

Appendix B

**Table A - 2025/26 Capital Programme Forecast
Position June 2025**

Table A - 2025/26 Capital Programme Forecast Position June 2025					2025/26		
Adjustments include 24/25 carry forwards and additional grants allocations	2025/26 Approved Budget £'000	Adjustments in Year £'000		Current Capital Budget £'000	Q1 Forecast £'000	Forecast Variance to Current Budget £'000	Explanation for variance
		2024/25 C/Fwd	Grant & Other changes Table B				
Disabled facilities grant	2,200	558	615	3,373	3,373	-	
Empty Property Investment & Development	600	-	-	600	580	(20)	
Acquisition Fund for Housing Provision	2,500	2,389	-	4,889	3,474	(1,415)	The council completed the acquisition of the John Haider building in August 2025. We are currently seeking a contractor to commence the refurbishment works to create 28 one-bedroom flats to support vulnerable local people. We are awaiting a fire inspection report on the Buttercross Building, prior to procuring a contractor to complete the refurbishment works.
Merton Meadow - Brownfield Land Release Fund	1,400	207	-	1,607	1,607	-	Planning permission was approved in July, we are finalising the contract and it is expected that flood alleviation works will commence in mid September.
Swimming Pool Support Fund	-	-	60	60	60	-	
Libraries Improvement Fund	19	11	-	31	26	(4)	
Stronger Towns Fund - Hereford Museum & Art Gallery Redevelopment	5,690	-	-	5,690	1,963	(3,727)	The council is working through the Pre-construction Services Agreement (PCSA) with the contractor and design team. Due to some complexities related to the Grade-II

							listed building works, there has been a delay in this process. An early works package is being explored which could accelerate spend and ensure that time is utilised effectively. Grant funding will be utilised first where possible to ensure required spend by deadlines is achieved.
Stronger Towns Library & Learning Centre relocation to Shirehall	2,063	-22	-	2,042	1,049	(993)	This project is being delivered as part of Shirehall Improvement Works project - see comments against that project line.
Community Capital Grants Scheme	1,530	116	-	1,646	195	(1,451)	The appraisal panel reviewed applications in July. The majority of applications relate to significant capital works and, in some cases, planning permission is required and this must now be factored into each programme timetable. It is expected that grant claims for works completed will be submitted towards the last quarter of 2025/26 and into 2026/27.
Total Community Wellbeing including Housing	16,003	3,261	675	19,939	12,328	(7,610)	
Windows Server Upgrades	36	1	-	37	37	-	
Device and Ancillary kit replacement programme	415	-	-	415	230	(185)	Variance represents a reduction in the number of laptops which require replacement in 2025/26.
M365 E5 Implementation	43	36	-	79	70	(9)	
Planning & Regulatory Services software	726	-	-	726	465	(261)	Contracts have been signed following some delays in final negotiations. Implementation has now commenced.
Contact Centre Telephony Replacement	-	67	-	67	67	-	
Wide Area Network (WAN) Replacement	-	121	-	121	121	-	
School Route Planning Software	50	-	-	50	50	-	

IT System Upgrades & Server Replacements 2025-26	500	-	-	500	339	(161)	
CCTV Equipment Upgrades	89	-	-	89	89	-	
Total Corporate Services (IT & Transformation)	1,859	224	-	2,083	1,468	(616)	
Schools Capital Maintenance Grant	2,795	22	379	3,196	3,196	-	
Peterchurch Area School Investment	6,595	6	-	6,601	6,523	(78)	
Brookfield School Improvements	2,570	1,070	-	3,641	3,562	(79)	
High Needs Grant	2,000	102	-	2,103	2,103	-	
Basic Needs Funding	8,000	-	-	8,000	4,000	(4,000)	Works were originally scheduled to commence at Aylestone school ahead of the summer holidays; however, delays in securing planning permission have impacted the programme timetable. The project remains a priority and will progress once the necessary approvals are in place.
Childcare Expansion Capital Grant 2023-24	296	-13	-	283	200	(83)	Twelve childcare settings in areas of identified under-provision applied for grant funding to increase capacity. Six settings have already been awarded a total of £151,000, with many delivering improvements over the summer period. The remaining six applications require additional supporting information and are expected to be confirmed at the start of the academic year. Full allocation of the grant is anticipated, with some settings completing works during Easter or Summer 2026 in line with delivery windows.

