

TOWNS FUND BOARD
Notes and Action Points
Friday 5 August, 8.30-9.45 am via Zoom

Chair:	Abigail Appleton	AA	Principal, Hereford College of Arts
Board Present:	Kath Hey	KH	Councillor, Hereford City Council
	David Hitchiner	DH	Leader of the Council, Herefordshire Council (on behalf of Councillor Chowns)
	Frank Myers	FM	Herefordshire Business Board / Marches LEP
	Ruth Parry	RP	Director Operations & Marketing, Simple Design Works Ltd
	Paul Stevens	PS	Hereford Business Improvement District (HBID)
	Julian Vaughan	JV	The Green Dragon Hotel
Other Attendees:	Ivan Annibal	IA	Rose Regeneration (RR)
	Christian Dangerfield	CD	Rose Regeneration (RR)
	Olli Hindle	OH	MHCLG Representative (from 9:00 am)
	Andrew Lovegrove	AL	Chief Finance Officer, Herefordshire Council
Apologies:	Ellie Chowns	EC	Cabinet Member, Environment and Economy, HC
	Judith Faux	JF	Trustee, HVOSS
	Joni Hughes	JH	Portfolio Manager, Capital Development, HC
	James Newby	JNe	Chief Officer, NMITE
	Lauren Rogers	LR	Project Manager, Rural Media Company
	Will Vaughan	WV	Hereford Pedicabs and Pedicargo
	Paul Walker	PW	Chief Executive, Herefordshire Council
Absent:	Alan Anderson	AAAn	British Land – Old Market, Hereford
	Ian Christie	IC	Big Business Representative/MD Welsh Water
	Jessie Norman	JNo	MP for Hereford and South Herefordshire
Notetaker:	Jan Bailey	JB	Herefordshire Business Board

ITEM	NOTES	ACTION
1.	<p>Welcome and Apologies</p> <p>The Chair welcomed everyone to the meeting and acknowledged Rose Regeneration's reappointment, following a competitive tender process.</p> <p>Apologies and Absences are as noted above.</p>	
2.	<p>Conflicts of Interest</p> <p>DH stated that he is a Director of the Destination BID.</p>	
3.	<p>Minutes of the last meeting (held 1 July 2022)</p> <p>3.1 RP requested an adjustment to minute 6.1 of the last meeting notes to reflect the fact that she was not present. Following a query from the Chair, she advised that all those who had signed up to receive news from the STF website would automatically receive news releases as they are issued.</p> <p>3.2 Subject to the above adjustment, the Minutes of the meeting held on 1 July were approved as a correct record.</p>	JB

<p>4.</p>	<p>Matters Arising</p> <p>4.1 The Chair advised that discussions had been held with JH with regard to ensuring the Board had full oversight of the STF budget. In JH's absence, FM confirmed that JH had recently provided a financial update to the PDG, but that there were still improvements to be made in terms of financial reporting. The Chair advised that proposals regarding future financial reporting would be brought to the next Board meeting.</p> <p>4.2 The Chair advised that no progress regarding wider Board membership had been made since the last meeting. However, there had been progress with regard to young people's representation, which would be covered later in today's meeting.</p>	<p>JH/AA</p>
<p>5.</p>	<p>Progress Update and Future Planning</p> <p>5.1 IA referred to Item 6 of his report previously circulated to Board members, in particular to the issues raised by DLUHC following submission of the FBCs (Full Business Cases) and RR's recommendations for responding to these.</p> <p>5.2 The Chair invited comments from members; the following were noted:</p> <p>5.2.1 With regard to adjustments to Benefit Cost Ratio (BCR) for two projects (Greening the City and Meadow Arts), IA confirmed that the projects would be advised of any adjustments made.</p> <p>5.2.2 With regard to the Project Adjustment Request for the Digital Cultural Hub (to change from leasing to purchasing of property), which has been approved, members agreed that further consideration must be given to the financial implications of this change. AL requested time to consider and work through the various options available and then to report back to the Board. The Chair agreed to this request in recognition of the potential reputational risk that could result if the wrong decisions are made.</p> <p>5.3 The Board accepted RR's recommendations, subject to the comments noted above.</p> <p>5.4 OH recommended an early response to the points raised by DLUHC in order to secure a September payment.</p> <p>5.5 IA referred to the section 'Next Steps' in his previously circulated paper where proposals for the project initiation phase were outlined. In particular, he highlighted key areas of activity and proposed new contract management and reporting protocols. He reminded members of the Project Sponsors Meeting due to be held on 22 August when this information would be shared, subject to Board approval.</p> <p>5.6 The Chair invited comments from members; the following were noted:</p> <p>5.6.1 FM referred to the significant cost overruns anticipated by some projects and queried whether plans were in place to address these. IA responded that RR would be undertaking detailed programme/scenario planning for all 15 projects which would identify these issues.</p> <p>5.6.2 PS raised the subject of VAT, which would have a significant effect on those projects that are not VAT-registered. FM indicated that he had written to Jesse Norman MP on this subject, and was awaiting a response. AL reiterated his previous advice that projects seek specialist advice from a VAT expert.</p> <p>5.6.3 It was agreed that RR will present a risk assessment analysis of each project's position with regard to cost escalation, planning and VAT at the next Board meeting. IA advised that by the September Board meeting a full project reporting plan would also be in place.</p>	<p>AL</p> <p>RR</p> <p>RR</p>

Action Items
STF Board Meeting – 5 August 2022

Minute No	Action	Responsibility
4.1	Financial reporting recommendations/proposal	JH/AA
5.2.2	Digital Cultural Hub – Financing options	AL
5.4	Timely response to DLUHC queries	RR
5.6.3	Prepare a risk assessment analysis for all projects	RR
6.2	Procurement advice re communications tender opportunity	RP/JH
6.4	Prepare information pack for Herefordshire Councillors	RP
7.2	Ensure PDG meeting notes are published on Stronger Towns and Herefordshire Council websites	RP/JB