

Agenda item no. 6 - Questions from members of the Council

Question Number	Questioner	Question	Question to
MQ 1	Cllr David Hitchiner, Stoney Street	I attended the Cabinet meeting on Thursday 5th October and was pleased to hear Cllr Price confirm that no works will be started on the Southern Relief Road until the money is secured to fund it. This seems to contradict the wording of the papers submitted to Council which state at paragraph 7 (f) that the £12.3m included money to enable “initial works to start”. It is in my view inappropriate for any works to start before a business case is in place and full funding is in place. Would Cllr Price please confirm his intentions? If initial works are excluded what exactly is the £12.3m to be spent on prior to the putting together of a business case – surely not for buying land which might not eventually be needed if the business case does not stand up?	Cabinet member transport and infrastructure
<p>Response:</p> <p>The rationale for the Southern Link Road linking the A49 with the A465 is well documented. The planned allocation of £12.3m is to support this work. Governance arrangements will be followed before any decision to incur capital expenditure is made, in line with the council’s Contract Procedure Rules, Finance Procedure Rules and the Scheme of Delegation.</p>			
MQ 2	Cllr Elizabeth Foxton, Eign Hill	<p>I understand the three parish councils promoting the Pontrilas Parkway initiative were advised that Network Rail and DfT expect to see Herefordshire and Monmouthshire Councils’ good faith towards the Pontrilas Station project evidenced by each making provision of at least £2m capital funding towards the scheme.</p> <p>Such provision will go a long way to ensuring the scheme is supported by both national governments - especially as finding time in rail scheduling is not considered a constraint and the Prime Minister seeks smaller, good, alternative railway projects.</p> <p>Given the support from our MP Jesse Norman and the Leader of the Council – and recognising that the business case is more developed than the resurrection of the Southern Link Road – will the Cabinet Member give me, and Golden Valley residents, his commitment to amend the proposed capital programme today to include such provision?</p>	Cabinet member transport and infrastructure
<p>Response:</p> <p>I would reiterate my previous comments that as an administration, we support the development of a new station at Pontrilas, however the scheme, and its development, necessarily are the responsibility of Network Rail and Transport for Wales. I have asked officers to organise a round table meeting of all public sector partners that will benefit from this scheme. The administration is working to agree and prioritise which projects to take</p>			

forward as a part of its transport strategy. I am not aware of any requirement of the Council to use its own resources, but I am happy to follow this up if Councillor Foxton can share further details with me.

MQ 3	Cllr Dave Boulter, Whitecross	Please could Cllr Price or Cllr Stoddart please confirm where the £7,000,000 of capital receipts is planned to come from which they propose to use towards their £12,300,000 funding allocation for the reintroduction of the Southern Link Road to the Capital Programme?	Cabinet member transport and infrastructure
------	-------------------------------	--	---

Response:

At 1 September 2023, there was an unallocated balance of £14.2m in the council's Capital Receipts Reserve. This balance will be considered to fund any future revisions to the Capital Programme.

MQ 4	Cllr Pauline Crockett, Queenswood	Please would Cllr Price confirm that he has an approved Outline and Full Capital Programme Business Case made out for his proposed introduction of the Southern Link Road to the Capital Programme today, and what the source is of the financial modelling which has been used to evidence the project costs as set out in those business cases?	Cabinet member transport and infrastructure
------	-----------------------------------	---	---

Response:

The rationale for the Southern Link Road linking the A49 with the A465 is well documented. The planned allocation of £12.3m is to support this work. Governance arrangements will be followed before any decision to incur capital expenditure is made, in line with the council's Contract Procedure Rules, Finance Procedure Rules and the Scheme of Delegation.

MQ 5	Cllr Liz Harvey, Ledbury North	Please could Cllr Stoddart explain why he is not continuing the good practice introduced by the Independents for Herefordshire and Green coalition to require that outline and full business cases are developed for all capital programme schemes that are submitted to full council for approval?	Cabinet member finance and corporate services
------	--------------------------------	---	---

Response:

For each of the proposed additions, relevant information and evidence has been considered as part of the review undertaken by Cabinet. Governance arrangements will be followed before any decision to incur capital expenditure is made, in line with the council's Contract Procedure Rules, Finance Procedure Rules and the Scheme of Delegation.

In prior years, business cases have not been prepared for all capital programme schemes.

Projects included in the capital programme approved by full Council have been supported by an outline business case where this method has been deemed relevant and, in other instances, the development of detailed information has continued after a project has been added to the programme. This ensures a practical approach; balancing appropriate governance with the ability to make progress on capital projects.

The revised Capital Programme approved for 2021/22 included £20m as a dedicated budget for 'Strategic Housing Development' to cover the initial phases. As such, a business case was not provided at the point of inclusion in the capital programme, recognising that supplementary arrangements were in place to ensure expenditure would be subject to appropriate controls and governance.

Similarly, the purchase of Maylords Shopping Centre in 2020 was not supported by a business case; this purchase formed part of the 'Development Partnership' entry; this being a broader budget allocation in the capital programme.

In July 2020 Cabinet recommended to Council a mid-year revision to the capital programme to support Priority Flood Repair Works and this was not supported by an outline or full business case.

Fully funded grant projects such as Local Transport Plan (LTP), Disabled Facilities Grant (DFG), the schools maintenance grant and S106 developer income, do not have business cases as the funding is spent in line with the grant conditions.

The Capital Programme for 2024/25 will be presented to Council in February 2024 for approval. All additions will be supported by an outline business case, where deemed necessary, which will include an analysis of costs and expected benefits, strategic fit, project scope, an assessment of risks as well consideration of dependencies and other options.

For projects included in this revised capital programme for approval by Council in October 2023, a full business case will be prepared where appropriate. As an example, a business case for the Library Project will be published as part of the documents for the Cabinet meeting on 26 October 2023. Where a business case is not prepared, for example the Resurfacing Herefordshire Highways project, this capital work will be informed by other relevant information such as condition surveys.