School Accessibility Works	1,143	-93	-	1,051	647	(404)	The delay in spend relates to adaptation works at Brockhampton School. The school's tender returns exceeded their available budget, and they have approached the Department for Education to secure additional funding. Confirmation of this funding is required before the works can commence.
Children's residential homes for 11 to 18 year olds	424	-	-	424	424	-	
C & F's S106	2,369	-	-	2,369	900	(1,468)	Whilst we expect another robust delivery schedule for 2025-2026, our forecasts have been adjusted to reflect the current delivery programme. Further engagement is now required to commission new projects into the 2025-2026 schedule. It's also worth noting that some projects have been rescheduled because they can only be completed during school holidays or non-term periods. Furthermore, £2.4m of S106 Education funds are currently on hold, awaiting suitable timelines to begin on-site delivery.
Total Children & Young People (Including Schools)	26,193	1,094	379	27,666	21,555	(6,111)	
Work to Shirehall Annex (Care Leavers Base)	-	15	-	15	15	-	
Estates Capital Programme 2019/22	331	432	-	763	763	-	
Residual property works identified in the 2019 condition reports	-	365	-	365	110	(255)	All 24 projects will have been completed, a number were delivered under budget and the £90k contingency and £75k for Three Elms Roofing were not required.
Estates Building Improvement Programme 22-25	1,053	26	-	1,079	750	(329)	Underspend due to a combination of projects being delivered under budget and re-programming of works to account for

							receipt of statutory approvals and delivery during seasonal restrictions. Of the 30 projects under this programme, there are 4 still outstanding to complete.
Estates Building Improvement Programme 2023-25	1,768	201	-	1,969	1,000	(969)	Budget reprofiled due to a number of projects delivering under budget and projects awaiting confirmation of scope or approvals including listed building consent.
Estates Building Improvement Programme 2024-27	1,525	212	-	1,737	800	(937)	Budget reprofiled due to a number of projects delivering under budget and projects awaiting confirmation of scope or approvals including listed building consent.
Building works from 2022 Condition Surveys	1,050	6	-	1,056	400	(656)	Budget reprofiled due to a number of projects for delivery being reviewed by new building surveyor.
Shirehall Improvement Works	2,935	-	-	2,935	1,011	(1,924)	Complexities in the procurement process have resulted in delays to contractor appointment for the PCSA. A preferred bidder has now been identified to provide the final stage of RIBA 4 pre-construction design in conjunction with the design team, focused on refining and firming up project phasing scopes, costs and programme.
Property Improvements in Care Homes	604	325	-	929	678	(251)	Works have been delivered on time and under budget. Underspend has been added to phase 2 works.
Estates Building Improvement Programme 2025-28	1,327	-	-	1,327	250	(1,077)	Budget reprofiled due to a number of projects to be delivered this financial year being under review.
Total Economy & Environment (Council Asset Investment)	10,593	1,582	-	12,175	5,777	(6,398)	
Local Transport Plan (LTP)	15,466	-	5,882	21,348	21,348	-	
Resurfacing Herefordshire Highways	10,000	81	-	10,081	10,081	-	

