

OUTLINE STRATEGIC BUSINESS CASE

Directorate	Economy and Environment
Scheme Name	Play Area Investment
Budget Holder	Ed Bradford
Council Plan Priority	People/Place

Project aims and objectives:

Scheme description and demonstration of links to corporate priorities and savings plans.

Herefordshire Council has 65 play areas that it maintains throughout the county. These playgrounds are managed by Balfour Beatty Living Places (BBLP) on behalf of Herefordshire Council. BBLP undertake regular inspections and maintenance of these playgrounds.

Following inspection costs from ROSPA, the current annual maintenance budget for the 65 Council owned play areas in Herefordshire is £35K per year, or £540.00 per site. There are 1,134 individual pieces of play equipment assets across all sites.

Existing routine inspections and maintenance are aimed at ensuring that the playgrounds remain safe and useable. This funding however does not extend to undertake remedial work and renovation of existing parks to enhance the green space available to their local communities.

Following a review of recent annual RoSPA inspections and close liaison with BBLP locality stewards & Local Parish's a number of key aspects of the play area conditions have been identified as needing attention:

1. Deterioration of large apparatus due to end of useful working period.
2. Wet pour/safety surfaces derogation across all play areas and replacement of loose fill safety surfacing.
3. Items previously removed due to safety risks with no funding to replace.

Several play areas have timber apparatus where the timber is showing latter stages of decay and will likely be removed due to safety risk either by BBLP or as recommended by RoSPA. A number of these sites are recommended for further excavations to inspect timber support legs to determine the condition of the timber below the surface. Without intervention, a number of these sites could require removal for safety reasons. The renovation of some of these play areas, particularly where they have fallen into disuse or disrepair or where health and safety may be an issue will show commitment to safeguarding the future of play areas and open spaces for future generations.

It is proposed that the investment in play areas be linked to a process of asset transfer to interested City, Town or Parish Councils, whereby sites would see investment subject to an agreement being reached for their permanent transfer to a City, Town or Parish Council.

Below shows the general state of decline of an example of the play assets. A combination of timber decay, wetpour issues and missing and unserviceable play equipment.



Links to corporate priorities and savings plan

- Enable residents to live safe, healthy and independent lives
- Keep children and young people safe and give them a great start in life
- Support the growth of our economy
- Secure better services, quality of life and value for money

Encouraging active lifestyles for children and young people is a key public health objective. Playgrounds and spaces for play offer a way in which children can be encouraged to get out and stay active.

Estimated costs and funding sources:

	2025/26	2026/27	2027/28	Future Years	Total
	£'000	£'000	£'000	£'000	£'000
Capital cost of project					
Play Area Investment	500	500			1,000
TOTAL	500	500			1,000
Funding sources					
Corporate Funded Borrowing	500	500			1,000
TOTAL	500	500			1,000
Revenue budget implications					
TOTAL					

Benefits and risks:

The anticipated benefits and risks of the proposed project plus risks of not going ahead with the scheme.

Herefordshire Council encourages active lifestyles, especially for children and young people which is a Public Health England objective. This renewed emphasis resulted in greater usage of these areas and subsequently initiated the drive for improvements from parishes. This has and will continue with play areas and open spaces offering a way in which children can be encouraged to get out and stay active.

The use of existing play areas is influenced by both the young people and parents' impression of them. Where the condition is clearly deteriorating there is a tendency for them to be less attractive and not used to their potential. Therefore, a programme of refurbishment and renewal will improve the attractiveness and application of these areas and introduction of some new equipment will also provide the opportunity to expand the range that the play areas are suitable for.

The scale of the cost of new equipment and/or resurfacing is considerable, and therefore installing new equipment or resurfacing in all play areas is not considered feasible.

OUTLINE STRATEGIC BUSINESS CASE

Directorate	Corporate Services
Scheme Name	ICT systems upgrades & server replacements 2025-26
Budget Holder	Head of ICT & Digital
Council Plan Priority	Transformation

Project aims and objectives:

The five elements of this capital bid will support the Council with its Digital Data & Technology strategy 2024 – 2028 & planning towards digital transformation by providing a stable, modern and fit for purpose infrastructure.

Procurement will be through an approved Local Government Procurement Framework (CCS or similar) to ensure that best value is demonstrated.

Commissioning and migration activity will be carried out by the Councils contracted IT provider – Hoople Ltd and a third party to provide consultancy and professional services to complete the migration works.

Key deliverables-

1.The update of key Software which provides the GIS services for the Council.

This project is to update ageing GIS Software with the latest version which will ensure manufacturer support and is up to date to allow security and operational integrity to be maintained, in line with emerging vulnerabilities and Cyber Security threats.

The aim of the project is as follows:

- Replace ageing software which is required to run the time services for key line of business systems, with supported 'in life' equipment which is actively supported by the supplier for cyber security/vulnerability patches.
- Provide support and maintenance contract with the manufacturer or partner for a period of five years.
- Migrate services from the aging version of the software to a newer version which is supported.

2.Introduction of a Security Incident and Event Monitoring (SIEM) solution into the council

The primary objective for the project is to support the council's requirements to operate IT solutions in a secure manner protecting the Confidentiality, Integrity and Availability of the Councils data and service delivery. The authority is obliged to ensure that the underlying infrastructure is secure and that the systems hosting environment is maintained securely. Infrastructure must not be vulnerable to common cyber- attacks and this should be maintained through secure configuration and software patching. This project is to introduce a SIEM solution which will safeguard the council data, systems, and services from increasing cyber threats. In June 2024, an ICT Security Assurance Framework Review was conducted by our Auditors – SAFR – who reported in their Findings & Risk Assessment that "There is no Security Incident and Event Monitoring (SIEM) solution and no alternative central logging system in place, as such this potentially creates unnecessary difficulty in monitoring security logs. It is considered best practice to implement a SIEM or equivalent solution for security monitoring purposes".

Within the section "Our Ambition - Cyber security" in the Councils Digital Data & Technology strategy 2024 – 2028 it states:

"There is a high and increasing threat to cyber-security, requiring investment in security and privacy measures to protect data and the services we provide. We will continue to use the latest technology for device security and management" – Introduction of an SIEM solution would meet the level of ambition stated.

The aim of the project is as follows:

- To plug the gap identified by the ICT Security Assurance Framework Review to introduce a centralised monitoring system that provides real-time visibility into security events across the council's IT environment.
- This will Improve the council's ability to detect, analyse, and respond to security incidents in real-time, reducing the risk of data breaches and service disruptions.
- Centralize and automate security event monitoring to enhance efficiency and accuracy.
- Ensure compliance with relevant cybersecurity regulations and standards.
- Implement a SIEM solution capable of real-time log collection, correlation, and analysis across all council IT systems.
- Reduce the mean time to detect (MTTD) and mean time to respond (MTTR) to security incidents.
- Establish automated reporting and alerting mechanisms to meet compliance requirements.

This will support the Council with its Digital Data & Technology strategy 2024 – 2028 & planning towards digital transformation by providing a stable, modern and fit for purpose infrastructure, enabling the flexibility required to adapt to changing service delivery models throughout the short to medium term (i.e. the initial life of the solution - 5 years). Also, this will aid to counteract the potential for significant financial, reputational, and operational damage due to undetected security breaches. Implementing a SIEM will demonstrate a proactive approach to cybersecurity, thereby enhancing the council's reputation and public confidence.

3. Replacement of Key IT Hardware which provides the CCTV Case Management solution for the Council.

The primary objective for the project is to support the council's requirements to operate IT solutions in a secure manner protecting the Confidentiality, Integrity and Availability of the Councils data and service delivery. The authority is obliged to ensure that the underlying infrastructure is secure and that the systems hosting environment is maintained securely. Infrastructure must not be vulnerable to common cyber-attacks and this should be maintained through secure configuration and software patching. This project is to replace a system which is running on an operating system which will be unsupported from October 2025. This will allow the system to run on an operating system where security and operational integrity can be maintained, in line with emerging vulnerabilities and Cyber Security threats.

The aim of the project is as follows:

- Replace an ageing solution which provides key line of business systems for the corporate CCTV service, with a supported 'in life' solution which is actively supported by the supplier for the next 5 years.
- Support the Councils obligations to remove end of life operating systems from the environment in line with its security and compliance obligations – Windows 10.
- Migrate services from existing equipment to new supported environment.
- Decommission and dispose of outgoing environment in line with the authorities' security and environmental policies and obligations.

This will support the Council with its Digital Data & Technology strategy 2024 – 2028 & planning towards digital transformation by providing a stable, modern and fit for purpose infrastructure, enabling the flexibility required to adapt to changing service delivery models throughout the short to medium term (i.e. the initial life of the equipment - 5 years).

4. The update of Civica Software.

We are in the process of completely replacing our Planning & Regulatory Software – Civica – as part of a separate project with a completion date of March 2026.

However, there is a residual risk that we may need to upgrade our current version of Civica to v8.10 or higher – the anticipated release date for this is October 2025. This potential software upgrade may be required so the Councils Planning and Regulatory system is compliant with food safety requirements and/or regulatory requirements that may come into force prior to Civica being replaced in March 2026.

