn south west of St Katherine's Chapel. The project will enhance the approved proposals, creating a larger area with utility infrastructure to support outdoor events and enhanced landscaping. This will support greater vibrancy and footfall in Ledbury town centre, attracting both local and tourist visitors, complementing previous investment in the Master's House and enhancing the viability of the town centre offer.
10. Should government approve the northern constituency bid the council will seek to procure in accordance with the Contract Procedure Rules the required technical teams to finalise designs and appoint contractors to undertake the works. For the Leominster and Ledbury Masters House and St Katharine's car park public realm schemes, the council is already leading

existing projects in both areas providing a basis to quickly extend activities to deliver greater added value through the Levelling Up Funds.

11. Following the community asset transfer of the Leominster Priory to Leominster Town Council, we will work in partnership with the Town Council to finalise designs and seek contractors to implement the project.

South Herefordshire Constituency Bid

12. For the Hereford and South Herefordshire constituency the council submitted a bid to enable the development of the Ross Enterprise Park and its transportation linkages to the rest of the town. This will be the first stage of the redevelopment of a strategically significant employment site for the county as a whole, creating much needed employment land to the south of the county. The Ross on Wye MTIP identified the lack of suitable employment land as a critical issue, with many businesses stating that they will need to leave the area in order to find the space required to expand. The Market Assessment and Market Testing report for the site completed in June 2022 states *'All existing information detailed above in the market assessment section along with Harris Lamb's knowledge and experience shows on a national, regional and local level demand is significantly outweighing supply for industrial/warehouse premises'*. The report also states *'There is clear demand for B1, B2 and B8 class development land in the sub-market of Herefordshire and specifically Ross-on-Wye'*.
13. The proposed project will enable the first phase of development of the Model Farm site.
14. The project will encompass the design and installation of infrastructure works to open up and create development ready employment land at Ross Enterprise Park and consists of the following components:
 - Creating a site access off the A40 together with required section 278 highways works
 - General site clearance including demolition of existing farm buildings
 - Groundworks to create development platforms, including necessary cut fill and compaction
 - Creating internal estate roads, cycleways, walkways to link plots together and to non vehicular routes offsite
 - Installing the appropriate level of utilities provision and communication networks
 - Installing a Sustainable Urban Drainage system that serves both development plots and highways and that enhances the existing on site natural attenuation
 - Soft and hard landscaping and ecology enhancement including the allocated 5ha buffer between existing residential and the new Enterprise Park
 - Wider active travel measures linking the Ross Enterprise Park site with existing active travel infrastructure and improved linkages to residential areas within the town.
15. Subject to the approval of government funding, the project will implement the existing planning approval for the site ([Planning Search – Herefordshire Council](#)). Given the very limited timescales to implement a project of this scale (to be completed by March 2025), the council will need to quickly establish the technical expertise required to finalise the design, procure and manage a contractor, and then to sell the development ready plots to businesses. Building on the success of the Hereford Enterprise Zone (HEZ) Ltd in delivering a similar project, it is intended that the same model be utilised for bringing forward the Ross Enterprise Park site.
16. The HEZ formed a public/ private board, which has a Managing Director with relevant expertise and independence from the council (in terms of leading engagement with the private sector), supported by a cross council team of people including Economic Development, Project Management Office, procurement and legal teams.

17. Therefore, this decision seeks cabinet approval to form a new development company based on the HEZ model (forming relevant Articles of Association), to openly recruit voluntary board members and a Chair with relevant industry and local knowledge. It is also intended that the council will utilise the expertise of the Board and the appointed team to lead feasibility work including delivery models for the development of much needed employment land in the other market towns.

Transport Bid

18. The transport proposal comprises three separate but linked projects that provide complementary support to encourage increased active travel use across Hereford.

The Hereford City part of the submission is a package of Transport and Active Travel measures in and around city. Twenty schemes have been considered and scrutinised to ensure they align to the bid criteria and are deliverable by March 2025.

The schemes identified align with the council's corporate plan ambitions and support the ambitions of the council in improving pedestrian and cycle movements across the city linking to public transport and rail.