City and Market Town Public Realm Investment	1,200	-	-	1,200	1,200	-	
Highways Infrastructure Investment	6,485	816	-	7,301	7,301	-	
Public Realm Improvements for Ash Die Back	494	-17	-	477	477	-	
E & E's S106	3,904	-	-	3,904	1,500	(2,403)	The S106 programme forecasts have been adjusted to reflect the current delivery programme. The S106 Highways programme has encountered some setbacks including developing the necessary delivery framework, as well as adjustments required to coordinate projects with existing surface dressing and resurfacing programs. Additionally, larger schemes in the S106 Highways programme have experienced programme changes due to dependency on finalising planning applications or securing lease agreements. The S106 Off-Site Play & Sports Programmes has experienced some delays in community engagement and project scoping. Whilst we expect a robust delivery schedule for 2025/2026, further engagement is now required to commission new projects into the 2025/2026 schedule. We have been successful in recruiting two permanent officers into the team which should ensure continued strong delivery into 2026/27.
Play Area Investment	500	-	-	500	250	(250)	Realignment of capital spend over the two-year allocation, with the bulk of the spend happening in 2026/27. The decision-making process is underway to release spend, and engagement with City, Town and Parish Councils is necessary before committing capital to play improvements.

Public Realm Services Fleet	-	-	-	-	-	-	
Public Realm Mobilisation	-	-	-	-	-	-	
Road Safety Schemes	1,500	-	-	1,500	320	(1,180)	The decision-making process is underway for releasing this spend, and initial engagement is being carried out. Outline design work will be completed in 2025/26 at an estimated cost of £320k, with the bulk of the spend on scheme implementation to take place in 2026/27.
Traffic Signal Obsolescence Grant and Green Light Fund	271	267	-	538	538	-	
Total Economy & Environment (Highways & Public Space)	39,820	1,147	5,882	46,849	43,015	(3,833)	
Integrated Wetlands	1,686	-	-	1,686	1,686	-	
Natural Flood Management	373	-4	-	369	329	(40)	Catchment Advisors continue to collaborate with landowners to develop and submit further applications to the project's NFM Construction Grant Scheme, and anticipate additional measures being delivered within this financial year, with a small amount being delivered in 2026/27.
Local Electric Vehicle Infrastructure Capital Fund (LEVI)	424	-	-	424	0	(424)	The procurement process is currently underway, with contract award anticipated by the end of 2025. The delivery of charge points is not anticipated until 2026/27 financial year so no spend is anticipated in 2025/26 from this grant.
LEVI Pilot Fund Grant	96	-	-	96	36	(60)	This is aligned to the LEVI capital fund, with the majority of the payment to the contractor being aligned to delivery of charge points in 2026/27.

Wye Valley National Landscape (previously AONB)	-	44	889	934	934	-	
Solar Photovoltaic Panels	535	-	-	535	150	(385)	The planned spend includes the solar PV at Shire Hall and initial works at the Plough Lane car port. The Plough Lane car port will complete in 26/27 due to the requirement for further groundwork investigation.
Yazor Brook	260	-	-	260	260	-	
Waste	11,393	-	-	11,393	5,193	(6,200)	The forecasted spend in 25/26 is related to Garden Waste and Food Waste services delivery. The remaining budget is allocated to enhanced services which are not planned until future financial years and require further decisions, for example separate paper and cardboard collection.
Home Upgrade Grant	-	70	-	70	68	(2)	
Warm Homes Grant	-	-	501	501	501	-	
Herefordshire Flood Risk Mitigation	1,055	-	-	1,055	250	(805)	Work is currently progressing on a number of outstanding Section 19 flood investigations, and the findings (due autumn) will inform the efficient allocation of this funding.
Total Economy & Environment (Environmental)	15,822	110	1,390	17,323	9,407	(7,916)	
UK Shared Prosperity Fund	-	-	401	401	401	-	
HWGTA - Development of Vocational Work Based Skills Investment	2,000	-	-	2,000	-	(2,000)	We are awaiting the final business case from HWGTA before this project can commence.

