

Agenda item no. 5 - Questions from members of the public

Question Number	Questioner	Question	Question to
PQ 1	Mr Osborne-Brookes, Hereford	<p>"I'm glad that the Cabinet Member is, albeit reluctantly, continuing some of Hereford's active transport schemes which were started by the previous administration. These and public transport are not only more affordable, but far more effective at minimising traffic congestion, vehicle pollution, obesity, and environmental degradation than motor road schemes which worsen them.</p> <p>However, in the Budget report in today's agenda, he is clearly continuing on with the unnecessary bypass.</p> <p>How can the cabinet member justify raising council tax to fund the interest of the enormous borrowing for the bypass to those in Herefordshire who are already faced by the cost of living crisis and government cuts, and who will not benefit from this bypass, and why isn't he investing more in public and active transport as an alternative?"</p>	Cabinet member transport and infrastructure

Response:

This administration very much recognises the importance of active travel - this is demonstrated in the upcoming adoption of critical policy documents such as the Local Transport Plan (LTP) and the Local Cycling Walking and Wheeling Infrastructure Plan (LCWWIP) as well as in the current delivery of schemes like the Transport Hub and Holme Lacy Road improvements and many others. In total the council is investing over £20m of grant funding into active travel. The council's strategic approach is to improve Herefordshire's transport network in every choice we make, offering residents integrated transport options suitable for their individual journeys.

Whilst active travel has huge benefits for health it is unlikely on its own to ever resolve the congestion issues that Hereford experiences on a daily basis having a major trunk road (A49) running right through the city centre. Active travel represents less than 4% of journeys and even with a robust cycling and walking network in place it is unlikely to ever replace car journeys in a rural authority like Herefordshire. Active travel is one part of the solution, but the bypass is the only way to really significantly reduce traffic congestion and improve air quality in the city especially given the predicted growth and housing numbers the government is now requiring. The severance that the A49 creates in the city centre is also a barrier to improving active travel and a bypass is the right solution to removing traffic and to providing resilience to Hereford's future. The two must go hand and hand.

The council continues to seek funding opportunities from government to support the development of the bypass. The council's commitment to capital borrowing to support phase one will help make the case for investment to government and the impact of this on the council's revenue budget position is minimal and will not directly result in the need for increased council tax. This is about investing in the future for Herefordshire's residents so that we are stimulating the housing and employment growth needed to meet our future needs and drive economic prosperity for the County.

Supplementary Question:

Thank you for your response to my question. In the response the Councillor says "The council's commitment to capital borrowing to support phase one will help make the case for investment to government and the impact of this on the council's revenue budget position is minimal".

However, in a previous letter to the government the council Leader said "Phase 1 construction is set to be funded through prudential borrowing, which will significantly impact our revenue budget".

Could you please clarify which one of these statements is true and why there seems to be a complete difference in judgement as to the impact on the council's revenue budget by the borrowing between the councillors?

Response to Supplementary Question:

Thank you for your supplementary question.

Both of these statements are in fact true.

The impact of the prudential borrowing required to fund phase 1 of the bypass, as previously reported, is £0.25m in 2026/27 rising to £1.5m per annum from 2028/29. £0.25m represents 0.1% of the council's estimated net revenue budget for 2026/27 (£1.5m is 0.5% of the estimated net revenue budget for 28/29) and therefore the impact of this individual project on the council's total revenue budget is minimal.

The letter sent to central government by the Leader highlights the council's overall financial position and the impact of the fair funding review on future funding allocations.

In this context, and in consideration of the council's wider financial position, the collective impact of prudential borrowing is significant. Work to develop the 2026/27 budget, capital programme and medium term financial strategy is currently underway and the impact of the fair funding review and requirements of the capital programme will inform our financial plans.

PQ 2	Ms Martin, Hereford	"Through a combination of capital allocation and borrowing, funding of around £40m is to be made available for the construction of the Southern Link Road, now phase 1 of the proposed western bypass. It's clear that this sum will not cover the cost. How is the shortfall to be met?"	Cabinet member transport and infrastructure
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Response:

The total budget available for phase one is £40.3m. This is made up of £10.3m of funding towards the development, design, land purchases and contingency for the project and £30m of funding towards the construction. The Council is about to start the tender process for the scheme which will better define the construction costs and budget requirements for the scheme.

Supplementary Question:

I've read Councillor Lester's letter to Heidi Alexander. If the DfT do not come up with a shortfall for funding this road, which we know will run into the tens of millions, will the shortfall be met by additional borrowing whatever the impact on council finances, services, and whatever the burden on local taxpayers?

Response to Supplementary Question:

At this point in time, we are requesting of government for support in the funding for the whole of the bypass. We are building the business case and we shall have a business case suitable to present to them by July of next year. That business case will then be considered in the context of what the government response is to us and what we then do to fund it. At that point, we should have a better estimate of what the costs will be and therefore, how we are going to fund it. At this moment, until we have a new bill of quantities for expected costs to deliver it, the finances are requests with government, and we will see what their response is.