It's very likely that we may not need to spend the capital requested, but we feel it's prudent to register this potential expenditure as a Capital Bid.

5. Investment in ICT systems with Artificial Intelligence (AI) capabilities

In line with the councils Digital Data and Technology Strategy 2024 – 2028, we have pledged to consider the introduction of AI opportunities to support our staff to deliver services to our communities. AI can significantly enhance efficiency in public services by automating routine tasks which will in turn free up staff to focus on more complex issues. By leveraging AI, we can not only streamline operations but also deliver more responsive and personalized services to our constituents.

We have written an AI usage policy and set up an AI and Ethics board to support the introduction of AI into the Council.

6. Migrating Data into M365 Cloud

Migrating data into the Microsoft 365 (M365) Cloud offers numerous benefits for the council. This piece of work will enhance data security with advanced encryption and compliance features, ensuring sensitive information is well-protected. Additionally, M365 provides improved collaboration tools, enabling council staff to work more efficiently and effectively. The cloud-based platform also offers cost savings by reducing the need for on-premises infrastructure and maintenance.

Estimated costs and funding sources:

	2025/26	2026/27	2027/28	Future Years	Total
	£'000	£'000	£'000	£'000	£'000
Capital cost of project					
Upgrade of GIS service software	65				65
SIEM solution Hoople	32				32
CCTV systems hardware replacement	20				20
Upgrade of Civica software	65				65
ICT systems with AI capabilities	151				151
Contingency	68				68
Migrating Data into M365 Cloud	99				99
TOTAL	500				500
Funding sources					
Corporate Funded Borrowing	500				500
TOTAL	500				500
Revenue budget implications					
SIEM solution Hoople	68	68	68	68	272
Supplier support for the CCTV systems hardware	-	1.6	1.7	1.8	5.1
TOTAL	68	69.6	69.7	69.8	277.1

*Revenue implications associated with ICT systems with AI opportunities will need to be assessed as projects come forward

Benefits and risks:

The anticipated benefits and risks of the proposed project plus risks of not going ahead with the scheme.

Supported 'in life' equipment will provide:

- Continued Cyber Security protection through manufacturer support for vulnerabilities (i.e. loss of data or disruption to service through Ransomware, Malware & Virus exploitation)
- Continued feature support through manufacturer software development. Potential for cost avoidance associated with exploitation of advances in technology.
- Reduces risk for potential loss of Confidentiality, Integrity and Availability of Council key Data due to Cyber Attack or Catastrophic Hardware Failure.
- Protects the Councils Data and Service Delivery obligations through fit for purpose equipment.
- Additional overhead to support future data growth/transformation in line with current planning.
- By updating this software, we reduce the risk of not being compliant with civil contingencies and PSN.
- Increased Public Trust: Demonstrating a proactive approach to cybersecurity, thereby enhancing the council's reputation and public confidence.
- Operational Resilience: Enhanced ability to maintain uninterrupted public services even in the face of cyber threats.
- Continued hardware failure protection through manufacturer support for parts and components (i.e. loss of data or disruption to service through catastrophic hardware or component failure)
- Provides operational efficiencies with opportunity for reduced power consumption & improved performance due to technology advancement in modern solutions.
- By upgrading this software we can move away from an unsupported solution.
- If food safety requirements change or new regulatory requirements come into force, the Council will have compliant Civica software installed to fulfil this criteria. By updating this software, we reduce the risk of not being compliant with civil contingencies and PSN.

Risks

Non-compliant software would put the Council in a position where they are not following legislative requirements

OUTLINE STRATEGIC BUSINESS CASE

Directorate	Economy and Environment
Scheme Name	New Public Realm Services Fleet
Budget Holder	Corporate Director Economy and Environment
Council Plan Priority	Place

Project aims and objectives:

Scheme description and demonstration of links to corporate priorities and savings plans.

The council has terminated the Public Realm Contract (PRC) with Balfour Beatty Living Places, which will end 31 May 2026.

This bid provides the strategy relating to fleet that is required to deliver the new Public Realm Services and contract from 1 June 2026. Under the current contract fleet and plant is either owned by the council, or leased by BBLP.

Essential Fleet >3.6T

The council owns 20 essential vehicles >3.6T currently used by BBLP which are 16 primarily gritters and 4 snow blowers for delivering the winter services. As these vehicles are required for essential services and keeping the network safe, it is proposed that these vehicles are retained in the ownership of the council, and made available for use by the new contractor under the new contract, where the contractor is responsible for their maintenance.

Cyclic capital replacement of this fleet will remain the responsibility of the council. Analysis of this fleet looking four years ahead to 2028/29 aligned with the council's MTFP and capital programme, including new gritters on order and funded for delivery in February 2025, has identified five gritters will need to be replaced to maintain this fleet. Four new gritters are required in 2026/27 estimated at a cost of £198,000 per gritter and one new gritter is required in 2028/29 estimated at the £218,000. These costs include inflation from the 2024 base date at +5% per annum.

The council currently has four snow blowers, of which one is beyond economical repair. Although the three in working order are becoming aged fleet, due to limited demand and usage in recent years their condition is deemed as in full working order, therefore there are no plans for their cyclic renewal at this time.

A review of the winter services will be a requirement of the tendering process. Any reduction in routes and gritter vehicles could reduce the number of vehicles from the current 16. Any reduction would be deducted from the four new vehicles forecast in 2026/27 and will be known during 2025 as part of the procurement. The outcome of the winter maintenance review and the procurement process will also determine the requirements for the snow blowers.

Other Fleet >3.6T

BBLP currently lease 17 larger vehicles >3.6T that are forecast to be used, or similar required in the new contract. The capital purchase of these fleet is estimated in the region £3M. The council has investigated

purchasing and owning this fleet from the council's more advantageous borrowing capital rates than the private sector to support the new contract from 1 June 2026.

However having reviewed this proposal from the market engagement during the summer 2024 and subsequent discussion with the council's contract, procurement and legal experts there are several disadvantages to this:

- a) Contractors have indicated flexibility to allow a mix of purchase, lease and transferring in fleet from other contracts will would provide the most efficient service delivery model;
- b) Fleet owned by the council could lay idle if there are a change of service priorities or a reduction in budget meaning that fleet was not in demand on the contract;
- c) Restricts the transition to advancements in new and emerging technology and the transition to lower carbon vehicles as the purchase of heavy fleet has a life expectancy of up to 10 years;
- d) Costs associated with vehicle breakdowns and vehicles thefts/replacements are the responsibility of the council;
- e) To avoid "variant bids", that is notoriously difficult to evaluate or defend if challenged within the procurement, the council would be required to specify a fixed approach to the funding and purchase of this fleet including specifying the 17 vehicles, that all contractors would be required to take and use as part of their operations on the new contract;
- f) This prescriptive approach would need to be set out in the tender documents by December 2024, and it is highly unlikely that this "one size fits all" approach would provide optimum operational service delivery nor be accepted by all contractors nor lead to the best outcome on tender price nor the transition to new technology nor carbon reduction. There is also the risk that some contractors may be minded not to bid unless the requirements and vehicles allow them to operate in line with their established operational practices and fleet H&S requirements.

It is therefore proposed that the new contractor provides the fleet as part of the new contract and the cost of this fleet is built into the contact rates submitted through the tender process.

Smaller fleet and plant <3.6T

The council currently owns in the region of 500 small fleet and plant that are used by BBLP on the current contact. The council are responsible to fund the purchase, storage, replacement and maintenance of these assets.

A valuation of these assets is being arranged, and expected to total in the region of £350,000 that will not be confirmed until the initial valuation is complete.

The council could look to sell these assets on the open market, which would lead to a capital receipt to the council. However on the open market or at auction it is likely that only a fraction of the market or net book value of these assets would be received.

The new contractor will be well placed to use the smaller fleet and plant on this contract, or elsewhere in their business. It is therefore recommendation that the council transfer these assets to new contractor from the contract commencement date of 1 June 2026, without a charge and make this clear in the tender documents.

This transfer of these assets without a charge will go some way to funding the new contractor's considerable mobilisation and depot investment costs that are forecast in the region of £850,000. Any shortfall of the council funding the mobilisation costs will be recovered by the contractor built into the contract tender rates over the first few years of the contract. After which the council is likely to pay a premium for the remainder of the contract.

Vans & pool cars

Industry standard is that the contractor will provide the smaller vans and any cars, aligned with their company practices and aligned to their carbon net zero targets.

23 of the BBLP transferred staff have vans that the council will provide in the new operating model including Locality Stewards and Network Management Team. The Council are currently looking at procuring and providing these in 2025/2026 as part of the wider council "Fleet Strategy Review" and the council have calculated that a capital sum of £530,000 is required to purchase the vehicles.

