



Merton Meadows Flood Alleviation - delivery of construction works

Decision maker: Cabinet Member for Economy and Growth

Decision date: 20 August 2025

Report by: Head of Housing Development

Classification

Open

Decision type

Key

This is a key decision because it is likely to result in the council incurring expenditure which is, or the making of savings which are, significant having regard to the council's budget for the service or function concerned. A threshold of £500,000 is regarded as significant.

This is a key decision because it is likely to be significant having regard to: the strategic nature of the decision; and / or whether the outcome will have an impact, for better or worse, on the amenity of the community or quality of service provided by the authority to a significant number of people living or working in the locality (two or more wards) affected.

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

Wards affected

Widemarsh;

Purpose

The purpose of this report is to seek approval to spend the remaining £1.2 million of the £2million Brownfield Land Release Fund grant awarded by the government for a flood alleviation scheme on the Merton Meadow sites in Hereford to enable the land to be released for housing development. The grant funding will be utilised to deliver the physical flood alleviation works, upon receipt of all appropriate statutory approvals.

Recommendation(s)

That:

- a) **The Cabinet Member for Economy and Growth approves the draw down of the remaining £1.2 million of Brownfield Land Release (BLRF) Grant monies and delegates to the Corporate Director for Economy and Environment upon grant of planning permission to use the BLRF Grant to procure, appoint, commission the works and any other operational decision required to deliver the Merton Flood Alleviation scheme.**

Alternative options

1. To not take forward the proposed works - not agreeing to the expenditure of the remaining BLRF monies by November 2025 will necessitate the council being required to return all unexpended monies currently held to the Government and have a significant adverse impact on the council's ability to bring the Merton Meadow sites forward for development as the sites are currently within a Category 3 flood zone.

Key considerations

2. In September 2021 the council was successful in securing an award of £2million from the Government's Brownfield Land Release Fund (BLRF) to procure infrastructure works relating to flood alleviation on the Merton Meadows sites and thus enable the sites to come forward for residential development. In September 2024 the Cabinet Member for Economy and Environment took the decision to enable the first £800,000 of the grant to be spent on the required site investigation and design works [Decision - Merton Meadow Flood Alleviation Scheme - Herefordshire Council](#). This decision now seeks approval to use the remaining £1.2million of the grant allocation to appoint a contractor and implement the flood alleviation works.
3. The currently agreed timescales for completion of the grant funded works are as follows:

Merton Meadow Project Milestones	Delivery Dates
Procurement of BLRF funded works	30/10/2024
Commencement of BLRF funded works date	30/11/2024
Completion of BLRF funded works date	31/11/2025
Date land is to be released	31/11/2025
Expected start on site	01/01/2026
Expected development end date	01/01/2028

Government has indicated that failure to meet these timescales will result in the withdrawal of the grant offer.

4. The grant was awarded to the council to achieve the following outcomes;
 - a. address flooding issues associated with these key city centre sites to unlock these strategic sites for regenerative development,
 - b. address the strategic need to regenerate this gateway area of the city, deliver much needed affordable and social housing as defined in the Herefordshire Housing Market Needs Assessment 2021,

- c. provide key worker accommodation to support local health and education institutions,
 - d. address flooding issues affecting this and surrounding properties,
 - e. improve biodiversity, and
 - f. improve access links between the new Station transport hub and city centre.
5. A requirement of the grant is the project needs to unlock the provision of 270 new homes.
 6. A design team were appointed in November 2024 (in compliance with Contract Procedure Rules) to develop initial masterplan concepts to enable a detailed design for the requisite Flood Alleviation measures to be produced that will enable the release of these key city centre sites. Those concepts have embraced the council's original aspirations to deliver multi generation city living across the sites.
 7. The design team led by Buttress Architects have undertaken initial scale and massing masterplan design work, ecology and arboricultural surveys, hydrology modelling, ground investigations and key statutory stakeholder engagement, which has culminated an innovative 'on-site' approach to flood alleviation, creating new and attractive blue green infrastructure and public realm. The flood alleviation scheme has been designed to include capacity to accommodate up to 400 new homes across the Merton Meadow sites, which has been determined by the initial high level masterplan exercise.
 8. A detailed planning application was submitted at the end of April 2025 for the works Ref No. 251273, [Planning Search – Herefordshire Council](#). It is likely this planning application will go to committee in July 2025, to enable the project to meet the grant condition timetable. As the works are infrastructure in nature, and the relevant statutory stakeholders have been consulted during the design process.
 9. To ensure the council achieve best value for money and avoid mobilisation delays post planning approval, it is proposed to go out to procure a contractor via a two stage process using a compliant framework thus enabling the contractor to be involved with and provide practical input into the detailed design process.
 10. Initial cost estimates provided by the design team indicate that the project can be delivered within the budget provided by the BLRF grant. The above process will provide additional certainty and enable the contractor to be in a position to start on site promptly upon receipt of planning consent to meet the grant funding timescales.