Employment Land & Incubation Space in Market Towns	11,318	-	-2,053	9,265	4,913	(4,352)	<p>Ross Enterprise Park – The council has received 8 tenders from contractors through the procurement process. They are currently being evaluated. It is expected the selected contractor will be on site in November.</p> <p>Bromyard Depot Employment Land – further evidence is being sought (through tendering additional expert advice) to support the demand for the business units prior to the business case.</p>
Rural Prosperity Fund	-	-	512	512	512	-	
Total Economy & Environment (Economic Growth)	13,318	0	-1,140	12,178	5,826	(6,352)	
Hereford City Centre Transport Package	7,875	196	-	8,071	4,447	(3,624)	Procurement and contract negotiation have resulted in delays to the construction start date. Construction has now commenced and programme is set for delivery of the remaining element of HCCTP (Transport Hub). The scheme will be completed in 2026/27.
Hereford ATMs and Super Cycle Highway	711	-	-	711	-	(711)	Delivery of this project will prioritise spend of LUF grants to ensure deadlines linked to the grant award are met.
Active Travel Fund 4	-	172	-	172	172	-	
Active Travel Fund 5	-	-	99	99	-	(99)	Delivery of this project will prioritise spend of LUF grants to ensure deadlines linked to the grant award are met.
Consolidated Active Travel Fund	-	-	265	265	-	(265)	Delivery of this project will prioritise spend of LUF grants to ensure deadlines linked to the grant award are met.

Hereford Western Bypass Phase 1	8,620	-	-	8,620	2,100	(6,520)	Much of the design work has been deferred to the contractor stage as deemed better placed with the contractor and so bulk of spend will take place between Q4 2025/26 and Q1 2026/27. The securing of land has not been able to be completed as quickly as hoped and is now expected that options agreements will be triggered in Q1 2026/27.
Stronger Towns Fund - Greening the City	-	288	-	288	10	(278)	Issues with design and procurement have resulted in delays to programme. Procurement is now complete and a preferred bidder has been identified. Construction will commence in Autumn 2025.
LUF - Active Travel Measures (north of river)	3,053	-	-	3,053	1,712	(1,341)	Design issues have resulted in delays to the programme. Spend is being accelerated where possible eg 20mph resurfacing package completed through resurfacing programme.
LUF - Active Travel Measures (south of river)	5,029	3,634	-	8,663	3,128	(5,535)	Delays in the procurement have held back spend. The main work package (Holme Lacy Road) is now commissioned and construction is due to commence in Autumn 2025 once the relevant permits are in place.
Local Transport Grant	-	-	5,837	5,837	5,837	0	
Council school transport fleet	350	-	-	350	-	(350)	A business case is currently in development and due by Nov 2025 to investigate a council-led delivery model for school transport as part of the wider review of home to school transport arrangements. This business case will determine the timescale for this spend, which looks likely to slip into 26/27 working towards a delivery

							timescale of September 2026 for the start of the new academic year.
Bus Service Improvement Plan	-	-	1,108	1,108	1,108	-	
Total Economy & Environment (Transport)	25,638	4,290	7,309	37,237	18,514	(18,723)	

Total	149,247	11,708	14,495	175,450	117,890	-57,560
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Projects forecast to be delayed into 26/27, as per explanations provided	-57,211
Project forecast to deliver under budget or not spend full grant allocation	-349
Total	-57,560

Table B – Overall Capital Programme position 2025/26

Scheme Name	Prior Years	2025/26	2026/27	2027/28	2028/29	2029/30	Total scheme
	£'000	budget	budget	budget	budget	budget	budget
		£'000	£'000	£'000	£'000	£'000	£'000
Disabled facilities grant	0	3,373	2,200	2,200	0	0	7,773
Empty Property Investment & Development	0	600	266	0	0	0	866
Acquisition Fund for Housing Provision	111	4,889	0	0	0	0	5,000
Merton Meadow - Brownfield Land Release Fund	393	1,607	0	0	0	0	2,000
Swimming Pool Support Fund	0	60	0	0	0	0	60
Libraries Improvement Fund	31	31	0	0	0	0	62
Stronger Towns Fund - Hereford Museum & Art Gallery Redevelopment	2,883	5,690	10,525	1,431	0	0	20,529
Stronger Towns Library & Learning Centre relocation to Shirehall	340	2,042	624	0	0	0	3,005
Community Capital Grants Scheme	4	1,646	350	0	0	0	2,000
Total Community Wellbeing Including Housing	3,761	19,939	13,965	3,631	0	0	41,295
Windows Server Upgrades	293	37	0	0	0	0	330
Device and Ancillary kit replacement programme	0	415	578	0	0	0	993
M365 E5 Implementation	491	79	0	0	0	0	570
Planning & Regulatory Services software	3	726	667	0	0	0	1,396
Contact Centre Telephony Replacement	15	67	0	0	0	0	82

