

**Hereford Stronger Towns Board Meeting****Friday 3 February 2023 (8.30 am – 10.00 am)****By Zoom and at Hereford College of Art****College Road, Hereford, HR1 1EB – PLEASE NOTE – NOT THE FOLLY LANE CAMPUS****Agenda**

1. Welcome
2. Apologies
3. Conflicts of Interest
4. Minutes of the Meeting held on 6 January 2023 (5 minutes)\*
5. Matters Arising (5 minutes)
6. Progress Update and Future Planning – including Board Sponsorship of Projects (20 minutes)\*
7. Current Programme Overview and Budget (30 minutes)\*
8. Communications Update (5 minutes)
9. Any Other Business (5 minutes)
10. Date of Next Meeting

\* Report attached

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**TOWNS FUND BOARD**
**Action Grid**

<b>Minute No</b>	<b>Action</b>	<b>Responsibility</b>
4.1	Circulate new Board members advertisement Briefing document for new Board members	AA AA/LR
5.5.1	Document outlining existing project 'Buddies' and vacancies with other projects	RR
5.5.4	Set up shared folders for all projects	RR
5.5.6	Send offers to buddy projects to IA/AA	All
5.7	Comparison of Encore's Outputs/Outcomes – new and old scenario Organise discussion at PDG regarding changing spending plans for Powerhouse following decision to co-locate with Digital Culture Hub	RR RR
5.12	Ensure Board papers are published on public facing websites, alongside Agenda and Minutes.	JB/ongoing
6.1	Finalise and then circulate Communications brief to all members for onward circulation to their contacts	RP/AA
7.1	Comparison of current operating procedures with those recommended in new Guidance	RR
8.1	Seek guidance with regard to redesignation of HCA to a public sector organisation	AA

**Notes and Action Points**
**Friday 6 January 2023, 8.30 – 9.30 am**
**Held at Hereford College of Arts, College Road, Hereford and via Zoom**

<b>Chair:</b>	<b>Abigail Appleton</b>	AA	Principal, Hereford College of Arts
<b>Board Present:</b>	<b>Ellie Chowns</b>	EC	Cabinet Member, Environment and Economy, HC
	<b>Judith Faux</b>	JF	Trustee, HVOSS
	<b>Grace Joiner</b>	GJ	Youth Board Member (remote)
	<b>Frank Myers</b>	FM	Herefordshire Business Board / Marches LEP
	<b>James Newby</b>	JNe	Chief Officer, NMITE
	<b>Jesse Norman</b>	JNo	MP for Hereford and South Herefordshire (part)
	<b>Ruth Parry</b>	RP	Dir Operations/Marketing, Simple Design Works Ltd
	<b>Paul Stevens</b>	PS	Hereford Business Improvement District (HBID)
<b>Other Attendees:</b>	<b>Ivan Annibal</b>	IA	Rose Regeneration (RR)

**Christian Dangerfield** CD     Rose Regeneration (RR)  
**David Hitchiner**     DH     Leader, Herefordshire Council (remote)  
**Joni Hughes**     JH     Portfolio Manager, Capital Development, HC  
**Andrew Lovegrove**     AL     Chief Finance Officer, Herefordshire Council

**Apologies:**     **Kath Hey**     KH     Councillor, Hereford City Council  
                   **Lauren Rogers**     LR     Project Manager, Rural Media Company  
                   **Julian Vaughan**     JV     Green Dragon Hotel, Hereford  
                   **Paul Walker**     PW     Chief Executive, Herefordshire Council

**Notes:**     **Jan Bailey**     JB     Herefordshire Business Board

ITEM	NOTES	ACTION
1.	<p><b>Welcome and Apologies</b></p> <p>The Chair welcomed everyone to the meeting. Apologies and Absences are as noted above.</p>	
2.	<p><b>Conflicts of Interest</b></p> <p>There were no new conflicts of interest.</p>	
3.	<p><b>Minutes of the last meeting (held 2 December 2022)</b></p> <p>The Minutes of the meeting held on 2 December 2022 were approved as a correct record.</p>	
4.	<p><b>Matters Arising</b></p> <p>4.1 All items in the Action Items grid have been completed or will be covered in today's Agenda, with the following notes:</p> <ul style="list-style-type: none"> <li>- <b>New Board Members advertisement:</b> the Chair advised that she is finalising the draft advertisement, which will be circulated to members later this week</li> <li>- <b>Briefing document for new Board members:</b> Discussions ongoing between the Chair and LR.</li> </ul> <p>4.2 There were no matters arising.</p>	<p>AA</p> <p>AA/LR</p>
5.	<p><b>Progress Update and Future Planning – including Board Sponsorship of Projects</b></p> <p>5.1 In providing these updates IA referred to the previously circulated document, also attached to these notes as Appendix 1.</p> <p><b>Funding Agreement Progress</b></p>	