It is to be noted that:

- i. This does not include wider council corporate fleet assets that are currently provided and maintained through the current PRC and include pool cars, a range of LCV vans and the library van. These will be considered as part of the councils wider Corporate Fleet Review that is forecast to conclude in spring 2025.
- ii. No allowance has been made at this stage for alternative fuel/drivetrains, Euro VII implications and the replacements will be Euro VI or equivalent. Euro V1 being the current emission standards for new vehicles.
- iii. Inflation has been built into the programme to allow vehicle cost increases over the next four years.

The Council has a statutory duty under Section 41 of the Highways Act 1980 to ensure that roads are maintained, which is the primary focus of the New Public Realm Services.

In relation to the Herefordshire Council Plan 2024-2028 the New Public Realm Services will contribute to the following:

People

- Support all residents to live healthy lives within their communities.
- Work with residents and partners to build connected and resilient communities.
- Support people to feel safe and respected in their communities

Place

- Expand and maintain the transport infrastructure in a sustainable way and improve connectivity across the county.
- Work towards reducing county and council carbon emissions, aiming for net zero by 2030/31 and work with partners and communities to make the county more resilient to the effects of climate change.

Growth

- Support market towns and Hereford city to be vibrant hubs through working with residents, local organisations and businesses.
- Enhance the rollout of improved broadband across the county towards a fully digital Herefordshire.

Transformation

- Change and transform the organisation to be fit for the future and work efficiently.
- Attract and retain an excellent workforce through effective approaches to recruitment and retention.
- Work collaboratively with our residents, communities and businesses to achieve the best results together.
- Improve the way we use technology across our services.

Financial Implications

	2026/27	2027/28	2028/29	2029/30	Total
	£'000	£'000	£'000	£'000	£'000
Capital cost of project					
Cyclic replacement of winter service fleet (4 gritters @ £198,000/vehicle)	792	0	0	Out of scope	792
Cyclic replacement of winter service fleet (1 gritter @ £218,000)	0	0	218	Out of scope	218
Purchase of 23 vans for staff transferring from BBLP to council	530	0	0	Out of scope	530
TOTAL	1,322	0	218	Out of scope	1,540
Funding sources					
Corporate Funded Borrowing	1,322	0	218	0	1,540
TOTAL	1,322	0	218	0	1,540
Revenue budget implications					
Winter Service fleet maintenance will remain as a contractor cost and charged through the new public realm contract met through service budgets	0	0	0	0	0
The maintenance costs of the 23 vans has been estimated at £2,200 per vehicle per annum, and this cost will be met through existing service budgets.					
TOTAL	0	0	0	0	0
TOTAL	0	0	0	0	0

Benefits and risks:

Benefits

- Council maintains winter service fleet ownership for resilience.
- The contractor is responsible for providing the remaining fleet and plant to deliver the services to ensure effective core services from 1 June 2026.
- Provides flexibility and supports transition to net zero.

Risks

- Fleet is not in place for the contract start on 1 June 2026 / Mitigation: Place requirements for fleet on contractor and seek assurance via market engagement, procurement and mobilisation.
- The contractor goes into administration / Mitigation: The winter fleet will be retained in the ownership of the council.
- The contractor fails to maintain the fleet / Mitigation: The contractor is responsible to deliver the services aligned to performance targets.

OUTLINE STRATEGIC BUSINESS CASE

Directorate	Economy and Environment
Scheme Name	Public Realm Services Depot Investment & Mobilisation
Budget Holder	Corporate Director Economy and Environment
Council Plan Priority	Place

Project aims and objectives:

Scheme description and demonstration of links to corporate priorities and savings plans.

The council has terminated the Public Realm Contract (PRC) with Balfour Beatty Living Places, which will end 31 May 2026.

The council is progressing the New Public Realm Services which are required to be in place from 1 June 2026.

The programme which is underway for the new contract provided:

New Public Realm Services- High Level Programme		
Activity	Start Date	Finish Date
Cabinet Decision to adopt model for market engagement	27 Jun 2024	
Market engagement	July 2024	Aug 2024
Services review & model refinement (including IT, fleet & depots)	July 2024	Aug 2024
Develop contract documents, specification & tender documents	Aug 2024	Nov 2024
Connected Communities Scrutiny Committee	13 Nov 2024	
Cabinet Decision to approve model and commence procurement	28 Nov 2024	
Deliver procurement process	Jan 2025	Oct 2025
Cabinet Decision to Award contract	November 2025	
Sign contract	1 Jan 2026	31 Jan 2026
Deliver Demobilisation and mobilisation (5 months)	1 Jan 2026	31 May 2026
Contract with BBLP ends	31 May 2026	
New Public Realm Services Contract Goes Live	1 Jun 2026	

Market engagement during Summer 2024 has advised that the council providing the mobilisation costs funding from April 2026 funded through revenue budgets, will assist the new provider with cash flow at the start of the new contract, encourage companies to bid during 2025 promoting a competitive procurement and long term be the most cost effective solution to fund the mobilisation costs.

The alternative option is to place these costs on a new provider through the tender and contract documents which will be finalised in December 2024. Market engagement has stated this approach by the council is likely represent cash flow problems for companies at the start of the contract, discourage bids for the 2025 procurement reducing the likelihood of a competitive process and ultimately cost the council more in the long term, as the costs would recovered from capital borrowing by the contractors and recovered during the initial contract term of 2026 plus seven years.

Capital Mobilisation costs associated with the new contract are provided in the table below.

Mobilisation Requirement	Cost in £000's
Thorne Depot modernisation costs including meeting pods, toilets, canteen and office/teleconferencing requirements	180
EV charging points at Thorne & Kingsland Depot	200
Crematorium Building (HR4 0JE) refurbishment to provide toilets, mess room and store for operatives	70
Total	450

The costs in the table are required to be funded by the council irrespective of the new contract, to make the public realm services facilities and depots fit for purpose to provide the services for the next period from 2026 to 2036.

The Council has a statutory duty under Section 41 of the Highways Act 1980 to ensure that roads are maintained, which is the primary focus of the New Public Realm Services.

In relation to the Herefordshire Council Plan 2024-2028 the New Public Realm Services will contribute to the following:

People

- Support all residents to live healthy lives within their communities.
- Work with residents and partners to build connected and resilient communities.
- Support people to feel safe and respected in their communities

Place

- Expand and maintain the transport infrastructure in a sustainable way and improve connectivity across the county.
- Work towards reducing county and council carbon emissions, aiming for net zero by 2030/31 and work with partners and communities to make the county more resilient to the effects of climate change.

Growth

- Support market towns and Hereford city to be vibrant hubs through working with residents, local organisations and businesses.
- Enhance the rollout of improved broadband across the county towards a fully digital Herefordshire.

Transformation

- Change and transform the organisation to be fit for the future and work efficiently.
- Attract and retain an excellent workforce through effective approaches to recruitment and retention.
- Work collaboratively with our residents, communities and businesses to achieve the best results together.
- Improve the way we use technology across our services.

Estimated costs and funding sources:

	2024/25	2025/26	2026/27	Future Years	Total
	£'000	£'000	£'000	£'000	£'000
Capital cost of project					
Mobilisation	0	0	450		450
TOTAL	0	0	450		450
Funding sources					
Corporate Funded Borrowing	0	0	450		450
TOTAL	0	0	450		450
Revenue budget implications					
Met through existing service budgets (as is the case now).	0	0	0		0
Failure to invest will lead to longer term maintenance cost pressures for Thorne, Kingsland and the Crematorium Building.					
TOTAL	0	0	0		0

Benefits and risks:**Benefits**

- Mobilisation funding will assist the new contractor with cash flow at the start of the new contract, encourage companies to bid during 2025 promoting a competitive procurement.
- Long term council funded capital is the most cost effective solution to fund the mobilisation costs promoting VFM.
- The contractor is better placed to procure some of the depot improvements with higher buying power, established supply chain and routes to market.
- The contractor will be better placed to deliver effective services from 1 June 2026 with the mobilisation funding and depot improvements.
- The EV changing points will promote the transition of cars and light vans to electric supporting the transition to low carbon.
- The improved facilities will support and positive culture, a place where both council and the new contractor want to work, reducing staff turnover and promoting staff retention.
- The depot improvements will reduce the reliance and interim and contract workers, reducing the cost pressures and recruitment costs.

Risks

- None.

OUTLINE STRATEGIC BUSINESS CASE

Directorate	Corporate Services
Scheme Name	Property Improvements in Care Homes – phase 2
Budget Holder	Corporate Director Economy and Environment
Council Plan Priority	Place/People

Project aims and objectives:

A programme of building improvement works 2025/26 which have been identified through the assessment of criteria primarily focussed on (1) identified risk, (2) health, safety or welfare of the building users (3) delivery of the aims within the council's county plan, (4) service continuity, through the delivery of property specific projects.

Key objectives include:

- Ensure that the Council's estate is maintained, safe and fit for purpose
- Address identified risks
- Reduce revenue expenditure by investing in buildings
- Extend the lifecycle of Council assets and protect/enhance value
- Secure better services, quality of life and value for money
- Support reduction of carbon footprint
- To support the delivery of the County Plan

Allowing investment and undertaking a programme of improvement works will mitigate and prevent risk of failure and ensure the buildings remain open and fit for current use, thereby avoiding disruption to the delivery of services.