19. The Transport Bid elements are:

Transport Hub

- Integrated modern public transport interchange linking cycling, walking, bus and rail transport. The Hub is designed to encourage modal shift away from being reliant on the car and provide an easy to use reliable link to alternative modes. Visitors to the city will be welcomed with clearly navigable public transport and active travel alternatives to the car.
- The multi transport hub will provide for all active travel including covered cycle facilities and lockers to encourage commuter cycle parking, taxi and car parking areas, bus stands and layovers, short term parking, welfare facilities and enhanced commuter parking.
- The Hub provides essential links through rail to the wider national network and with direct links to the city residential and industrial areas such as Rotherwas, with the improvements below, providing attractive alternatives to the car.

Active Travel Measures North of the River Wye

- LTN1/20 cycle scheme from Aylestone Hill, Commercial Street, Blueschool Street, Newmarket Street linking the North and West of the county to the Transport Hub and South of the river.
- Great Western Way improvements to comply to LTN 1/20 and linking to the A49 Designated Funds to improve access and breaching the A49 perceived barrier to walking and cycling.
- Supplementary funding to St Owen Street one-way cycle scheme providing access to the Town Centre and linking to Rotherwas.
- Safer Routes to School interventions.
- Introduction of 20mph speed limit in the city in areas appropriate for the restrictions; the measures will assist with the package in making the locality a street rather than a road for transport.

Active Travel Measures South of the River Wye

- Hereford Enterprise Zone Quiet Routes
 - Holme Lacy Cycleway
 - Safer Routes to School Initiatives
 - Introduction of 20mph speed limit in the city in areas appropriate for the restrictions; the measures will assist with the package in making the locality a street rather than a road for transport.
20. Subject to the approval of the funding, the council will appoint technical support to finalise the designs, seek any necessary approvals, and procure contractors in accordance with the Contract Procedure Rules.

Community impact

21. It is considered that securing up to £43.5m through the Levelling Up Fund would have a significant positive impact on the ability to deliver on the ambitions contained within the County Plan 2020 - 2024. Should the council be successful in securing funding towards all three bids submitted these will make a significant contribution to both the Environment and Economy ambitions within the County Plan. Specifically the Levelling Up Fund submissions will help the council meet the following success measures:
22. Environment:
- Work in partnership with others to reduce county carbon emissions
 - Improve the air quality within Herefordshire
 - Improve residents' access to green space in Herefordshire
23. Economy:
- Increase the average workplace earnings in Herefordshire
 - Grow jobs and keep unemployment rates low in all areas of the county
 - Increase the number of short distance trips being done by sustainable modes of travel – walking, cycling, public transport
 - Increase local wealth creation (measured by the Gross Value Added per head of population).
24. The provision of new employment land at Ross Enterprise Park will enable the facilitation of company growth by providing land and premises for expansion and relocation of businesses. This will bring benefit in terms of new employment opportunities, increased business investment, and the potential retention rather than loss of local companies.
25. The City Transport Package will provide safer alternative modes of travel to the car which will reduce the reliance on cars and the number of vehicles undertaking short journeys with the city limits. The alternative walking, cycling and public transport links will help provide safe reliable alternatives. This will also enhance the current environment for the residents, businesses and visitors to Hereford and help:
- Protect and enhance our environment and keep Herefordshire a great place to live.
 - Strengthen communities to ensure everyone lives well and safely together.
 - Support an economy which builds on the county's strengths and resources.

26. The public realm improvements to the town centres of Ledbury and Leominster are public interventions that will encourage investment by the private sector within these spaces. The enhanced public space will benefit the physical appearance of these towns and attract more visitors / footfall. Specific interventions such as the works in St Katherine's car park will provide facilities to host events that can further attract people and add to the vibrancy of the town centre. Similarly the works to the Priory building in Leominster will provide a hub for a number of community organisations and space to encourage new business starts and foster entrepreneurship.

