Herefordshire Council

TOWNS FUND BOARD

Notes and Action Points

Friday 17 June 2022, 8.30-10.00 am via Zoom

Chair:	**Abigail Appleton**	AA	Principal, Hereford College of Arts
Board Present:	**Ellie Chowns**	EC	Cabinet Member, Environment and Economy, HC
	Ian Christie	IC	Big Business Representative/MD, Welsh Water
	Kath Hey	KH	Councillor, Hereford City Council
	Frank Myers	FM	Herefordshire Business Board / Marches LEP
	James Newby	JNe	Chief Officer, NMITE
	Ruth Parry	RP	Director Operations & Marketing, Simple Design Works Ltd
	Lauren Rogers	LR	Project Manager, Rural Media Company
	Paul Stevens	PS	Hereford Business Improvement District (HBID)
	Julian Vaughan	JV	The Green Dragon Hotel
	Will Vaughan	WV	Hereford Pedicabs and Pedicargo
	Paul Walker	PW	Chief Executive, Herefordshire Council
Other Attendees:	**Ivan Annibal**	IA	Rose Regeneration (RR)
	Christian Dangerfield	CD	Rose Regeneration (RR)
	Olli Hindle	OH	MHCLG Representative
	Joni Hughes	JH	Portfolio Manager, Capital Development, HC
	Andrew Lovegrove	AL	Chief Finance Officer, Herefordshire Council
Apologies:	**Judith Faux**	JF	Trustee, HVOSS
	Jesse Norman	JNo	MP for Hereford and South Herefordshire
Absent:	**Alan Anderson**	AAn	British Land – Old Market, Hereford
Notetaker:	**Jan Bailey**	JB	Herefordshire Business Board

ITEM	NOTES	ACTION
1.	**Welcome and Apologies** The Chair welcomed everyone to the meeting, Apologies and Absences are as noted above.	
2.	**Conflicts of Interest** There were no new declared Conflicts of Interest. The Chair reminded attendees of her interest with regard to the School of Digital Futures. LR advised that she had been asked by the Rural Media Company's Senior Management Team to review the Digital Culture Hub FBC. JNe reminded attendees of his interest with regard to the Southside Project. EC reminded attendees that she is attending as a representative of Herefordshire Council who have an interest in two projects. FM advised attendees that he is now a Director of the Destination Bid.	
3.	**Minutes of the Last Meeting (held 27 May 2022) and Matters Arising** 3.1 The minutes of the STF Board meeting held on 27 May were accepted as a correct record. 3.2 **Matters Arising**	

	3.2.1 With regard to youth membership of the Board, the Chair advised that she and LR will be progressing this in the forthcoming week. 3.2.2 With regard to all other Matters Arising, and in view of today's full Agenda, the Chair asked all to provide a written update on progress ready for the next Board Meeting (24 June).	**AA/LR** **All, as relevant**
4.	**Monthly Programme Update** 4.1 Attendees were asked to note the contents of the Project Management Overview report, which had been circulated with the Agenda for today's meeting. 4.2 IA identified two key issues for the Board to note: • Ongoing issues to do with capital/revenue split – RR is liaising with those projects who have requested a change to this split from that originally requested in their Outline Business Cases (OBC). Further updates will be provided to the Board, but Government has indicated that they are expecting the final overall capital/revenue split for projects to be as specified in the OBCs. • Issues to do with the likelihood of underspend in the 1st year of project delivery. IA advised that they are currently in discussion with projects but are hoping that any variance will be kept to a minimum and will not require a Project Adjustment Request.	
5.	**FBCs and Overall Progress** 5.1 IA provided an overview on progress to date on all 15 FBCs, as outlined in the document circulated with today's Board papers. 5.2 With regard specifically to the Powerhouse FBC, IA advised that further discussions had since been held between PDG members and the Project Sponsor to clarify certain issues and confirm understanding. A revised FBC is now being prepared which contains more detail and will incorporate feedback received from Chamberlain Walker (CW). IA recommended that once completed, this revised FBC is submitted. 5.3 WV/FM confirmed that discussions they had had with the Powerhouse Project Sponsor had been very positive and that they were now confident that this is an exciting and credible project which they fully supported. 5.4 There being no further comments, the Board agreed that they were happy to recommend this project, subject to the adjustments referred to above.	IA
6.	**FBC – Library** 6.1 IA talked to this FBC, which had been circulated to Board Members/attendees in advance of today's Board meeting. He also referred to the feedback received from CW on this document. 6.2 IA advised that he was confident that all the issues identified by CW would be addressed by RR and Roger Allonby (Herefordshire Council) within the next week. 6.3 PW paid tribute to the work undertaken by EC on this FBC. EC commented on the strong social value of the project that she believed would change the character of this part of Hereford City. She paid tribute to Cllr Gemma Davies as the driving force behind the project. 6.4 The Chair reminded attendees of the additional benefits that would be achieved by the fact that the Library and Powerhouse projects would be sited close together within the Maylord Orchards area.	