	<p>5.2 With regard to Funding Agreement Progress, IA advised that Funding Agreements had now been issued to the majority of the #StrongerHereford Projects, with some already having been and the remainder shortly to be signed. Those outstanding (Southside, Digital Culture Hub, Powerhouse, Encore) are in progress.</p> <p>5.3 IA outlined the process that would follow once Funding Agreements have been signed, ie that projects will each be required to develop a Project Initiation Document (PID) for consideration by the Project Delivery Group (PDG) and sign off by the Board.</p> <p><b>Next Steps including Board Sponsorship of Projects</b></p> <p>5.4 As part of this process, Board members were asked to ‘buddy’ projects in order to provide personal input and insights into the delivery of the project(s) where they feel they can make a contribution. RR have drafted a guide to the ‘Dos’ and ‘Don’ts’ of buddying for the Board’s consideration, circulated with the Agenda for today’s meetings (and included in Appendix A below).</p> <p>5.5 The following comments on buddying were received:</p> <p>5.5.1 EC suggested that as she was already connected with the three Council-backed projects no further expectation would be required of her. The Chair confirmed that this is the case. It was recommended that a document be created that highlights who is already involved with which project and therefore the buddy ‘vacancies’ there are available. RR to action.</p> <p>5.5.2 EC asked for additional clarification to be added to the fourth ‘Don’t’ in the list to clarify what is meant by ‘exceptional circumstances’. She suggested that ‘exceptional circumstances’ should relate to safeguarding and legal requirements.</p> <p>5.5.3 PS and GJ offered to support the extreme sports (skate park and cycle track) projects.</p> <p>5.5.4 FM requested that project folders are set up with all relevant information on individual projects, to be easily accessible by project sponsors. RR to action.</p> <p>5.5.5 IA suggested written documents are created between projects and sponsors to outline expectations from both parties. The Board agreed to this suggestion.</p> <p>5.5.6 Board members to send any further offers of support for buddying of particular projects to IA/AA.</p> <p><b>Current Programme Overview</b></p>	<p>RR</p> <p>RR</p> <p>All</p>
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	<p>5.6 IA provided an overview on project progress since the last Board meeting. Details are contained in the 'Current Programme Overview' grid, previously circulated to members and included in Appendix A below).</p> <p>5.7 IA highlighted in particular issues with the following projects:</p> <ul style="list-style-type: none"> <li>- <b>River Wye Infrastructure:</b> Awaiting return of the Financial Agreement from solicitors before progressing specialist consultancy to make recommendations to bring the project within available budget (as previously advised to Board).</li> <li>- <b>Southside:</b> Significant value engineering/cost escalation challenges, to be discussed at a special Task and Finish Group later today.</li> <li>- <b>Encore:</b> The project lead recently presented proposals to PDG for a permanent home. PS/AL confirmed that talks are progressing positively and final arrangements are expected to be in place by October 2023. An adjustment to this project's Full Business Case (FBC) is likely as a result of these new arrangements. The Chair requested that an analysis is carried out, when appropriate, to compare outcomes/outputs in the original FBC with the revised proposals..</li> <li>- <b>Powerhouse/Digital Culture Hub:</b> IA advised that RR is meeting with the project leads to clarify how their original spending plans will change following their decision to co-locate with the Digital Culture Hub. These will be discussed at PDG and then at Board level.</li> </ul> <p><b>Project Sponsors Meeting</b></p> <p>5.8 IA provided an update on the Project Sponsors meeting, held on 5 January. He advised that this had been attended by the majority of projects and that there had been lots of positivity at the meeting.</p> <p>5.9 The Chair commented on the importance of encouraging connectivity between projects through these Project Sponsors meetings as well as the value of capturing positive news stories. The possibility of holding a public event to capture and publicise all that had been achieved by the #StrongerHereford projects had also been discussed.</p> <p>5.10 IA advised that the focus of the Project Sponsors' meeting had primarily been on the creation of PIDs, as well as individual discussions with projects on their current situation.</p> <p>5.11 IA suggested that a workshop be offered to projects at a later Project Sponsors' meeting to focus on how to evidence outputs and outcomes. This will be important for reporting to Government.</p> <p>5.12 IA advised that government guidance had requested that Board papers be published on public facing websites alongside minutes of previous meetings. JB to action.</p>	<p>RR</p> <p>RR</p> <p>JB</p>
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	<p><b>Programme Level Risk Register</b></p> <p>5.13 IA referred to the ‘Programme Level Risk Register’, as detailed in the Board papers and included in Appendix A below.</p> <p><b>Budget</b></p> <p>5.14 IA referred to the programme Budget, again as detailed in the Board papers and included in Appendix A below. He advised that the quarterly budget return had recently been submitted to Government, following circulation to Board members. He further advised that regular meetings are being held with Alex Collins (DLUHC representative). The Chair added that she had discussed with JH the importance of keeping Board members fully informed with regard to the budget position.</p> <p><b>Board Youth Members</b></p> <p>5.15 The Chair provided an update on recruitment of new Youth Board Members. She advised that LR is meeting a second potential Youth Member shortly. A Board update will be provided shortly, but it is hoped that the new member will join the next Board meeting (February).</p>	
<p><b>6.</b></p>	<p><b>Communications Update</b></p> <p>6.1 RP advised that support was ongoing to projects wanting help with their publicity activities. In the meantime, the communications brief was nearly completed. Once finalised, this will be published on social media, in the #StrongerHereford newsletter and website and circulated to Board members for sharing with their networks. .</p>	<p>RP/AA</p>
<p><b>7.</b></p>	<p><b>New Guidance on the Role of the Towns Fund Board</b></p> <p>7.1 IA referred to this document which had been circulated previously to Board members. He advised that RR will complete an audit comparing current activities with those recommended in this document and report back to the next Board meeting.</p>	<p>RR</p>
<p><b>8.</b></p>	<p><b>Any Other Business</b></p> <p>8.1 The Chair referred to a technical issue to do with reclassification of Further Education institutions as ‘public’ as opposed to ‘private’ sector organisations. She will seek guidance as to whether this is an issue for her chairmanship of the Board and advise accordingly.</p>	<p>AA</p>
<p><b>9..</b></p>	<p><b>Date of Next Meetings</b></p> <p>PDG – Fortnightly (next meeting Wednesday 18 January)</p>	

