

TOWNS FUND BOARD
Notes and Action Points
Friday 24 June 2022, 8.30-10.15 am via Zoom

Chair:	Abigail Appleton	AA	Principal, Hereford College of Arts
Board Present:	Ellie Chowns	EC	Cabinet Member, Environment and Economy, HC
	Frank Myers	FM	Herefordshire Business Board / Marches LEP
	James Newby	JNe	Chief Officer, NMITE
	Jesse Norman	JNo	MP for Hereford and South Herefordshire (Part)
	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
	David Hitchiner	DH	Leader of the Council, Herefordshire Council
	Joni Hughes	JH	Portfolio Manager, Capital Development, HC
	Andrew Lovegrove	AL	Chief Finance Officer, Herefordshire Council
Apologies:	Judith Faux	JF	Trustee, HVOSS
	Kath Hey	KH	Councillor, Hereford City Council
Absent:	Alan Anderson	AAAn	British Land – Old Market, Hereford
	Ian Christie	IC	Big Business Representative/MD, Welsh Water
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.	
3.	Minutes of the Last Meeting (held 17 June 2022) and Matters Arising 3.1 The minutes of the STF Board meeting held on 17 June were accepted as a correct record. 3.2 Matters Arising 3.2.1 Due to the volume of business to be discussed today, the Chair advised that any outstanding Matters Arising would be deferred until the next STF Board meeting. 3.2.2 LR ask for dates of future Board meetings to be arranged as soon as possible. This is so that this information can be shared with the young people who are potentially interested in Board membership.	 AA AA

<p>4.</p>	<p>FBC – Cycle Track</p> <p>4.1 IA talked to this FBC, which had been circulated to Board Members/attendees in advance of today’s meeting. He referred to feedback received from the Project Delivery Group (PDG) meeting held on 22 June and that received from Chamberlain Walker (CW).</p> <p>4.2 The Chair invited comments from attendees:</p> <p>4.2.1 JNo asked for clarification regarding the economic case set out in the FBC. IA stated that some benefits of the project were difficult to monetise, hence the economic case was fairly conservatively stated. JNo recommended that the FBC consider including the benefit of active prescriptions from GPs.</p> <p>4.2.2 PS referred to comments made at PDG regarding the importance of maintaining these facilities to a high standard. IA said that the Project Sponsors had addressed this point in their revised FBC. He also advised that this requirement is part of Sport England’s funding agreement.</p> <p>4.2.3 PS also referred to planning issues to do with the project, particularly with regard to the Hereford Rugby Club and Hereford Racecourse. IA confirmed that the Project Leaders had been involved extensively in discussions with stakeholders.</p> <p>4.2.4 WV Highlighted the capacity for this project to be a ‘Destination’ for Hereford, especially when considered alongside the skatepark project. He said he had been involved in discussions with the Project Leads and was reassured that this project was viable and that maintenance issues had been addressed.</p> <p>4.3 The Board confirmed that they were happy to recommend this project to be progressed to the next stage.</p>	<p>RR</p>
<p>5.</p>	<p>FBC – Encore</p> <p>5.1 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. He highlighted the main issue with this project; that it hasn’t as yet secured suitable premises.</p> <p>5.2 The Chair advised that at the PDG held on Wednesday, members agreed to recommend this project to Board with the caveat that a time limit be set for the project leads to find suitable premises.</p> <p>5.3 The Chair invited comments from attendees:</p> <p>5.3.1 There was recognition from Board members (FM/JNo) as to the social/cultural and health benefits of music.</p> <p>5.3.2 Members supported the introduction of a time limit to find a premises.</p> <p>5.3.3 LR asked whether the Project Leads had been advised of this caveat. The Chair responded that PDG members had been working closely with the Project Leads and had encouraged them to continue with their FBC even in the absence of a suitable premises (a prospective premises having fallen through after extensive negotiation). IA stated that RR would feedback the Board’s decision after today’s meeting.</p> <p>5.3.4 FM suggested that the Project Leads consider locations other than a city centre site, for example factory units.</p>	<p>RR</p>