7.	**FBC – School of Digital Futures** 7.1 IA talked to this FBC, which had been circulated to Board Members/attendees in advance of today's Board meeting. He also referred to the feedback received from CW on this document. 7.2 LR referred to CW's comments asking if a Business Plan for the project is available. IA said that he believed the FBC provided sufficient detail to make the project's case and to meet Government's requirements. AL agreed stating that if Board members are confident that the business case had been sufficiently made within the FBC, then there would be no 'value added' in providing an additional Business Plan at this stage.	
8.	**FBC – Digital Culture Hub** 8.1 IA talked to this FBC, which had been circulated to Board Members/attendees in advance of today's Board meeting. He advised that a Project Adjustment Form had now been submitted with regard to the relocation of the project from rented premises in Maylord Orchards to bought premises at Packer's House. He further advised that no comments on the FBC had as yet been received from CW, but were expected shortly. 8.2 OH confirmed that he had received the Project Adjustment Form, had completed the necessary checks and that this was now with the Minister. He suggested that the project could be progressed without the need to await feedback from the Minister. The Board agreed to proceed as planned.	
9.	**FBC – Southside** 9.1 IA talked to this FBC, which had been circulated to Board Members/attendees in advance of today's Board meeting. He advised that no comments on the FBC had as yet been received from CW, but were expected shortly. 9.2 IA acknowledged that this was a complex project, consequently higher risk than some of the others submitted. Particular risks were in relation to planning, the formation of the CIC and the varying financial reserves of the three partner organisations. However, he stated that the strong partnership approach to the project was a good basis for it to succeed. 9.3 The Chair highlighted the important relationship between Southside/Digital Culture Hub and the School of Digital futures (Skills Foundry Cluster).	
10.	**FBC – The Marches Experience (Hereford Museum and Art Gallery)** 10.1 IA talked to this FBC, which had been circulated to Board members/attendees in advance of today's Board meeting. He advised that no comments on the FBC had as yet been received from CW, but were expected shortly. 10.2 PW advised that a full Cabinet meeting was being held on 29 June, at which the Cabinet would be asked to sign off both the Council's STF bids (The Marches Experience and Library), alongside bids to the Levelling Up fund. He stated that a Director of Museums and Libraries was also shortly to be appointed, which demonstrated the Council's commitment to the importance of these cultural assets. In response to a query from PS, PW confirmed that a financial strategy was a key part of the FBC, and would include risk mitigation with regard to possible cost escalation. 10.3 AL confirmed that this was the case and that the Council teams had worked hard to get as close to fixed prices as possible given the current circumstances. 10.4 PS stated that a similar process had taken place at the City Council where money had been set aside for possible overruns with regard to its project (Electric buses). He	

	acknowledged that other projects could be in a more difficult position and would need to put mitigations in place to provide for any cost escalation. 10.5 The Chair asked PW to convey to the Cabinet meeting the Board's full support for the museum FBC and the transformative effect it would have on the city centre. 10.6 With regard to cost overruns, FM advised that conversations had taken place with all projects to encourage them to consider mitigations. This included encouraging them to identify possible components of their individual projects that could be postponed pending further future funding opportunities. 10.7 The Chair requested that RR produce an analysis for presentation at the next Board meeting that shows the key risks being faced by each project, and the mitigations that are in place to address these.	RR
11.	**FBC – Wyeside** 11.1 IA provided an update on this project, highlighting a particular issue to do with one element – the removal of trees along the river edge and replacement with security fencing. He advised that this had been discussed at PDG and that the project sponsor had now withdrawn the proposal to cut down trees, although the fence would remain. 11.2 IA advised that the project sponsor was holding a site visit on Monday (20 June), which Board members are welcome to attend. It was hoped that this would identify alternative options for the project that would address the concerns expressed by members of the community. 11.3 Board members welcomed this development and stressed the importance of community engagement regarding this element of what was otherwise a widely supported and very beneficial project. **(IA/CD left the meeting)**	
12.	**Any Other Business** 12.1 The Chair provided an update on the tender process with regard to the Project Management stage of the STF. The Chair advised that she, WV, FM and JH would comprise a panel to score the bids and that there had been a good response to the tender invitation. She invited anyone else who wished to be involved with this process to let her know. 12.2 The Board approved a request from the Chair to extend RR's current contract until the end of June, on the same terms as previously agreed. 12.2 It was agreed that the next Board meeting (24 June) would be extended to two hours.	All, if interested
13.	**Date of the Next Board Meeting** Friday 24 June, 8.30 am – 10.30 am via Zoom Link: Join Zoom Meeting https://us02web.zoom.us/j/81341233524?pwd=K3lJTGpXQWhkR0M3ZDgxNC9hKzhXdz09	

Herefordshire Council

Action Items

STF Board Meeting – 17 June 2022

Minute No	Action	Responsibility
3.2.2	Provide written update on matters arising for Board Meeting to be held on 24 June	All, as relevant
10.7	Project-by-project analysis of key risks and mitigations for Board Meeting to be held on 24 June	RR
12.1	Let the Chair know if interested in being involved in Project Management tender response assessments	All, if interested.