Wide Area Network (WAN) Replacement	165	121	0	0	0	0	286
School Route Planning Software	0	50	0	0	0		50
IT System Upgrades & Server Replacements 2025-26	0	500	0	0	0	0	500
CCTV Equipment Upgrades	0	89	0	0	0	0	89
Total Corporate Services (IT & Transformation)	967	2,083	1,245	0	0	0	4,296
Schools Capital Maintenance Grant	0	3,196	1,200	1,200	0	0	5,596
Peterchurch Area School Investment	953	6,601	3,299	0	0	0	10,853
Brookfield School Improvements	2,181	3,641	0	0	0	0	5,822
High Needs Grant	483	2,103	6,784	0	0	0	9,369
Basic Needs Funding	560	8,000	9,310	1,006	0	0	18,877
Childcare Expansion Capital Grant 2023-24	13	283	0	0	0	0	296
School Accessibility Works	759	1,051	693	0	0	0	2,503
Children's residential homes for 11 to 18 year olds	0	424	0	0	0	0	424
C & F's S106	0	2,369	1,297	0	0	0	3,665
Total Childrens & Young Peoples (Including Schools)	4,949	27,666	22,582	2,206	0	0	57,404
Work to Shirehall Annex (Care Leavers Base)	85	15	0	0	0	0	100
Estates Capital Programme 2019/22	5,119	763	0	0	0	0	5,882
Residual property works identified in the 2019 condition reports	957	365	0	0	0	0	1,322
Estates Building Improvement Programme 22-25	1,927	1,079	0	0	0	0	3,007
Estates Building Improvement Programme 2023-25	1,558	1,969	0	0	0	0	3,527
Estates Building Improvement Programme 2024-27	689	1,737	340	0	0	0	2,766
Building works from 2022 Condition Surveys	4	1,056	1,050	350	0	0	2,460
Shirehall Improvement Works	0	2,935	1,065	0	0	0	4,000
Property Improvements in Care Homes	225	929	0	0	0	0	1,154
Estates Building Improvement Programme 2025-28	0	1,327	2,451	526	0	0	4,305
Total Economy & Environment (Council Asset Investment)	10,564	12,175	4,906	876	0	0	28,522
Local Transport Plan (LTP)	0	21,348	15,466	15,466	0	0	52,280
Resurfacing Herefordshire Highways	0	10,081	0	0	0	0	10,081

City and Market Town Public Realm Investment	0	1,200	0	0	0	0	1,200
Highways Infrastructure Investment	7,354	7,301	6,385	0	0	0	21,040
Public Realm Improvements for Ash Die Back	581	477	240	118	0	0	1,416
E & E's S106	0	3,904	4,207	26	0	0	8,137
Play Area Investment	0	500	500	0	0	0	1,000
Public Realm Services Fleet	0	0	1,322	0	218	0	1,540
Public Realm Mobilisation	0	0	450	0	0	0	450
Road Safety Schemes	0	1,500	1,500	0	0	0	3,000
Traffic Signal Obsolescence Grant and Green Light Fund	3	538	0	0	0	0	541
Total Economy & Environment (Highways & Public Space)	7,939	46,849	30,070	15,610	218	0	100,685
Integrated Wetlands	2,676	1,686	398	0	0	0	4,760
Natural Flood Management	555	369	350	0	0	0	1,274
Local Electric Vehicle Infrastructure Capital Fund (LEVI)	0	424	400	300	0	0	1,124
LEVI Pilot Fund Grant	24	96	0	0	0	0	120
Wye Valley National Landscape (previously AONB)	0	934	0	0	0	0	934
Solar Photovoltaic Panels	1,064	535	535	0	0	0	2,134
Yazor Brook	0	260	0	0	0	0	260
Waste	0	11,393	0	0	0	0	11,393
Home Upgrade Grant	0	70	0	0	0	0	70
Warm Homes Grant	0	501	1,003	982	0	0	2,485
Herefordshire Flood Risk Mitigation	0	1,055	1,000	0	0	0	2,055
Total Economy & Environment (Environmental)	4,318	17,323	3,686	1,282	0	0	26,609
UK Shared Prosperity Fund	0	401	0	0	0	0	401
HWGTA - Development of Vocational Work Based Skills Investment	0	2,000	0	0	0	0	2,000
Employment Land & Incubation Space in Market Towns	866	9,265	156	8,360	0	0	18,648
Rural Prosperity Fund	0	512	0	0	0	0	512
Total Economy & Environment (Economic Growth)	866	12,178	156	8,360	0	0	21,561
Hereford City Centre Transport Package	38,908	8,071	0	0	0	0	46,979