Community impact

11. The Council plan sets out how the council will deliver for the people of Herefordshire, the priorities enshrined in the plan are focussed on People, Place, Growth and Transformation. This proposal will deliver across all these priorities, it will enable residents to realise their potential by providing a range of housing types and tenures, in sustainable communities close to the city centre, improve biodiversity through the creation of new blue/green infrastructure, resolve environmental issues, support key local employers and learning Institutions thus underpinning economic growth and wellbeing policies.
12. The Council Plan 2024 to 2028 states that '*We want to attract inward investment, create more jobs, enable housing development and provide the right infrastructure to keep Herefordshire moving forward*'. It also states '*we will support the right housing in the right place*'. The project will enable a long standing priority to establish inter-generational living opportunities in the

Merton Meadow area of the city, regenerating the city centre through meeting the need for housing and through people living, working and spending in the city centre.

Environmental Impact

13. Through the careful design of these flood alleviation measures, which take into account and direct the development potential of these key sites, the proposals will
 - a. Promote links between environmental sustainability economic growth and wellbeing
 - b. Prevent and reduce pollution and protect our environment
 - c. Promote the use of appropriate renewable and green energy,
 - d. Promote the adoption of sustainable building standards.
 - e. Act as an exemplar scheme that supports a planning system that protects and enhances landscape, biodiversity and seeks to ensure that development is sustainable
 - f. The location of the sites and creation of sustainable homes will help reduce reliance on the car by enabling the use of alternative modes of transport and thus reduce carbon emissions,
 - g. The flood alleviation works will increase flood resilience, which combined with sustainable drainage solutions (SuDs) will help reduce levels of phosphate pollution in the county's rivers.

The development of this project has and will continue to seek to minimise any adverse environmental impact and will actively seek opportunities to improve and enhance environmental performance

Equality duty

14. Future phases of this project will deliver up to 400 units of inter-generational housing, designed to meet the needs of all communities including those with specific needs. The design of the housing will fully consider accessibility, and make provision for affordable and social housing. The location near to the medical centre, the hospital, as well as services in the nearby city centre provides a range of opportunities to support local people with varying needs and demographics.
15. However, at this stage this decision only seeks approval to implement the flood alleviation works through the government grant funding. The works are critical to enabling the future development of the sites.
16. The masterplan detailing the types and location of the proposed housing will be consulted on over the summer 2025, leading to an outline planning application in the autumn 2025. The masterplan will fully consider the needs of different communities and groups in designing the future housing offer.
17. Therefore, at this stage in development, focussing only on the required flood alleviation works, the potential impact of this decision is low, a full Equality Impact Assessment is not required at this stage. However, the following equality considerations will be taken into account when making a decision about this activity:

- a. The consultation of the masterplan detailing the design of the housing and public wetland areas will include specific engagement with groups protected within the Equality Act 2010 to ensure their future needs are fully considered.
- b. An Equality Impact Assessment will be undertaken for each phase of development. The first phase is likely to include the provision of social housing.

Resource implications

18. This report seeks approval to spend the remainder (£1.2 million) of the £2million Brownfield Land Release fund grant awarded by the government to support the redevelopment of Merton Meadow, and follows a previous decision to spend up to £800,000 of that grant on design and masterplan work, [Decision - Merton Meadow Flood Alleviation Scheme - Herefordshire Council](#)
13. Provision has already been made in the appointment of the design team for the next stages of the design and associated professional project management work, due to budget pressures and the need to ensure sufficient funds remain within the Brownfield land Release fund budget, a revised scope of work has been agreed with the consultants, separating the flood alleviation design and delivery work from the future masterplan work, the original PO will be closed and a new PO raised to cover the Masterplan design work from the strategic Housing delivery budget which has sufficient headroom to cover these costs, Provision has been made within the cost plan for contingency and fees. The remaining budget with the underspend from the design phase means there is £1.5m available to deliver the next phase of works.
14. This capital grant will be used to deliver the physical construction works, which will also address the short term management requirements, after which the ongoing maintenance of the site will continue as present, Once the sites have been developed it is envisaged the 'improved' landscaped sites will be managed via management company arrangements tied to the residential developments via a service charge levy.

