STRONGER HEREFORD

Herefordshire Council

Hereford Stronger Towns Board Meeting
Friday 6 December 2024 (8.30 am – 10.00 am), held at Hereford College of Arts and via Zoom
Notes and Action Points

Chair:	**Abigail Appleton**	AA	Principal, Hereford College of Arts
Board Present:	**Jago Frost**	JFr	Youth Board Member
	Frank Myers	FM	Herefordshire Business Board
	Jesse Norman	JNo	MP for Hereford City & South Herefordshire
Other Attendees:	**Ivan Annibal**	IA	Rose Regeneration (RR)
	Christian Dangerfield	CD	Rose Regeneration (RR)
	Joni Hughes	JH	Portfolio Manager, Capital Development, HC
	Rachael Sanders	RS	Section 151 Officer, Herefordshire Council
Apologies/ Absences	**Alex Collins**	AC	Department of Housing, Communities and Local Government
	Graham Biggs	GB	Councillor, Herefordshire Council
	Judith Faux	JFa	Trustee, HVOSS
	James Newby	JNe	Chief Officer, NMITE
	Ruth Parry	RP	Director Operations & Marketing, Simple Design Works Ltd
	Ben Proctor	BP	Councillor, Hereford City
	Paul Stevens	PS	Hereford Business Improvement District
	Paul Walker	PW	Chief Executive, Herefordshire Council
Guest Speaker:	**Anthea Parker**	AP	Centre for Innovation and Future Skills (NMITE)
Notes	**Jan Bailey**	JB	Herefordshire Business Board

Summary of Actions

Item	Notes	Action
2.4	RS to liaise with AT with advice and guidance on awarding external contractors and mitigation of risk.	**RS**
5.2	RS continuing to look at improving reporting protocols and will come back to Board early 2025 to make recommendations.	**RS**
6.3	New Funding Agreement for Wyeside and Conditions document for Castle Green to be drawn up	**JH/RR**
6.4	• Request note from Encore to summarise reasons for increased funding and positive impact on overall outcomes. • Ask Greening the City project lead for an update on procurement for the Great Western Way part of the project • Request Board/PDG update on Library/Resource Centre project (January) • Request Board/PDG update on Museum project (January) • Request an update from the Southside project on the effect of splitting into two elements	**RR** **RR** **RR** **RR** **RR**
6.5	RR to re-engage with projects around monthly financial reporting procedures.	**RR**
7.1	Circulate revised schedule of meetings for 2025	**RR**

Item	Notes	Action
1.	**Welcome and Apologies / Introductions**	

1.1	The Chair welcomed everyone to the meeting. Apologies and absences are as noted above.	
2.	**Presentation by Anthea Parker, Centre for Innovation and Future Skills (NMITE)**	
2.1	AP presented an update on the Centre for Innovation and Future Skills: • This is an extension to the NMITE Blackfriars Street site aimed at improving the area. The design is aimed at being contemporary whilst blending in with the neighbouring area and architecture. • Artists' impressions of both the interior and exterior aspects were shared with the Board. • Landscaping of the site is included within the plan. • Currently the project team is evaluating tenders received for the build. • The project team hopes to employ the successful contractor in early 2025 with a target completion date of October 2025. • Planning was approved, subject to a few minor changes. • No issues are anticipated with building regulations. An external project manager/quantity surveyor have been appointed to oversee the development. • AP confirmed that VAT paid is not reclaimable.	
2.2	AP included a financial update on the project. She confirmed that current budget projections show an overspend, so some value engineering will be required.	
2.3	IA commented on the great progress being made by projects in the 'skills' group with some key assets now in place or due to come into place next year. He said the synergies and opportunities for community outreach projects should not be overlooked.	
2.4	AP asked the Board for some advice or guidance regarding appointment of contractors; particularly any risk associated with appointing smaller firms, following the unfortunate experiences of the Castle Green project. RS said she would be happy to share the models of risk used at the council for assessing tenders. RS and AT to liaise outside of today's Board.	**RS/AT**
2.5	JNo asked whether there may be opportunity for any capital not used by other STF projects to be redeployed in this project in order to avoid excess value engineering. This to be given future Board consideration. **AT left the meeting**	
3.	**Declarations of Interest**	
3.1	There were no new Declarations of Interest. .	
4.	**Minutes of the STF Board Meeting held on**	
4.1	The Minutes of the meeting held on Friday 1 November were approved as a correct record.	

4.2 JH asked that the details of the financial movement between projects shared at the November Board meeting is included in the Minutes. This is shown at Appendix A below.

5. **Matters Arising**

5.1 **Board meeting – 1 November**

See updates below

Item	Notes	Action	Progress
5.3	Board to review circulated Gifts Register and advise RR if any changes required.	All	No changes notified
7.5	Follow up with correspondent regarding future of the Wyeside project	AA/FM	Done
7.6	Confirm value of crane purchased by Wyeside Project and responsibility for the asset	JH	Done
7.8	PAR to be drafted to propose reallocation of funding.	RR	Done - approved
7.9	Write to Steve Taylor re Wyeside achievements to date.	AA	Done

5.2 **Financial Reporting**: RS advised that she had been liaising with colleagues across the West Midlands to look at best practice regarding STF financial reporting. She has also had conversations on this with AC. A session to workshop improvements is scheduled for January, after which time she will report back to the Board. RS said she wished to put on record how helpful AC and Sean Dubberley at the Department had been. **RS**

6. **Current Programme Review**

6.1 IA referred to the latest Board report, which had been circulated to attendees in advance of today's meeting. This can be viewed here..

