

**JOINT UNIVERSITY PROJECT TEAM MEETING  
Notes and Action Points  
Monday 12 December 2016 at 10.00  
Plough Lane, Sutton Room**

<b>CHAIR:</b>	Alistair Neill	AN	CEO Herefordshire Council
<b>NOTE TAKER:</b>	Melissa Walker	MW	Directorate Services Officer, Herefordshire Council
<b>PRESENT:</b>	Christian Dangerfield	CD	NMiTE
	Mark Edwards	ME	NMiTE
	Rob Ewing	RE	Commissioning Programme Delivery Manager, H Council
	Richard Gabb	RG	Programme Director Housing and Growth, Hfds Council
	David Harlow	DH	Cabinet Member Economy & Corporate Services, HC
	Geoff Hughes	GH	Director for Economy, Communities and Corporate, HC
	David Nolan	DN	Managing Director, Nth Degree Consulting
<i>Via telephone</i>	David Sheppard	DS	Co-Team Leader, Hereford University Project
	Gavin Stephens	GS	Economic Development Officer, Herefordshire Council
<b>APOLOGIES:</b>	Vinia Abesamis	VA	Senior Policy and Funding Officer, Herefordshire Council
	Penny Jones	PJ	Regeneration Programmes Manager, Hfds Council

ITEM	NOTES	ACTION
1.	<b>ATTENDANCE / APOLOGIES / INTRODUCTIONS</b> Attendance and apologies are recorded above.	
2.	<b>NOTES OF LAST MEETING – Alistair Neill</b> Agreed as a true record.	
3.	<p><b>GOVERNMENT ANNOUNCEMENT RE THE GREEN BOOK BUSINESS CASE</b></p> <p>We are yet to receive confirmation of government funding for the project. However, Fiona Kendrick received a letter last week from Nick Hurd, Minister for Industry, which reiterated that a commitment had been made by the chancellor in the 2015 autumn statement that support would be provided for the new university. This is an encouraging development. Jesse Norman, MP, continues to push colleagues for an answer this side of Christmas.</p> <p>GH advised that they have gone back through the LEP processes to reaffirm that the University need the full amount asked for and the LEP have supported this</p> <p>Timing is very important, as the academic year begins in a September so we cannot afford for it to be delayed. We need to continue pressing them for a response. It was suggested that we contact them weekly for a progress update. Need to ensure that they understand that time is very important to us and that we keep balanced pressure in place.</p> <p><b>ACTION – DS TO SPEAK TO JESSE NORMAN TO ESTABLISH WHAT CHASING HE IS UNDERTAKING AND THEN MAKE A DECISION ABOUT CONTACTING THEM WEEKLY</b></p> <p>If successful it is important that we promote that this is first time in 20years that a business case for a new university in England has been approved.</p>	<b>DS</b>
4.	<b>IMMEDIATE STEPS REQUIRED – All</b> There is limited work that can be done until the level of funding is confirmed. Press / media announcements have been drafted ready.	
5.	<p><b>PLANNING FOR MOVING FORWARD – All</b></p> <p>RE queried if any progress has been made on the proposed workshop / meeting with the CEX in the new year. DD advised that it hasn't been costed yet, but once done details will be circulated.</p> <p>AN advised that the Cabinet are very supportive of making this happen, but there are genuine concerns amongst some members about the;</p> <ul style="list-style-type: none"> <li>• Risk of non-deliverability for the September 2018 opening date.</li> <li>• Financial commitment required from the council</li> </ul>	