Estimated costs and funding sources:

	2023/24	2024/25	2025/26	Future Years	Total
	£'000	£'000	£'000	£'000	£'000
Capital cost of project					
Care Homes Building Improvement Works 2025/26			604.0		604.0
TOTAL			604.0		604.0
Funding sources					
Corporate Funded Borrowing			604.0		604.0
TOTAL			604.0		604.0
Revenue budget implications					
TOTAL					

Benefits and risks:

The anticipated benefits of the proposed programme are listed below:

- Statutory Compliance
- Risk Management / Mitigation
- Protected Service Delivery
- Energy Efficiency
- Sustainability

The programme seeks to reduce the risks identified on a project by project basis.

The key risks of not doing the project are:

- Non-Compliance with Statutory Regulations
- Health and Safety Risks
- Potential for serious Physical Injury
- Impact on Service Delivery
- Reputational Risk

The key project risks are:

- Statutory
- Financial
- Service
- Reputational

OUTLINE STRATEGIC BUSINESS CASE

Directorate	Economy & Environment
Scheme Name	Estates Building Improvement Programme 2025-28 & Building Works from 2022 Condition Surveys
Budget Holder	Ross Cook – Corporate Director Economy & Environment
Council Plan Priority	Place

Project aims and objectives:

A three year programme of building improvement works 2025/28 which have been prioritised through the assessment of criteria primarily focussed on (1) identified risk, (2) health, safety or welfare of the building users (3) delivery of the aims within the council's county plan, (4) service continuity, through the delivery of property specific projects.

Key objectives include:

- Ensure that the Council's estate is maintained, safe and fit for purpose
- Address identified risks
- Reduce revenue expenditure by investing in buildings and reducing reactive maintenance
- Extend the lifecycle of Council assets and protect/enhance value
- Secure better services, quality of life and value for money
- Support the growth of our local economy
- Protect and promote our heritage
- Support reduction of carbon footprint
- To support the delivery of the County Plan

Allowing investment and undertaking a programme of improvement works will mitigate and prevent risk of failure and ensure the buildings remain open and fit for current use, thereby avoiding disruption to the delivery of services.

Estimated costs and funding sources:

	2025/26	2026/27	2027/28	Future Years	Total
	£'000	£'000	£'000	£'000	£'000
Capital cost of project					
Building Improvement Works	1,327.1	2,451.3	526.3	0	4,304.7
Condition Survey Works	595.0	770.0	350.0	0	1,715.0
TOTAL	1,922.1	3,221.3	876.3	0	6,019.7
Funding sources					
Corporate Funded Borrowing	1,522.1	2,821.3	676.3	0	5,019.7
Revenue Reserve	400.0	400.0	200.0	0	1,000.0
TOTAL	1,922.1	3,221.3	876.3	0	6,019.7
Revenue budget implications					
TOTAL					

Benefits and risks:

The anticipated benefits of the proposed programme are listed below:

- Reduced depreciation of buildings and assets
- Heritage protection
- Energy efficiency
- Sustainability
- Reduced revenue costs
- Protected service delivery
- Protected income
- Statutory Compliance
- Risk management / Mitigation
- Growth of our local economy

The programme seeks to reduce the risks identified on a project by project basis.

The key risks of not doing the project are:

- Impact on service delivery
- Rising costs – reducing the extent or quality of completed works
- Insufficient funding
- Loss of income
- Potential for serious physical injury
- Loss in value/deterioration of property assets
- Reputational risk
- Non-Compliance with statutory regulations
- Health and safety risks

The key project risks are:

- Statutory
- Financial
- Service
- Reputational

OUTLINE STRATEGIC BUSINESS CASE

Directorate	Corporate Services
Scheme Name	Yazor FAS Outfall Restoration Works
Budget Holder	Ross Cook – Corporate Director Economy & Environment
Council Plan Priority	Place

Project aims and objectives:

Scheme description and demonstration of links to corporate priorities and savings plans.

The Yazor Brook Flood Alleviation Scheme (FAS) was delivered to reduce the risks of flooding within the city of Hereford to public infrastructure and public and private properties within the existing Yazor/Widemarsh Brooks floodplains. The scheme enabled the implementation of proposals for the regeneration of the city centre area previously known as the Edgar Street Grid. The scheme preceded and enabled the delivery of the city link road and subsequent development of the GP Hub, student accommodation and the transport hub.

The Yazor Brook FAS was completed in 2012. Shortly after it became operational, damage occurred at the outfall of the scheme to the River Wye bank during periods of heavy rainfall and floods that occurred. Permission was given by Natural England for the temporary repair of the Wye bank and this was put in place immediately following the heavy rainfall and an appraisal of alternative permanent designs for the outfall area damaged by flooding commenced.

One of the consequences of the temporary repair was a payment of £500 per week to the landowner (National Trust) in compensation for loss of pastureland and a rental charge for use of a storage area where in-fill material left over from the temporary works are stored.

In 2023, BBLP were commissioned to conduct a scoping exercise based on four options for the outfall. Each option was evaluated against potential cost, timeframe and risks. The report was issued to all stakeholders and feedback collated. The Environment Agency and Natural England were in favour of leaving the outfall untouched due to the vegetation regeneration and natural processes that have taken place over the last ten years. The landowner eventually agreed to this course of action but insisted that HC restore the land to an agreeable condition in accordance with a signed legal agreement.

The works include:

- Removal of all fences on site
- Removal of all surplus in-fill material
- Restore vehicle track to pastureland
- In-fill the large rocks in the outfall area to ensure the safety of walkers and NT staff

Estimated costs and funding sources:

	2024/25	2025/26	2026/27	Future Years	Total
	£'000	£'000	£'000	£'000	£'000
Capital cost of project					
Construction & Survey Costs		250			250
Professional & Internal fees		10			10
TOTAL		260			260
Funding sources					
Corporate Funded Borrowing		260			260
TOTAL		260			260
Revenue budget implications					
Remove Landowner repayments					
TOTAL		(26)	(26)	(260)	(312)

Benefits and risks:

The anticipated benefits and risks of the proposed project plus risks of not going ahead with the scheme.

Benefits:

- With satisfactory completion of this work, HC are looking to take no further involvement with the management of the land.
- The rental payments will cease, saving £26,000 per year

Risks associated with not proceeding have been identified as:

- Continuing to pay the rental charge at £26,000 per year.
- Potential further charges if NT pursue making the area a visitors centre but are delayed due to insecure footpaths
- Bad publicity from delays incurred by NT

OUTLINE STRATEGIC BUSINESS CASE

Directorate	Environment and Economy
Scheme Name	School Route planning software
Budget Holder	Jas Hundal
Council Plan Priority	Transformation

Project aims and objectives:

We need to acquire new optimised route planning software to support home to school, SEN and college transportation. The current supplier is no longer fit for purpose, does not meet our needs, and has increased their pricing through a 'new' pricing strategy with means we have to pay more due to the rural and dispersed nature of the county.

We should have route planning software that optimised routes for pupils, vehicles, emissions and costs. The correct algorithm ought to make our life considerably more straightforward in planning and delivering the transportation of people to both SEN and mainstream school settings. We need to go out to the market and replace what we have with an appropriate supplier that we can build a better relationships with, that understands the nature of our needs, and can support the much better utilisation of vehicles we do have access to, as well as our transition to an in-house fleet system over time.

We have a statutory duty to transport school-aged children and SEN children to educational establishments, as long as they meet our eligibility criteria.

[Home to School Transport Policy May 2022 v2.1](#)

Travel assistance from home to school will be provided for pupils who meet all the following criteria:

Live in Herefordshire

- Are of compulsory school age (i.e. 5 to 16 years), and extended in Herefordshire to include 4 year olds
- Attend their nearest school
- Live over 2 miles from school if below the age of 8, and over 3 miles from school if aged between 8 and 16
- In addition, there are some additional entitlements for pupils from families with low incomes
- Where the nearest school is in Wales, transport will be provided to that nearest school or the nearest school in England.

Regarding SEN each individual pupil's special educational needs SEND, as detailed in a formal Education, Health and Care Plan (EHCP), or other form of professionally recognised assessment, will be taken into account at the time of assessment for transport.

Where the distance to the appropriate school is less than the statutory walking distances, travel assistance will be considered, taking into account the individual circumstances and the travel needs of the child.

The complexity of travel needs across the county means we need equally advanced and dynamic software to meet our planning needs.

We also provide transport for students attending college, but they will pay for this.

Our current numbers are:

- 2,300 home to school pupils transported
- 1,300 college pupils transported
- 530 SEN pupils transported

Given the expansive range of needs, locations, conditions, destinations, family backgrounds, financial situations and so on, it is an immense task to plan the transport for students every day.