Environmental Impact

27. 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.
28. The government guidance on the programme states "Projects should be aligned to and support net zero goals, including those set out in the UK government's net zero strategy and sector-specific plans such as the Heat and Buildings Strategy where relevant."
29. In the case of the Ross Enterprise Park the development is being designed with environmental principles at its centre. The council aims to make the Ross Enterprise Park as sustainable as possible in line with our 'zero carbon and nature rich' ambitions. Specific plans include:
- Energy – Maximise energy efficiency by ensuring high energy standards (minimum EPC A) for all buildings on the park. Maximise generation and use of renewable energy on site, including ensuring that all initial infrastructure is future proofed. The park as a whole will aim to be net zero carbon;
 - Waste – Plan site wide solutions to minimise waste generation, maximise recycling, and minimise waste to landfill;
 - Water – Introduce measures to reduce consumption within buildings and to harvest rainwater to provide a source of non-potable water for use in buildings and on landscaping;
 - Transport - New cycleways and walkways will be a major feature of the on-site infrastructure, connecting into the new Active Travel Measure initiatives which will be designed to make access from the local housing estates straight forward for pedestrians and cyclists. We will establish a travel plan for the Ross Enterprise Park and require new investors to have their own. We will require electric vehicle charging for all developments at a density higher than currently required by planning regulations;
 - Environment/Landscaping - The landscape and infrastructure design will seek to ensure that the ecological interest and character of the area is safeguarded and enhanced, utilising and complementing the current ecological features such as water features, trees and hedgerows. In line with our council commitments, we will aim for 30% biodiversity net gain on the development.
 - Procurement – Through the setting of social value requirements within the tender specification we will encourage the sourcing of local, and sustainable, supply chains.

Provide procurement workshops to ensure that local suppliers have an understanding of the council's procurement requirements.

30. Our aims for the Ross Enterprise Park include efficient flow and people movement; low impact build, low carbon footprint built with sustainable materials; minimising need for artificial heating and ventilation; optimising layout and build orientation to maximise daylight for heat gain; looking to utilise Heat Pumps where possible; natural lighting strategies used wherever possible. The site design will also be expected to be future proofed to incorporate the provision of utility corridors, for example if a waste water recovery system or a district heat system were to be adopted in the future.
31. Additionally the development will take account of and respect the site's setting not only on the edge of the town but also in open countryside and will look wherever possible to retain appropriate features from within the site, for example hedgerows and watercourses. The intent is to achieve a 30% biodiversity net gain from the development as the site transitions from a range of agricultural uses to a managed employment site.
32. The North Herefordshire Market Towns projects will deliver the following environmental benefits:
 - Deliver biodiversity benefits through new tree and shrub planting as part of the public realm
 - Enhance the townscape quality of Ledbury and Leominster town centres, including enhancement to the setting of listed buildings;
 - Reuse historic building fabric at the Old Priory, delivering new workspace in an easily accessible town centre location and minimising embodied carbon compared with new build.
33. The transport bid will enable the development of a transport hub at the Hereford train station, establishing an interlink for people travelling into the county by train and onward journeys across the county by public transport. The Transport hub will also provide opportunities for people arriving by train to utilise active travel measures in moving around the city. Enhanced public transport and active travel measure connectivity will reduce the need for car travel in the city. The other active travel measures will also reduce car journey, reducing emissions, improving air quality and reducing congestion.

Equality duty

34. 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.
35. The public sector equality duty (specific duty) requires us to consider how we can positively contribute to the advancement of equality and good relations, and demonstrate that we are

paying 'due regard' in our decision making in the design of policies and in the delivery of services. During the Business Case development phase of these projects the project promoters and any contractors will be made aware of their contractual requirements in regards to equality legislation.

36. All of the council led projects have completed an Equality Impact Assessment and confirmed that, as a minimum, there is no detrimental impact on any of the protected characteristics at this bidding stage of the Levelling Up Fund process. In the event that the funding bids are successful then the project team's will conduct detailed Equality Impact Assessments for all aspects of the schemes as they are developed.

Resource implications

37. If bids are successful then the cost of implementation will be covered by the funding award and the identified council match funding. There is a risk that costs escalate beyond the funding award and the council would be required to cover any cost overrun, this risk is covered within the risk section and, following expert cost consultancy advice, it is considered that there is sufficient cost contingency within the funding submissions.
38. The proposed development company staffing and operating budget will be funded through the current base budget (£300K per annum) allocated to the HEZ activities. The HEZ Ltd is now in the final stages of developing out the land available and identifying buyers. The funding will now be utilised to support the new development company in delivering the next major employment land development in the county at Ross on Wye.
39. The profile of expenditure forecast below is based on the bids made to government submitted in August 2022, and will need to be reviewed and revised dependent on the date government was to award any grant funding.