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	<p>AN and the Leader have agreed that confirmation of government funding is required first, and once that is in place they would like DS to attend a Leaders Briefing to explain the plans and ease the members concerns.</p> <p>DH confirmed that cabinet are 100% behind the university, but there are clear concerns about timing, not least because there is an election in 2019. They continuously have to make difficult decisions about cuts to budgets, so it would be difficult for them to approve tax payer's money being put into this project.</p> <p>It was felt the team need to interrogate the existing timetable and ensure that it stacks up. Consideration also needs to be given to whether there is a need to make government aware that there will be implications if there is much more of a delay.</p> <p>The University will be the accountable body to draw funding monies. Cabinet need to be confident that they are prepared for this and that they are aware that they will need to have the money available up front prior to drawing down funds.</p> <p>DS advised that the loan guarantee gives them working capital to cash flow things. They have tried to de-risk the project by bringing in the public funding at the front of the project. This will provide collateral for third and fourth phases.</p> <p>There will be no further requests for council funding at the present time, and because the University is the accountable body there is no level of risk to the council.</p> <p>The critical second stage is funding coming in from the private sector. If this was unsuccessful it would create a major problem for the project. DN advised that the university team have given themselves a two year window that is HMG funded. The first of the private funding is required from late spring of 2018 in order to provide the halls of residence ready for the September 2019 student intake. This allows them all of 2017 and early 2018 to demonstrate to private funders that the project is progressing.</p>	
6.	<p><b>PROPERTY - David Sheppard</b></p> <p>Nothing has changed since November's meeting. Architype have been instructed to prepare a change of use for Franklin Barnes building which will be submitted once the outcome of funding is known.</p> <p><u>Loan guarantee from European Investment Bank (EIB)</u> This is a non-recourse debt. They are not asking for any kind of guarantee, they quantify the risk and the amount they are willing to lend based on the assets. They have advised that based on the £25m government funding, they would be willing to offer £25m loan capital. CD has been in contact with them and they understand the situation and remain committed to further discussions.</p> <p>EIB are AAA rated and are able to offer a 1.8% interest rate. The loan would have 25-30 year repayment period, payable by the University. This money is geared towards the development.</p> <p>EIB require no guarantee / no security / and no underwriting is required.</p> <p>This needs to be clarified to the cabinet so that they are fully aware that there is no risk to the council.</p> <p><b>ACTION: DH TO FEED BACK TO CABINET COLLEAGUES THE DETAILS OF THE EIB LOAN</b></p>	DH
7.	<p><b>FUNDING MONITORING - All</b></p> <p><u>LEP Funding</u> The funding has been drawn down and to date there is an underspend of £9,000.</p> <p><u>HC Loan facility</u> No funds used to date.</p>	

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8.	<p><b>NEXT STEPS - All</b> Nothing discussed.</p>	
9.	<p><b>ANY OTHER BUSINESS - All</b> <u>Visit by Sajid Javid, SOS for Communities and Local Government.</u> GH is continuing to press through LEP for a visit to this region, which would include an update on the university.</p> <p><u>Economic Vision Strategy</u> This is to be taken to council shortly. A launch event is planned for the spring, and the University should be included with potential private investors invited to attend. It is important to get the event right, so there is a suggestion to get professional people in to ensure that the launch is a success.</p> <p>DS suggested a parallel launch in London may be required, as more people are likely to be able to attend an event there.</p> <p>DH commented that at a meeting last week Karen Usher had suggested inviting successful ex-Hereford people to attend the event and promote the successes of people born / raised in the county.</p> <p><b>ACTION: MW TO ADD ECONOMIC VISION STRATEGY LAUNCH EVENT TO JANUARY'S AGENDA</b></p> <p><u>Daily Mail Anti-LEP story</u> The Daily Mail newspaper ran a story last week claiming that billions of pounds of public money had been handed out to unelected bodies in the community, with much of the funding being awarded to people that sat on the board. The first story had a link to spending by the Marches LEP but the subsequent two stories have made no reference to them.</p> <p>There is a public interest in the auditing of public funds, and our LEP need to look at what more could be done around the transparency of funds and how they are allocated.</p> <p>The collateral damage is not significant to date, but it could come back in the future.</p> <p><a href="#">Daily Mail article 05/12/16</a> <a href="#">Follow up story 06/12/16</a></p>	<p><b>MW</b></p>
10.	<p><b>DATE OF NEXT MEETING</b></p> <ul style="list-style-type: none"> <li>• Monday 09 January at 10.00 at the HC Plough Lane Offices</li> </ul>	