Furthermore this activity supports the Council Plan:

Transformation - We will be an efficient council that embraces best practice, delivers innovation through technology and demonstrates value for money

This software would be mobilised and ready for use before October 2025 – when the current supplier is switched off. We have undertaken an RFI process, through procurement, to establish a quantum of costing by which we can mobilise this work.

Estimated costs and funding sources:

	2025/26	2026/27	2027/28	Future Years	Total
	£'000	£'000	£'000	£'000	£'000
Capital cost of project					
	50	0	0	0	50
TOTAL	50				50
Funding sources					
Council resource	50	0	0	0	50
TOTAL	50	0	0	0	50
Revenue budget implications					
Children's Services (25%)	11.25	11.25	11.25	11.25	45
Transportation Services	33.75	33.75	33.75	33.75	135
TOTAL	45	45	45	45	180

Benefits and risks:

There is a high risk level associated with the route planning software. Without it the service cannot operate. The risk to the service is 100%, and the legal challenges we would face - and lose - for not delivering our statutory function would be immense.

We originally asked for £45,000, which was granted by expenditure panel, to fund the Flexiroute extension. Seeing as we have negotiated that figure down to £15,000, we have £30,000 we can allocate towards this figure for next year.

The benefits are that we can run the service. Whilst the software does support us to maximise our efficiencies within the limitations of having a fully contracted-out transport service, it would be impossible to run this work without the software to route plan. The complexities of planning transport routes for all students, college students and SEN children across the county, to locations inside and outside the county is vast. We need software that can help us do this automatically, easily and consistently. That is user-friendly, and works for the whole team, in different situations.

OUTLINE STRATEGIC BUSINESS CASE

Directorate	Economy and Environment
Scheme Name	Resurfacing Herefordshire Highways 2
Budget Holder	Ed Bradford, Head of Highways and Traffic
Council Plan Priority	Place

The Council estimates there is a backlog of £113m in highway carriageway repairs, with this value being split between preventative maintenance (surface treatments) and more traditional resurfacing/reconstruction type activity. This OSBC is focussed only on resurfacing and reconstruction type activity.

The condition of the network is such that the available Local Transport Plan Annual Plan and Forward Plan budgets are prioritised to minimise the impact of the deteriorating condition of the carriageway asset and to manage the remainder of the asset groups following a Risk Based Approach.

In 2024/25, the Local Transport Plan Annual Plan budget only allowed for investment of £832k into resurfacing and reconstruction type works across the county. With this level of investment, the network is effectively in a state of managed decline and requires support to prevent assets deteriorating further.

This bid seeks to reverse that trend and builds on the success of the 2024/25 Resurfacing Herefordshire Highways programme which has allowed schemes to be accelerated and brought forward for treatment now. This approach will have the dual benefit of reducing the need for reactive repairs in the interim period and will deliver better value schemes as the required intervention will be proportionally less than if carried out at a later date.

At this stage, it is proposed that this investment would be delivered through the Council's own in-house framework arrangement, which has been used to deliver the Resurfacing Herefordshire Highways Programme in 2024/25.

The condition of road surfaces is a constant concern for residents, parishes and members alike. The investment will result in an improvement in public and member satisfaction and will also reduce the volume of claims received by our service provider, Balfour Beatty Living Places, for damage caused by failed roads.

The Council has a statutory duty under Section 41 of the Highways Act 1980 to ensure that roads are maintained, this funding will contribute to any defence where lack of investment is identified as a potential factor.

Links to County Plan priorities:

County Priority – please select from	Delivery Plan Reference(s)
Community	C04, C00
Economy	EC2, EC5
Environment	EN3

Community: The project ensures localities remain connected, there is a risk of severance where road condition contributes to residents decisions not to use that part of the network.
A better quality network will remove some of the blockers associated with decisions to not adopt sustainable modes of transport for short journeys

Economy: The condition of the road network has a direct effect on businesses choosing to invest in Herefordshire. A better connected business community will thrive.

Environment: Reactive maintenance is wasteful, especially in terms of travel impact and waste material generated as a consequence. Large surfacing schemes, using state of the art machinery will reduce the impact of completing the work.

At the same time the materials traditionally seen as waste can be stored for reuse as a part of a wider recycling programme for surfacing/ treating our low use unclassified network.

Minimising the risk of failure and closures will reduce the diversions needed for transport.

Project aims and objectives:

Estimated costs and funding sources:

	2025/26	2026/27	2027/28	Future Years	Total
	£'000	£'000	£'000	£'000	£'000
Capital cost of project					
Resurfacing Schemes	4,750				4,750
Internal Staff, PM and Sundry cost	250				250
TOTAL	5,000				5,000
Funding sources					
Corporate Funded Borrowing	5,000				5,000
TOTAL	5,000				5,000
Revenue budget implications					
TOTAL					

Benefits and risks:

- Builds on the success of the existing Resurfacing Herefordshire Highways investment in 2024/25.
- By investing capital in this way the county's most valuable asset will be improved and associated revenue costs will be mitigated
- Customer satisfaction will be improved when a programme of improvements in condition is announced
- The other asset groups can be better maintained using the limited LTP funding provided to the council.
- Reduction in claims and other correspondence relating to condition
- There are no dis-benefits associated with investing in the carriageway asset.

Risks

- Deliverability during the optimal period for surfacing works. A detailed programme will be developed to ensure that the programme is delivered before the onset of winter.

OUTLINE STRATEGIC BUSINESS CASE

Directorate	Economy and Environment
Scheme Name	Road Safety Schemes
Budget Holder	Ed Bradford, Head of Highways and Traffic
Council Plan Priority	People/Place

82 people were killed or seriously injured on Herefordshire's roads between January and December 2023 and 42 people have been killed or seriously injured between January and June of this year.

Numbers of killed or seriously injured are road casualties reported to the Police and do not include those who are injured in unreported crashes every year. Although fatal road crashes are reported, a considerable proportion of non-fatal casualties are not, even when those involved require medical or hospital treatment. Apart from the human cost, road accidents have a cost and so preventing them saves money as well as saving lives and reducing the number of injuries.

In 2024/25, the Local Transport Plan Annual Plan budget only allowed for investment of £200k into road safety schemes, which provided minor safety improvements. With this level of investment, the Council is unable to deliver major schemes that would address road safety concerns at known collision cluster sites, which are ranked on an annual basis.

This bid seeks to provide investment in road safety schemes and to deliver highway improvement schemes at known collision cluster sites. Based on existing data, funding would permit schemes to be delivered at top ranking sites including (i) A465 junction with B4348 Locks Garage, Allensmore, and (ii) B4203 junction with B4204 High House Crossroads, Upper Sapey.

Road safety is a constant concern for residents, parishes and members alike. The investment will result in an improvement in public and member satisfaction and will help to reduce the number of people killed or seriously injured on our road network.

The Council has a statutory duty under Section. 39 of the 1988 Road Traffic Act to "take steps both to reduce and prevent accidents"

Links to County Plan priorities:

County Priority – please select from	Delivery Plan Reference(s)
Community	TBC
Economy	TBC
Environment	TBC

Community: TBC

Economy: TBC
Environment: TBC

Project aims and objectives:

Estimated costs and funding sources:

	2025/26	2026/27	2027/28	Future Years	Total
	£'000	£'000	£'000	£'000	£'000
Capital cost of project					
Project Management, Sundry Costs	75	75			150
Build	1,425	1,425			2,850
TOTAL	1,500	1,500			3,000
Funding sources					
Corporate Funded Borrowing	1,500	1,500			3,000
TOTAL	1,500	1,500			3,000
Revenue budget implications					
TOTAL					

Benefits and risks:

- By investing capital in this way road safety will be improved at junctions across the county
- Customer satisfaction will be improved when a programme of improvements is announced
- Reduction in claims and other correspondence relating to condition
- There are no dis-benefits associated with investing in road safety.

Risks

- Deliverability within year. A detailed programme will be developed to ensure that the programme is delivered within the budgeted years.

OUTLINE STRATEGIC BUSINESS CASE

Directorate	Economy and Environment
Scheme Name	Highways Infrastructure Investment 2
Budget Holder	Ed Bradford, Head of Highways and Traffic
Council Plan Priority	Place

The Council estimates there is a backlog of £113m in highway carriageway repairs, with this value being split between preventative maintenance (surface treatments) and more traditional resurfacing/reconstruction type activity. This OSBC is focussed only on preventative maintenance type activity (surface dressing).

The condition of the network is such that the available Local Transport Plan Annual Plan and Forward Plan budgets are prioritised to minimise the impact of the deteriorating condition of the carriageway asset and to manage the remainder of the asset groups following a Risk Based Approach.

In 2024/25, the Local Transport Plan Annual Plan budget only allowed for investment of £643k into preventative maintenance type works (surface dressing) across the county. With this level of investment, we will be unable to stabilise the condition of the network, which will continue to deteriorate until it reaches the point where more costly intervention is required.