Bid Summary

North Herefordshire Constituency Bid costs	2022/23 (000's)	2023/24 (000's)	2024/25 (000's)	Future Years	Total (000's)
Fees (c)	166	166			332
Construction costs (c)	1,932	1,932			3,864
Risks (c)	207	207			414
Inflation (c)	92	92			184
TOTAL	2,397	2,397			4,794

South Herefordshire Constituency Bid costs	2022/23 (000's)	2023/24 (000's)	2024/25 (000's)	Future Years (000's)	Total (000's)
Fee's (c)	605	967	229		1,801
Construction costs (c)		8,508	7,633	114	16,255
Risks (c)		1,369	821		2,190
Inflation (c)		511	608	9	1,128
Development Company (R)		300	300	600	1,200
TOTAL	605	11,655	9,591	723	22,574

Hereford Transport Bid Costs	2022/23 (000's)	2023/24 (000's)	2024/25 (000's)	Future Years	Total (000's)
Construction and fees (c)	1,956	12,211	7,022		21,188
Contingency (c)	59	370	213		641
Risks (c)	192	1,200	690		2,083
Inflation (c)	127	793	456		1,376
TOTAL	2,334	14,574	8,380		25,288

Bid Funding Tables

North Herefordshire Constituency Bid Funding	2022/23 (000's)	2023/24 (000's)	2024/25 (000's)	Future Years	Total (000's)
Levelling Up Fund external bid	2,129.5	2,129.5			4,259
Herefordshire Council match funding – See P41 below	267.5	267.5			535
TOTAL	2,397	2,397			4,794

South Herefordshire Constituency Bid Funding	2022/23 (000's)	2023/24 (000's)	2024/25 (000's)	Future Years	Total (000's)
Levelling Up Fund external bid	544	10,219	8,362	111	19,236
Match funding – See para 42 below	61	1,136	929	12	2,138
Development Company (Herefordshire Council)		300	300	600	1,200
TOTAL	605	11,655	9,591	723	22,574

Transport Bid Funding	2022/23 (000's)	2023/24 (000's)	2024/25 (000's)	Future Years	Total (000's)
Levelling Up Fund external bid	1,845	11,521	6,625		19,990
Match funding – See para 43 below	489	3,053	1,756		5,298
TOTAL	2,334	14,574	8,380		25,288

40. The match funding included in the bids has been identified from existing approved budgets and secured funds.
41. The match funding for the Northern Constituency bid has been identified as coming from:
- a. £108k of Section 106 contributions towards the St Katherine's car park works.
 - b. £79k of Leominster Town Council contributions to the Priory.
 - c. £348k of Herefordshire Council £1.8m contribution Leominster Heritage Action Zone public realm budget. The Historic England grant is currently £1.3m. The additional Levelling Up Funding will deliver extended public realm enhancements in Leominster, extending and in no way reducing the current Heritage Action Zone programme.
42. The full match funding for the Southern Constituency bid will entirely be allocated from the Employment Land and Incubation Space budget. There is market demand and valuation

report evidence to confirm that the Ross Enterprise Park project will generate sufficient return from sales of the created employment land to cover the council match funding contribution.

43. The match funding for the transport bid will come from within existing agreed budgets, specifically;
- a. £3.5m borrowing is currently approved to fund the transport hub with the HCCTP budget.
 - b. £120K from the Department for Transport Active Travel Fund as a contribution towards the Aylestone Hill cycleway works.
 - c. £700K from the Marches LEP Get Building Fund for the St Owen's Street cycle contraflow
 - d. £978K from the council cycles superhighway budget as a contribution towards the Quiet Routes scheme in South Wye.