6.2 IA referred the Board to the table shown at page 10 of the report which outlines the reallocation of funding between projects (as approved at previous Board meetings).

6.3 IA suggested the following priority actions:

- New Funding Agreements to be issued to Wyeside and Electric Buses **JH/RR**
- Conditions to be drawn up for awarding the additional funding to the Castle Green project. In particular, the maximum available additional budget and what should happen to any compensation (if paid) following the collapse of the previous contractor. **JH/RR**

6.4	IA provided a brief overview of all projects, as outlined on pages 18 to 32 of the Board report. A number of actions were identified: • **Encore:** RR to ask Encore to summarise the reasons for the increased funding and the positive impact on overall outcomes that would result. • **Greening the City:** RR to request an update from the project lead on the procurement of a contractor for the Great Western Way aspect of this project. • **Library/Resource Centre:** RR to request an update on progress to Board/PDG in January. • **Museum:** RR to request an update to Board/PDG and to ensure the project lead is aware of the need to keep the Board fully up-to-date with developments on this major project. • **Southside Project:** RR to request an update from the Project Team on how the splitting of the project into two elements (Growing Local and Belmont Wanderers FC) has affected them.	**RR** **RR** **RR** **RR** **RR**
6.5	FM commented on the need for the Board to be kept fully up-to-date with the financial situation of each project, through monthly reporting. IA reminded the Board that protocols had been set but said he would engage with projects again to ensure they follow these procedures.	**RR**
6.6	With regard to the Museum project, JNo commented on the difficult curatorial role in deciding which exhibits should be presented at the new site. He said the curator will have to tread a fine balance between ensuring Herefordshire is properly positioned alongside other potential opportunities. The Chair acknowledged this fine balance. She noted the strategy for community engagement is creating a great collegiate atmosphere.	
6.7	IA said that in the new year regular updates, including ongoing evaluation and usage of launched projects, would be provided to Board.	
6.8	JNo asked whether a response had been received from government regarding reallocation of STF funds from other areas. FM said a response had been received which indicated that no funds would be reallocated. JNo advised that it may be beneficial to keep talking to government officials, including potentially visiting ministers in London, in order to keep this issue live.	
6.9	IA responded that this may also be aided by the development of a legacy document. The good relationships that have been developed between Herefordshire and government officers could also be used as leverage. CD queried whether it would be worthwhile trying to find comparative data on the achievements of other Towns Funds.	
7.	**Any Other Business**	
7.1	The schedule of meetings for 2025 will be revised by RR following Board feedback that they wanted to revert to monthly meetings, at least for the early part of next year. RR to action and send a revised schedule as soon as possible.	**RR**

8.	**Date of Next Meeting** Friday 10th January, 2025 8.30 – 10.00 am Hybrid: Online or face to face at Hereford College of Arts, College Road campus	

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Appendix A – Budget Revisions – Presented to Stronger Hereford Board, 1 November 2024

At its Extraordinary Meeting on 18 October the Board considered the most appropriate response to the following issues:

- Castle Green – Contractor Challenges – leading to an additional projected cost of up to a maximum of £360,000 with a likely minimum additional cost of £260,000. Access to additional funding required immediately.
- Encore – Refurbishment Challenges – leading to a projected requirement of £250,000 to sit alongside a longer fund raising campaign of up to £750,000 overall. The confirmation of the minimum of £250,000 would enable the project to proceed. Confirmation of funding required promptly.
- Wyeside – Potential underspend of £620,000 due to planning permission challenges. The planning decision was made on 23 October.
- Electric Buses – Potential Underspend of £222,615 – emerging proposal to allocate some or all of the funding to the purchase of solar panels (not part of the original grant proposal).
- Southside – Complications linked to the conditions associated with the Football Foundation grant towards the purchase of the 3G pitch – leading to a potential overspend of up to £500,000.

It was agreed to split the Southside funding agreement to facilitate both participants Belmont Wanderers and Grow Local to take on direct responsibility for their aspects of the project. It was also agreed in principle to convert £60,000 of the Electric Buses resources to revenue and return the balance to the programme subject to agreement through a Project Adjustment Request (PAR)

- Since the last Board meeting the planning application for Wyeside has failed to achieve approval and the project sponsors have indicated that they no longer wish to proceed with the balance of the delivery. The contracted outputs and outcomes have been achieved. This will lead to a potential underspend of £620,000 of capital. When combined with the £160,615 of capital released from the Electric Buses, it provides £780,615 which could be reallocated.

- On the basis of the issues facing Castle Green and Encore it is proposed that £360,000 be allocated as a maximum to Castle Green and £250,000 to Encore. This would address the challenges facing both projects. Overall £610,000 of the £780,615 would be released leaving £170,615 to support the successful conclusion of the other projects within the TF portfolio, including scoping any legacy work associated with the Wyeside project.

- A Project Adjustment request, indicating the Benefit Cost Ratio arising from these changes will need to be submitted and agreed by Government (with a lead time of a minimum of 4 weeks).