As the Council is not permitted to use Corporate Funded Borrowing for preventative maintenance type works (surface dressing), it is proposed to use this bid to replace funding for capital works traditionally undertaken through the Local Transport Plan Annual Plan budget. The Local Transport Plan Annual Plan budget that is then released could then be invested into preventative maintenance type works (surface dressing) across the county that cannot be undertaken through Corporate Funded Borrowing and it is estimated this could allow treatment of approximately a further 2 million sqm of carriageway.

This approach will have the dual benefit of reducing the need for reactive repairs in the interim period and will deliver better value schemes as the required intervention will be proportionally less than if carried out at a later date.

The condition of road surfaces is a constant concern for residents, parishes and members alike. The investment will result in an improvement in public and member satisfaction and will also reduce the volume of claims received by our service provider, Balfour Beatty Living Places, for damage caused by failed roads.

The Council has a statutory duty under Section 41 of the Highways Act 1980 to ensure that roads are maintained, this funding will contribute to any defence where lack of investment is identified as a potential factor.

Links to County Plan priorities:

County Priority – please select from	Delivery Plan Reference(s)
Community	C04, C00
Economy	EC2, EC5
Environment	EN3

Community: The project ensures localities remain connected, there is a risk of severance where road condition contributes to residents decisions not to use that part of the network.
A better quality network will remove some of the blockers associated with decisions to not adopt sustainable modes of transport for short journeys

Economy: The condition of the road network has a direct effect on businesses choosing to invest in Herefordshire. A better connected business community will thrive.

Environment: Reactive maintenance is wasteful, especially in terms of travel impact and waste material generated as a consequence. Large surfacing schemes, using state of the art machinery will reduce the impact of completing the work.
At the same time the materials traditionally seen as waste can be stored for reuse as a part of a wider recycling programme for surfacing/ treating our low use unclassified network.

Minimising the risk of failure and closures will reduce the diversions needed for transport.

Project aims and objectives:

Estimated costs and funding sources:

	2025/26	2026/27	2027/28	Future Years	Total
	£'000	£'000	£'000	£'000	£'000
Capital cost of project					
Highways Infrastructure Investment 2	2,500	2,500			5,000
TOTAL	2,500	2,500			5,000
Funding sources					
Corporate Funded Borrowing	2,500	2,500			5,000
TOTAL	2,500	2,500			5,000
Revenue budget implications					
TOTAL					

Benefits and risks:

- Builds on the success of the existing surface dressing investment in 2024/25.
- By investing capital in this way the county's most valuable asset will be improved and associated revenue costs will be mitigated
- Customer satisfaction will be improved when a programme of improvements in condition is announced
- The other asset groups can be better maintained using the limited LTP funding provided to the council.
- Reduction in claims and other correspondence relating to condition
- There are no dis-benefits associated with investing in the carriageway asset.

Risks

- Deliverability during the optimal period for surface dressing works. A detailed programme will be developed to ensure that the programme is delivered during the summer months.

OUTLINE STRATEGIC BUSINESS CASE

Directorate	Economy and Environment
Scheme Name	City & Market Town Public Realm Investment
Budget Holder	Ed Bradford, Head of Highways and Traffic
Council Plan Priority	Place

Investing in the public realm across the market towns of Bromyard, Kington, Ledbury, Leominster and Ross-on-Wye during 2025/26 has been identified in order to help deliver the Council's Growth priority as set out in the Council Plan 2024/28. The investment will help to deliver the Growth priority objective of supporting market towns to be vibrant hubs through working with residents, local organisations and businesses and helping to provide the right infrastructure.

The funding will be targeted at highway maintenance and improvements to accessibility, overall condition and active travel across the market towns that are not currently planned to be delivered during 2025/26 as part of existing investment plans or to supplement existing s106 funding that is insufficient to deliver the required projects. £1m will be invested in Market Towns and £0.2m in the City.

Links to County Plan priorities:

Growth –

Priority: We will create the conditions to deliver sustainable growth across the county; attracting inward investment, building business confidence, creating jobs, enabling housing development and provide the right infrastructure.

Objective: Support market towns and Hereford city to be vibrant hubs through working with residents, local organisations and businesses.

Project aims and objectives:

To provide targeted investment in highway maintenance and public realm improvements relating to accessibility, overall condition and active travel across the city & market towns that are not currently planned to be delivered during 2025/26 as part of existing investment plans or to supplement existing s106 funding that is insufficient to deliver the required projects.

Estimated costs and funding sources:

	2025/26	2026/27	2027/28	Future Years	Total
	£'000	£'000	£'000	£'000	£'000
Capital cost of project					
Project Management, Sundry Costs	50				50
Build	1,150				1,150
TOTAL	1,200				1,200

Funding sources					
Corporate Funded Borrowing	1,200				1,200
TOTAL	1,200				1,200
Revenue budget implications					
TOTAL					

Benefits and risks:

Benefits:

- By investing capital in this way improvements will be made in the Public Realm across the market towns
- Customer satisfaction will be improved when a programme of improvements is announced

Risks:

- Deliverability within year. A detailed programme will be developed to ensure that the programme is delivered within the budgeted year.

OUTLINE STRATEGIC BUSINESS CASE

Directorate	Economy and Environment
Scheme Name	CCTV equipment upgrades (to facilitate move of the control room from the Shirehall to Maylords)
Budget Holder	Charles Yarnold
Council Plan Priority	Transformation

Project aims and objectives:

Scheme description and demonstration of links to corporate priorities and savings plans.

Due to the Shire Hall Refurbishment & Library and Learning Centre project (phase 1 and 2), the CCTV control room needs to move out of the building and be relocated in Maylords.

CCTV control room move project has been approved for “lift and shift” only, creating project risks and exclusion of costs that are effectively essential to retain the current level of service and provide for a safe and health workplace.

When the service is relocated, the Windows 11 upgrade has to happen as Hoople cannot reinstate outgoing / unsupported software (i.e. Windows 10). Due to software limitations, there are 25 CCTV cameras that will be impacted by the upgrade as they will not be compatible - 8 in Hereford, 6 in Ledbury, 5 in Leominster and 6 in Ross-on-Wye. If the cameras aren't upgraded all current cameras in the Market Towns would lose coverage, as would all the cameras around the Hereford FC football ground, Merton Meadow and key cameras at Garrick House Multi Storey Car Park, Hereford. A current quotation for upgrading impacted CCTV cameras is circa £45k with Hikvision potentially subsidising part of the costs leaving £33k to be covered by the council.

For an additional £3k the CCTV monitors in the new control room can be upgraded; this would mean instead of a number of screens taking up large amounts of space there would be a smaller number of large wall screens. This is essential rather than desirable for health and safety ergonomic reasons.

Lastly, to facilitate consolidation of the CCTV monitoring console, CCTV cameras in the Maylords need to be replaced. This has not been factored into the CCTV control room move project costs, and is again essential rather than desirable for health and safety ergonomic reasons due to the small size of the room. A recent quotation for upgrading CCTV cameras in Maylords is circa £45k.

Strategic Alignment (as per phase 1 and 2 of the Shirehall refurbishment works):

- **Protect and enhance our environment** – restore and bring back into use a landmark historic building in the city which will otherwise remain boarded up in a state of ongoing deterioration; protect and maintain the county's heritage assets; reduce carbon emissions through more efficient space heating provision.
- **Strengthen communities** – create a central hub able to host a complementary range of community-focused council services, third-sector activity, community skills development and cultural offerings; manage council assets to optimise their use and potential.
- **Support the economy** – create a destination building which will bring people to the city centre, supporting the local retail economy with footfall to the area; provide a venue for community skills development, and the support for people to access it.
- **Herefordshire Council Plan 2024-28** – contributes to the objectives of '*supporting our local culture and heritage and make Herefordshire a thriving, safe and attractive place to live and visit*' and '*supporting residents to access skills development, training and employment opportunities*'.
- **Herefordshire City Masterplan** – supports the objectives across Community and Culture, Economy and Opportunities and Places and Spaces; '*Celebrating and growing our best places, reinvigorating our less-loved ones, rediscovering our historic places, adapting places for the future and planning new places that excite us*'
- **Herefordshire Big Economic Plan 2050** – supports the identified themes of People, Community and Partnerships and Enterprise.

Estimated costs and funding sources:

	2025/26	2026/27	Total
	£'000	£'000	£'000
Capital Cost of Project:			
CCTV screens upgrade	3	0	3
CCTV Camera upgrades (due to Windows 11)	33	0	33
Maylord CCTV camera upgrade	45	0	45
10% contingency	8.1		8.1
TOTAL	89.1	0	89.1
Funding Source:			
New capital budget	89.1	0	89.1
TOTAL	89.1	0	89.1
Revenue Budget Implications:			
Increased running/service costs			0
TOTAL			0

Benefits and risks (as per phase 1 and 2 of the Shirehall refurbishment works):

The anticipated benefits and risks of the proposed project plus risks of not going ahead with the scheme.