	<p>5.3.5 In response to a question from the Chair, AL said that he felt the degree of risk in relation to this project was acceptable, given the strong business case. However, he supported the Chair's proposal to impose a time limit on finding a suitable premises.</p> <p>5.4 The Board confirmed that they were happy to recommend this project to be progressed to the next stage, subject to the above caveat. The Chair suggested a provisional deadline of Christmas be set, with flexibility to extend for further periods as the Board determines, for example to the end of the Financial Year.</p>	
<p>6.</p>	<p>FBC – NMITE Future of Work</p> <p>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.</p> <p>6.2 The Chair invited comments from attendees:</p> <p>6.2.1 EC requested that the FBC includes explicit statements with regard to sustainability/ green construction principles. JNe said the Project Leads were committed to this and would ensure that this commitment was clearly stated in the FBC.</p> <p>6.2.2 Attendees (WV/JN/RP/AA) expressed their full support for this project, which they felt was extremely progressive and would bring a new facility and skills to the city which had previously had to be sought from outside of the county.</p> <p>6.3 The Board confirmed that they were happy to recommend this project to be progressed to the next stage, subject to the inclusion of a statement around green/ sustainable construction standards.</p>	<p>JNe</p>
<p>7.</p>	<p>FBC – Skate Park</p> <p>7.1 IA talked to this FBC, which had been circulated to Board Members/attendees in advance of today's Board meeting. IA stated that feedback was still awaited from CW, but that no major concerns were anticipated.</p> <p>7.2 The Chair invited comments from attendees:</p> <p>7.2.1 WV expressed his support for this project, which is a progression of the existing skate park that had been successfully operating for 24 years. He highlighted the impact it would have on the city, potentially bringing visitors from all over the world, and increasing Hereford's profile as a 'Destination' city.</p> <p>7.2.2 EC commented that she was fully supportive of the project, but raised concerns regarding the lack of women on the Governing Committee. WV said that he would raise this concern with the Project Leads, with whom he has regular contact.</p> <p>7.3 The Board confirmed that they were happy to recommend this project to be progressed to the next stage, subject to a recommendation that Project Leads seek to develop their governance to be more inclusive and include female representation.</p>	<p>WV</p>
<p>8.</p>	<p>Project Management Overview – progress review of individual projects</p> <p>8.1 IA referred to Project Management Overview report, circulated to all attendees ahead of today's meeting.</p> <p>8.2 IA referred to a number of Projects which had already been considered in detail by the PDG/Board and which the Board/PDG considered were highly credible and ready for submission. These are: Hereford College of Arts School of Digital Futures; NMITE Future of Work; Castle Green; Greening of the City; Meadow Arts; Library; Marches Experience</p>	

	<p>and the Electric Buses. The Board agreed that these should all be progressed to the next stage of the process.</p> <p>8.3 IA suggested that there was a higher level of risk with regard to the remaining projects. He recommended the Board approved these, with the caveat that they are fully aware of the issues involved with each Project.</p> <p>8.4 FM queried the role of the STF Board, stating his belief that the Board's responsibility is to recommend projects to go to the next stage of the process, not to suggest that they were free from risk or issues that needed to be addressed. OH advised that the Board must decide that the projects are ultimately deliverable, bearing in mind the risks. If they didn't feel they are deliverable within the timeframe stated, then they should not be recommended.</p> <p>8.5 IA drew the Board's attention to the specific risks associated with:</p> <ul style="list-style-type: none"> • The Southside Project, in relation to the complexity of the project, planning issues and the establishment of a CIC. • The Digital Cultural Hub, in relation to awaiting a response for the Project Adjustment Request regarding the switch from rented to purchased premises. • River Wye Infrastructure, in relation to proposed felling of trees and erection of a security fence. <p>It was agreed that this project would be supported by the Board with the caveat that it should be made explicit in the FBC that no trees will be felled.</p> <ul style="list-style-type: none"> • Powerhouse, issues to do with financial resilience. • Encore, in relation to premises issues (also outlined at Section 5. Above) • Extreme Sports, issues to do with finance, but recognising that these are highly scalable projects. <p>8.6 IA requested the Board's agreement to his proposal that, subject to the caveats identified above, the 15 projects in the Hereford portfolio were viable and that the Board should request their sign off by AA as Chair of the Board and AL as Section 151 Officer. This proposal was agreed by all attendees.</p>	RR
9.	<p>Financial Overview</p> <p>9.1 IA referred to the documents circulated to attendees in advance of today's meeting. He advised that the overall project financial profile could be reconciled with the information previously sent to OH and that an additional amount of c£2 million was likely to be delivered in matched funding.</p> <p>9.2 IA outlined the revenue/capital split for each project, which overall was 6% revenue to capital and within the revenue/capital profile submitted to Government. OH queried the calculations in this spreadsheet. IA/OH to clarify outside of today's meeting.</p> <p>9.3 IA identified an issue to do with expenditure profiling, which meant that projects would be spending less in the first year than projected. He advised that this was unavoidable, but that RR was in ongoing discussions with JH/AL and colleagues around this issue and were also in discussion with Project Leads to test assumptions and ensure they understood flexibilities within the system. OH advised that a Project Adjustment Request would need to be submitted to take account of any change to profiling.</p> <p>9.4 The Chair invited AL's comments on these financial papers. AL confirmed that he was happy with what was being presented today and confirmed that further discussions were ongoing.</p>	OH/IA RR/AL/JH
10.	<p>Next Steps</p>	

	10.1 The Chair asked for clarification of next steps, which IA outlined leading up to the submission deadline of 30 June.	
11.	<p>Any Other Business</p> <p>11.1 The Chair outlined agenda items for the next Board meeting: Procurement for Programme Management; Governance; Communications.</p>	
12.	<p>Date of Next Meeting</p> <p>Full Board – Friday 1 July, 8.30 – 9.30 am via Teams.</p>	

Action Items
STF Board Meeting – 24 June 2022

Minute No	Action	Responsibility
3.2	Pick up any outstanding Matters Arising from previous meetings	AA
3.2/12.0	Confirm dates of next Board meetings	AA
4.2.1	Consider including the benefit of active prescriptions in Cycle Track FBC	RR
5.3.3	Feedback decision regarding deadline to Encore Project Leads	RR
6.2.1	Include statement regarding green/environmentally friendly construction in Future of Work FBC	JNe
7.2.2	Raise concerns re lake of females on Governing Committee (Skate Board FBC)	WV
8.6	Request sign off of all projects by AL/AA, subject to caveats identified in Board discussion	RR
9.2	Confirm details of Revenue/Capital split	IA/OH
9.3	Ongoing discussions regarding expenditure profiling	RR/AL/JH