Hereford ATMs and Super Cycle Highway	0	711	289	0	0	0	1,000
Active Travel Fund 4	134	172	0	0	0	0	306
Active Travel Fund 5	0	99	0	0	0	0	99
Consolidated Active Travel Fund	0	265	0	0	0	0	265
Hereford Western Bypass Phase 1	356	8,620	21,324	10,000	0	0	40,300
Stronger Towns Fund - Greening the City	116	288	0	0	0	0	404
LUF - Active Travel Measures (north of river)	1,097	3,053	316	0	0	0	4,466
LUF - Active Travel Measures (south of river)	533	8,663	0	0	0	0	9,197
Local Transport Grant	0	5,837	5,975	6,966	7,775	8,584	35,137
Council school transport fleet	0	350	0	0	0	0	350
Bus Service Improvement Plan	0	1,108	0	0	0	0	1,108
Total Economy & Environment (Transport)	41,144	37,237	27,904	16,966	7,775	8,584	139,610

Total	74,508	175,450	104,515	48,932	7,993	8,584	419,982
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	2025/26 Budget £'000	2026/27 Budget £'000	2027/28 Budget £'000	2028/29 Budget £'000	2029/30 Budget £'000	Total
February 2025 Council Approved Budget	155,247	87,507	38,599	218	-	281,571
Removal of WVT Project	-6,000	-	-	-	-	-6,000
24/25 Carry Forwards	11,708	5,978	-	-	-	17,686
Additional Grants	14,495	11,030	10,333	7,775	8,584	52,217
Revised Capital Budget	175,450	104,515	48,932	7,993	8,584	345,474

Grant Additions since approval of Capital Programme by Council in February 2025						
	2025/26 £'000	2026/27 £'000	2027/28 £'000	2028/29 £'000	2029/30 £'000	Total £'000
MHCLG - UKSPS 25/26 Grant	401					401

DfT - Active Travel Fund 5 Grant	99					99
DfT - Additional 25/26 LTP Grant	5,882					5,882
DfT - CATF Grant	265					265
DfT - BSIP Grant	1,108					1,108
DESNZ - Warm Homes Grant	501	1,003	982			2,485
DEFRA - Rural Prosperity Fund 25/26	512					512
Sport England - Swimming Pool Fund	60					60
DfE - Additional Schools Maintenance Grant 25/26	379					379
DfE - High Needs Grant		2,466				2,466
DfE - Basic Needs Grant		1,587	1,006			2,593
DfT - Local Transport Grant 25/26	5,837					5,837
Employment Land - unsecured grant	(2,053)					(2,053)
WVNL - Welsh Gov and DEFRA Grants	889					889
HMAG - Clore Duffield			200			200
HMAG - Salix			1,075			1,075
HMAG - NHLF			104			104
DfT - Local Transport Grant 26/27 to 29/30		5,975	6,966	7,775	8,584	29,300
MHCLG - Additional DFG 25/26	615					615
Total grant additions since approval by Council in February 2025	14,495	11,030	10,333	7,775	8,584	52,217

Funding by Capital Grants that must be spent in year (may be part funding)