- Continue the process of bringing the building back into full productive use with the improvement/opening up of further spaces, also supporting the ancillary aims for the new LLC.
- Further curtail deterioration of the building condition, reducing repair and maintenance costs and ultimately making the building a city showpiece rather than an eyesore.
- Display an ongoing public commitment to the council's long-term aspiration to a full and proper restoration of the building, acting responsibly as custodian of a key heritage asset.
- Achieve financial economies by progressing phases 1 & 2 as one, with opportunities to sequence works together and overlap time-related contractor preliminary and professional service/project management costs.
- Phase 2 is likely to be more appealing to prospective contractors when let along with phase 1 than would be the case if it were procured in isolation.
- Opportunity to extend the low-carbon features to include LED lighting throughout and solar photovoltaic panels, with resultant benefits in running cost and carbon load.

Risks associated with not proceeding have been identified as:

- Continuing deterioration of elements of the building not addressed in phase 1 leading to higher ongoing repair and maintenance needs and higher ultimate restoration costs.
- Reputational risk of the Council perceived to be failing in its duty as custodian of a grade 2-star heritage asset, and not making best use of the space created by phase 1.
- Failure to maximise the productive value of the building as an asset.

Wider Project Risks Considered:

- Financial: the age and condition of the building means a high risk of uncovering previously unknown defects once work starts and hidden elements of the structure are exposed. Listed building constraints may mean higher cost repairs than might be expected in a more standard building, with less scope for value engineering to omit or reduce the specification of work.
- Financial: construction markets remain volatile reflecting rising material and labour costs, labour shortages restricting industry capacity and high interest rates on borrowing. Construction costs therefore continue to be elevated and unpredictable. High instances of contractor insolvency in this unstable environment are also influencing contractor's tolerance for risk, reflected in tender bids with high risk allowances. There is a risk that RIBA stage 2 cost estimates are not reflected in market reality at the time of contractor procurement, or that no bids are forthcoming. This may be exacerbated by the specialist heritage nature of these works, which further limits the pool of suitable contractors.

OUTLINE STRATEGIC BUSINESS CASE

Directorate	Corporate
Scheme Name	Shirehall Refurbishment Phase 2
Budget Holder	Hilary Hall
Council Plan Priority	People/Place

Project aims and objectives:

Scheme description and demonstration of links to corporate priorities and savings plans.

The second phase of the ongoing refurbishment to restore the Shirehall building and bring it back into productive use.

Phase 1 of the refurbishment, already part of the capital programme and in delivery, focuses on the essential work necessary to make the building safe, useable and legally compliant. That phase also incorporates the establishment of the new Library and Learning Centre (LLC) along with any wider building works necessary to accommodate this, funded separately as part of the Stronger Towns grant programme,. Subject to funding however, the council's stated aspiration has been to go beyond this phase and ultimately complete a full refurbishment and restoration of Shirehall.

With this in mind, the scope for further phases 2 to 5 was also defined in outline, to follow on from phase 1 as and when capital funding could be made available. These subsequent phases would go beyond the essential-only scope of phase 1, building progressively towards a point when the Shirehall can be considered fully refurbished. This business case concerns a proposal to progress phase 2 as part of that longer-term aspiration. With the exception of areas where these works are already included as part of the LLC fit-out in phase 1, the phase 2 scope broadly includes:

- Refurbishment and thermal upgrade of windows.
- Lighting upgraded to LED throughout.
- Demolition of the vacant CCTV room and reinstatement/strengthening of the flat roof below.
- Solar photovoltaic panels fitted to the newly formed and strengthened flat roof (panels funded from a separate environment capital budget).
- New and remodelled kitchen along with associated multi-use spaces (e.g. functions, life-skills training and the like).
- New platform lift/improved accessibility to the lower level kitchen area.
- Improvements to courtroom 2 following on from phase 1 works, to secure its use as a coroner's court.

To avoid repeat work and multiple applications, the scope of restoration works for phases 2-5 were included in the design scope, planning and listed building consent for phase 1, providing a smoother path into subsequent phases.

With contractor procurement likely to begin in March/April 2025, the allocation of funding for phase 2 in 2025/26 would allow both phase 1 and 2 to be included in that procurement process. This would provide opportunity for cost benefits by enabling both phases to be sequenced together through the construction phase and by allowing overlap of project management and contractor preliminary costs.

For information, further works identified for phases 3-5 (unless already carried out as part of the LLC fit-out) and so not within scope of this business case include new/refurbished floor finishes, wall/ceiling plaster repairs, full redecoration throughout, further remodelling of courtroom 2 depending on further user requirements, repair and cleaning of external masonry facades, remodelling of modern additions to the entrance foyer, external works/furniture/ external lighting.

In common with the key considerations for phase 1, key objectives identified for the subsequent phases include:

- Continue the return of a key council built asset to productive use.
- Fulfil the responsibilities of the council as keeper and custodian of a key heritage asset.
- Improve the city-centre townscape by reinstating a prominent heritage building.

- Support the local retail economy by creating facilities which give people additional reason to be in the city-centre zone.
- Further support the aims of the Hereford Town Investment Plan by providing improved facilities and user-space around the new Library.
- Honour the commitment made to full restoration of the building.

Strategic Alignment:

- **Protect and enhance our environment** – restore and bring back into use a landmark historic building in the city which will otherwise remain boarded up in a state of ongoing deterioration; protect and maintain the county’s heritage assets; reduce carbon emissions through more efficient space heating provision.
- **Strengthen communities** – create a central hub able to host a complementary range of community-focused council services, third-sector activity, community skills development and cultural offerings; manage council assets to optimise their use and potential.
- **Support the economy** – create a destination building which will bring people to the city centre, supporting the local retail economy with footfall to the area; provide a venue for community skills development, and the support for people to access it.
- **Herefordshire Council Plan 2024-28** – contributes to the objectives of ‘*supporting our local culture and heritage and make Herefordshire a thriving, safe and attractive place to live and visit*’ and ‘*supporting residents to access skills development, training and employment opportunities*’.
- **Herefordshire City Masterplan** – supports the objectives across Community and Culture, Economy and Opportunities and Places and Spaces; ‘*Celebrating and growing our best places, reinvigorating our less-loved ones, rediscovering our historic places, adapting places for the future and planning new places that excite us*’
- **Herefordshire Big Economic Plan 2050** – supports the identified themes of People, Community and Partnerships and Enterprise.

Estimated costs and funding sources:

	2025/26	2026/27	Total
	£'000	£'000	£'000
Capital Cost of Project:			
Construction Costs	650	250	900
Professional Fees	60	30	90
Internal staff, PM & sundry costs	5	5	10
TOTAL	715	285	1,000
Funding Source:			
New capital budget	715	285	1,000
TOTAL	715	285	1,000
Revenue Budget Implications:			
Increased running/service costs			0
TOTAL			0

Benefits and risks:

The anticipated benefits and risks of the proposed project plus risks of not going ahead with the scheme.

- Continue the process of bringing the building back into full productive use with the improvement/opening up of further spaces, also supporting the ancillary aims for the new LLC.
- Further curtail deterioration of the building condition, reducing repair and maintenance costs and ultimately making the building a city showpiece rather than an eyesore.
- Display an ongoing public commitment to the council’s long-term aspiration to a full and proper restoration of the building, acting responsibly as custodian of a key heritage asset.
- Achieve financial economies by progressing phases 1 & 2 as one, with opportunities to sequence works together and overlap time-related contractor preliminary and professional service/project management costs.

- Phase 2 is likely to be more appealing to prospective contractors when let along with phase 1 than would be the case if it were procured in isolation.
- Opportunity to extend the low-carbon features to include LED lighting throughout and solar photovoltaic panels, with resultant benefits in running cost and carbon load.

Risks associated with not proceeding have been identified as:

- Continuing deterioration of elements of the building not addressed in phase 1 leading to higher ongoing repair and maintenance needs and higher ultimate restoration costs.
- Reputational risk of the Council perceived to be failing in its duty as custodian of a grade 2-star heritage asset, and not making best use of the space created by phase 1.
- Failure to maximise the productive value of the building as an asset.

Wider Project Risks Considered:

- Financial: the age and condition of the building means a high risk of uncovering previously unknown defects once work starts and hidden elements of the structure are exposed. Listed building constraints may mean higher cost repairs than might be expected in a more standard building, with less scope for value engineering to omit or reduce the specification of work.
- Financial: construction markets remain volatile reflecting rising material and labour costs, labour shortages restricting industry capacity and high interest rates on borrowing. Construction costs therefore continue to be elevated and unpredictable. High instances of contractor insolvency in this unstable environment are also influencing contractor's tolerance for risk, reflected in tender bids with high risk allowances. There is a risk that RIBA stage 2 cost estimates are not reflected in market reality at the time of contractor procurement, or that no bids are forthcoming. This may be exacerbated by the specialist heritage nature of these works, which further limits the pool of suitable contractors.

OUTLINE STRATEGIC BUSINESS CASE

Directorate	Environment & Economy
Scheme Name	Purchase of Minibuses/ 6 Seater Vehicles
Budget Holder	Interim Chief Operating Officer (Residents and Business Services)
Council Plan Priority	Transformation

Project aims and objectives:

Scheme description and demonstration of links to corporate priorities and savings plans.