Capital cost of project		2025/26	2026/27	Future Years	Total
		£000	£000	£000	£000
Construction on site		1,400	0	0	1,400
HC Retained Contingency		100	0	0	100
TOTAL		1,500	0	0	1,500

Funding streams (indicate whether base budget / external / grant / capital borrowing)		2025/26	2026/27	Future Years	Total
		£000	£000	£000	£000
Brownfield Land Release Fund Grant		1,500	0	0	1,500
TOTAL		1,500	0	0	1,500

Legal implications

15. The grant letter included revised conditions for funding that required land to be released by the 31 November 2025 and that the works funded by the grant to be completed by 31 November 2025. In addition, that the development facilitated by these works starts on site in Jan 2026 and completes by Jan 2028.
16. It is not clear from this report how and if those further post 1st December 2025 conditions will be met and whether grant funding would continue to be supported by DLUHC. The grant conditions state that DLUHC would only seem return of 'unspent' funds – however the original grant agreement includes rights to recover all funds. It is considered a low risk that the DLUHC would seek to recover spent funds if the council is actively facilitating the release of up to 400 homes in Hereford.

Risk management

Risk / Opportunity	Mitigation
Funding - the funding for this project is from the £2million BLRF grant awarded to the council in 2021, If the project is not delivered in accordance with the Grant timescale conditions any unspent monies will need to be returned	To avoid the project running over time, a decision has been made to twin track planning and detailed design and procure contractor via a 2 stage framework process to reduce the programme timescales. Discussions have taken place with the local OPE manager and confirmation has been received that monies will only be recalled if they are unspent as at 31 st November 2025. Spent is defined to include committed under contract. OPE also accept that there may be delays in satisfying the 'land release' conditions, and have advised the council to seek an extension once works are ongoing on site and closer to the current contract deadline
Planning – delays in satisfying precommencement planning conditions.	Significant pre application engagement has been undertaken with all appropriate statutory stakeholders, this has ensured there are no significant pre commencement conditions, Planning conditions were agreed prior to committee and solutions are already in hand via the final RIBA 4 design process.
Costs – cost over run due to changes in design, cost increases or delays.	To mitigate cost increases and programme creep, the intention is to appoint the contractor at detailed design stage so they are involved with the final design and can input on buildability, programme and reduce mobilisation delays. A contingency will be included as part of the contract sum.
Lack of Resources	By appointing the contractor early we will be able to access their resources from a cost and project management point of view. They will also be fully aware of the programme and able to resource accordingly at an early point in the contract.
Design liability - in the event of a failure or the structure of the infrastructure constructed	The current design team will be novated to the contractor and thus the council will be able to rely on warranties within the delivery contract.

17. Risks will be managed at service level via recourse to the delivery contract and identified risk register.

Consultees

18. Historically consultation has taken place across the council and the public with regard to the redevelopment of the Merton Meadows area, it is cited within the Council Plan 2024-28 and Adopted Core Strategy adopted 2015, the current iteration of the local plan and various Hereford studies. The Council approved the submission and acceptance of the grant in 2021 and the subsequent approval to spend part of the grant monies on the design of the enabling Flood Alleviation scheme. Specifically, in relation to this scope of works, the relevant Cabinet Portfolio Holders, Local Ward Member and council officers have been briefed, and in some case, dependant on their area of technical expertise, involved with the design of the scheme.
19. A political group consultation was held on the 24 June 2025. There was strong support for bringing forward the proposed flood alleviation works, to enable the future development of housing in the city centre. In particular, there was support for the development of the public wetland areas. Questions were raised in terms of the need to offset car parking provision, ensuring capacity for those people working at the hospital and living and working in the city centre. The car parking strategy was discussed and the opportunity identified to develop alternative parking before any housing scheme comes forward. Questions were also raised in regard to the management of the wetlands, and how these costs were met. It is intended that service charge income from the housing scheme will meet the cost of future site maintenance.
20. A number of comments related to the future development of the wider area (this decision is specific to the flood alleviation scheme), which will be subject to a future decision. All members were also invited to a specific briefing on the 15 July on the wider Merton Meadow masterplan consultation, comments were noted and will be considered in the finalisation of the masterplan.
21. The detailed planning for the project was approved on the 30th, discharge of pre commencement conditions is in hand.

Appendices

None

Background papers

None identified. All relevant documents are reference with links provided in the main body of the report or already available via the council's web site.

Report Reviewers Used for appraising this report:

Please note this section must be completed before the report can be published

Governance	John Coleman	Date 23/05/2025
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Finance	Karen Morris	Date 08/08/2025
Legal	Sean O'Connor	Date 10/06/2025
Communications	Luenne Featherstone	Date 04/06/2025
Equality Duty	Harriet Yellin	Date 10/06/2025
Procurement	Nena Beric	Date 10/06/2025
Risk	Paige McInerney	Date 10/06/2025

Approved by	Ross Cooke	Date 16/06/2025
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Please include a glossary of terms, abbreviations and acronyms used in this report.