Legal implications

44. There are no legal implications arising directly from the submission of the three proposals and if the bid or any part of it is successful they will be subject to separate governance decisions.
45. The council has the power to act as the Accountable Body for the Levelling Up Fund under s1 - 4 of the Localism Act 2011 although there is no statutory requirement for the council to act as Accountable Body.
46. It is anticipated that any funding awarded to the council following acceptance of the bid or part thereof will be provide by way of a Section 31 ring-fenced grant under the Local Government Act 2003. This grant determination may have associated requirements and obligations and these will need to be assessed at the time of award.
47. The proposed the new company will need to adhere to any approved council governance structures and guidelines.

Risk management

Risk / Opportunity	Mitigation
Cost Inflation risk – The construction industry is exposed to significant inflationary pressures, with RPI expected to be running at 10% or more at year end.	Projects have been considered by cost consultants reviewing the proposals and applying an appropriate level of project contingency and an additional inflationary contingency. Information from the industry standard Building Cost Information Service (BCIS) has been used to inform the inflationary contingency as costs are projected to rise by 10% in 2022 and 5% per annum in 2023 through 2025. For each package a minimum inflation contingency of 5% has been added on top of any underlying inflation assumptions to cater for the inflationary risk.
Cost are higher than expected at point of tender/ selection of contractor.	Projects have been considered by cost consultants reviewing the proposals and

	<p>applying an appropriate level of contingency based on current market conditions including other similar projects at the point of tendering/ delivery, optimum bias, and inflationary pressure.</p> <p>In addition projects are scalable, for example if cost overruns are identified on the Ross Enterprise Park site then the amount of site infrastructure that is installed could be reduced to the available budget. This would impact on the amount of employment land that is brought forward and the capital receipt gained. Were this risk to materialise the council could choose to increase the value of its financial contribution in order for the projects to proceed.</p>
Risk that the Levelling Up bids are of insufficient quality to secure government funding through the Levelling Up Fund process.	Consultants have been engaged who have been involved in previous Levelling Up fund submissions and bring considerable experience in drafting regeneration strategies and funding bids.
Unable to procure contractor to undertake the physical work. This would result in delays to the project timetable and additional costs	The Project Management Office and the Herefordshire Council commercial team will work with the appointed design team (subject to grant funding approval) to seek to procure a contractor.
Procurement timeframes are longer than expected. Delays to project delivery and additional cost.	The Project Management Office (PMO) teams will working closely with Herefordshire Council procurement team and with appointed construction project manager's procurement team, who understand the current market. This expertise and advice will reduce this risk.
Costs increase during the delivery stage.	A number of surveys have already been commissioned or completed to inform costs and designs across the projects. These are considered commensurate with the current stage of project i.e. bidding for funding stage. Further survey works will be carried out over the life of these projects to ascertain building and site condition before works occur. Contingency has been built into the budget. Information from the industry standard Building Cost Information Service (BCIS) has been used to inform the inflationary contingency as costs are projected to rise by 10% in 2022 and 5% per annum in 2023 through 2025. The Cost Plan's for each project consider the level of required contingency in detail, considering the stage of the project design, and the timing of commencement of construction on this basis.
Project not delivered on time or not delivered within the allocated budget, resulting in reputational damage, potential funding claw back, and further delay to the projects.	The Project Management Office teams will establish a detailed project plan and monitor implementation against key milestones, and ensure continued communication with funding

	providers throughout the life of the project, and will raise any issues via the council's Project Management Office monitoring procedure. Project Management Office teams will also work closely with the governance team and funding partners to map out timelines and key milestones.
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Consultees

Political Group consultation meeting was held on the 1st December 2022. Overall there remained strong support for the proposed bids, should they be funded. Some comments were made in relation to needing to ensure that pedestrian and cycleway connectivity from the transport hub into Hereford city centre continue to be a priority for the project.

Appendices

N/A

Background papers

None identified.

Report Reviewers Used for appraising this report:

Please note this section must be completed before the report can be published		
Governance	John Coleman	Date 28/11/2022
Finance	Karen Morris	Date 15/12/2022
Legal	Patricia Haywood	Date: 29/11/2002
Communications	Luenne Featherstone	Date 28/11/22
Equality Duty	Carol Trachonitis	Date 28/11/2022
Procurement	Mark Cage	Date 28/11/2022
Risk	Kevin Lloyd	Date 29/11/2022

Approved by	Ross Cook
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[Note: Please remember to overtype or delete the guidance highlighted in grey]

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