The council spends over £9.2 million on home to school transport, including special education needs transport. There are approximately 250 routes, with an average spend of £40,000.

There has been a significant increase in the cost of transport, due to a combination of higher operating costs and increases in number of pupils qualifying for free home to school transport due to placements away from catchment schools (capacity), and increases in pupils with Education Health and Care Plans. A significant part of the expenditure relates to solo-taxis and passenger assistants.

It is considered that by investing in 6-8 seater vehicles and mini-buses for in-house fleet or a joint venture would help to reduce the cost of school transport; mitigate future increases in expenditure; and build market sufficiency that would deliver better value to the council.

Assuming that approximately, 40-50 (around 20% of the total) routes would be covered from the new operating model for school transport, it is possible to save approximately £75K per annum. This figure is net of operating costs of the fleet.

A detailed business case will required for the decision to spend once full financial appraisal of the options has been completed.

Procurement will be through an approved Local Government Procurement Framework to ensure that best value is demonstrated.

Estimated costs and funding sources:

	2025/26	2026/27	2027/28	Future Years	Total
	£'000	£'000	£'000	£'000	£'000
Capital cost of project					
In-house fleet	350				350
TOTAL	350				350
Funding sources					
Corporate Funded Borrowing	350				350
TOTAL	350				350

Revenue budget implications					
Net Savings (excluding financing costs)	75	75	75	75	300
TOTAL					

Benefits and risks:

The anticipated benefits and risks of the proposed project plus risks of not going ahead with the scheme.

Benefits

- Spend to save initiative
- High rate of return, with a payback period of approximately 5 Years.
- Market sufficiency, and stronger competition in the market.

Risks

- Increasing costs without mitigation measures.

OUTLINE STRATEGIC BUSINESS CASE

Directorate	Economy and Environment
Scheme Name	Herefordshire Flood Risk Mitigation
Budget Holder	Ed Bradford, Head of Highways and Traffic
Council Plan Priority	People/Place

This bid seeks to invest in a flood risk management programme to reduce the likelihood and impact of flooding for residents and communities and to enable the delivery of schemes that better protect properties across the county.

As recognised in the Herefordshire Council Plan (2024-2028), flooding causes significant disruption across the county and sadly leads to internal property flooding of homes, businesses and other properties, including schools and leisure centres.

In its role as Lead Local Flood Authority, Herefordshire Council is able to apply to the Environment Agency for Flood Defence Grant in Aid funding as part of DEFRA's Flood and Coastal Erosion Risk Management programme to help better protect properties from flooding. As part of the process, partnership contributions are required, which this funding from Herefordshire Council would provide. This funding would also provide additional Officer capacity within the team to develop technical business cases, engage with communities, deliver schemes and to provide wider support around flood risk management.

Links to County Plan priorities:

This bid will help the Council to deliver its priorities as follows:

People – enable residents to realise their potential, to be healthy and to be part of great communities

Place - protect and enhance our environment

Growth – providing the right infrastructure

This bid will help the Council to deliver its objectives as follows:

People - support all residents to live healthy lives within their communities. Work with residents and partners to build connected and resilient communities.

Place - make the county more resilient to the effects of climate change

Growth - work with our partners and businesses to facilitate growth across the county

Project aims and objectives:

- To reduce the likelihood and impact of flooding for residents and communities.
- To enable the delivery of schemes that better protect properties across the county.

Estimated costs and funding sources:

	2025/26	2026/27	2027/28	Future Years	Total
	£'000	£'000	£'000	£'000	£'000
Capital cost of project					
Scheme Delivery	1,000	945			1,945
Staff Costs	55	55			110
TOTAL	1,055	1,000			2,055
Funding sources					
Corporate Funded Borrowing	1,055	1,000			2,055
TOTAL	1,055	1,000			2,055
Revenue budget implications					
TOTAL					

Benefits and risks:

- By investing capital in this way more properties will be better protected from flooding
- Customer satisfaction will be improved when a programme of improvements is announced
- There are no dis-benefits associated with investing in flood protection measures.

Risks

- Scheme delivery (better protecting properties) will rely on the success of bidding for Flood Defence Grant in Aid from DEFRA and attracting Local Levy funding from the English Severn and Wye Regional Flood and Coastal Committee.

OUTLINE STRATEGIC BUSINESS CASE

Directorate	Economy and Environment
Scheme Name	Hereford Western Bypass – Phase 1
Budget Holder	Scott Tompkins – Delivery Director - Infrastructure
Council Plan Priority	Place

Project aims and objectives:

Scheme description and demonstration of links to corporate priorities and savings plans.

The Council is seeking to deliver the first phase of the Hereford Western Bypass (formerly Southern Link Road). The project was approved by Cabinet in March 2024 as part of the New Road Strategy. It is currently estimated that the scheme will cost in the region of £35m, however £10.3m has already been allocated to the scheme for its development from which it is anticipated that £5m will be available to contribute to the construction costs. A further £30m to deliver its construction is therefore required.

The cost of £35m is informed by applying industry inflation indices to the costs returned in tenders for the scheme in 2018, prior to its cancellation. A review of the scheme is currently being undertaken to ensure that the former scheme complies with current legislation and regulations in both its construction and a more refined cost will be determined at that stage. The review is expected to be completed by May 2025.

This capital bid is intended to deliver:

- The finalised design of the construction through a design and build contract.
- Fund the work required to submit a planning application for the required haul roads and compound for the scheme.
- Fund any advanced works such as utility diversions, landowner accommodations etc.
- Fund the construction of the approved scheme
- Fund a consultant to oversee the construction of the scheme
- Provide an element of contingency to ensure that unexpected issues that may arise are able to be addressed.

Links to County Plan priorities:

Community: The delivery of phase 1 of the Hereford Western Bypass will allow for the removal of a high proportion of traffic that currently accesses the Rotherwas Enterprise Zone via the A465 and A49 corridors and from Holme Lacey Road. This will help in restoring a sense of place to the Belmont Road, reducing the current community severance that exists on the A465.

A better quality network, with less traffic, will remove some of the blockers associated with decisions to not adopt sustainable modes of transport for short journeys.

Economy: The creation of a new network of roads around the City will ensure that business traffic is able to access the business parks and Enterprise Zone without impacting on the city. This will reduce cost and encourage investment to enable economic growth in and around Hereford.

The creation of the Southern Link Road, and the other revenue funded work that is coming forward, will give local businesses confidence to invest in the city's enterprise park and business hubs.

By removing unnecessary through traffic from the city centre local retail, leisure and hospitality businesses will be better placed to welcome visitors to the city.

Environment: Traffic levels in the city are high, and with that comes pollution in the form of NO_x and particulate pollution (PM10 and PM2.5). This pollution is known to affect the development of the young and to impact on the health of adults with respiratory illnesses.

The schemes will be designed such that they are sympathetic to the environment, with planting on site and on nearby sites planned as an integral part of the schemes.

Estimated costs and funding sources:

	2024/2025	2025/2026	2026/2027	2027/2028	Total
	£'000	£'000	£'000	£'000	£'000
Capital cost of project					
Phase 1 Hereford Western Bypass	0	5,000	15,000	10,000	30,000
TOTAL	0	5,000	15,000	10,000	30,000
Funding sources					
Capital Receipts	0	0	0	0	0
Corporate Funded Borrowing	0	5,000	15,000	10,000	30,000
TOTAL	0	5,000	15,000	10,000	30,000
Revenue budget implications					
Repayment of £30m is £1.5m per annum over 40 years					
TOTAL					

Benefits and risks:

The anticipated benefits and risks of the proposed project plus risks of not going ahead with the scheme.

- By investing capital in this way, starting with the first phase of a bypass, then the City will have started on its journey to create resilience, better control its traffic and will allow for space within the city centre to be re-purposed to provide a better sense of place.
- The residents of Herefordshire have long expected the delivery of a bypass for the city, customer satisfaction will be improved when work on the bypass is commenced.
- Businesses will welcome a reduction in lost time traversing busy city centre corridors, freeing up resource for investment in the various enterprises.
- A reduction in traffic in the city centre will allow for a more punctual bus service, giving residents the confidence to swap their travel modes.
- Less traffic will also improve the active travel choices of our residents. They will be able to travel on quieter streets with less pollution.

Risks

- If possible the council will seek to recover corporate funding from third parties such as DfT or developers to minimise the revenue impact on corporate budgets, however it may be that external funding is not forthcoming and therefore the council will be required to fully fund the project.
- Construction inflation has proven to be volatile over recent years and therefore actual costs may be subject to change when the scheme goes out to tender. The proposed budget may therefore require amendment up or down prior to the start of construction. A re-visit of the full business case will help minimise the level of uncertainty prior to tender.
- The second phase of the Western Bypass has yet to progress to the full business case stage and therefore the full potential benefits of phase 1 may not be realised should phase 2 not progress. A full business case for phase 1 to demonstrate that it represents value for money in its own right will be developed prior to spending commitments on construction.