	<p><b>Board Meeting – Next meeting – Friday 3 February 2023, 8.30 – 10.00 am – via Zoom</b></p> <p>Then, the first Friday of each month until further notice.</p>	
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## Item 6 – Progress Update and Future Planning

### 1. Introduction

This report provides a high level overview of progress since the last Board Meeting in relation to the new current programme management phase which we are entering.

### 2. Funding Agreement Progress

Progress with funding agreements is set out below. We have the following signed or agreed in principle:

- Castle Green
- Wyeside
- School of Digital Futures
- Halo
- Skate Park
- Museum
- Library
- Greening the City
- Electric Buses
- Meadow Arts

Outstanding but with minor amendments to agree

- Digital Culture Hub
- Powerhouse
- NMITE



More detailed work in hand:

- Southside
- Encore

The detailed issues in relation to Southside are well trailed There is a need to establish a clear route forward in relation to the budget challenges facing the project. An independently facilitated meeting to consider and highlight the key issues is scheduled for 2 February at 3pm. In relation to Encore the proposed location and use of the Towns Fund resources is now materially different to the FBC and the Project Delivery Group will be asked to review the project in partnership with Cliff Woolward from Encore the Project Sponsor.

### **3. Next Steps including Board Sponsorship of Projects**

Once the Funding Agreement for each project has been completed we will proceed to the development of a Project Initiation Document (PID) – including a detailed budget profile for consideration by the Project Delivery Group and sign off by the Board. Details of the PID were shared with projects at the Project Sponsors meeting on 3 November. Draft PIDs for a number of projects have already been submitted. As a further opportunity for the Board to more substantively support the implementation of the Towns Fund going forward it was agreed that Board members would reflect on the opportunity to provide some personal input and insights into the delivery of the projects where they feel they can make a contribution. This has been called a “Buddying” opportunity and more information is set out below:

Context - some board members have a connection and insight into particular projects which gives them first hand understanding of some of the challenges and opportunities the projects face but not all members have this insight and not all projects have this connection to a board member and it would be useful to support them through this arrangement.

Aim – to enable board members to gain deeper insight into project progress and act as critical friends outside the board meeting, ensuring all projects have an in-person connection directly with a board member.

The role of a “Buddy” as set out below was agreed. It does not represent an exhaustive list of activities and is offered for general rather than specific guidance. If buddies have any concerns about the nature of the relationship they can approach the secretariat for guidance at any time.

Do's	Don'ts
Agree a list of meetings (based on the delivery plan for the project) with the project sponsor.	Assume any form of directive pose in relation to decision to be made by the project.
Read up on key background documents to understand the project.	Seek to speak directly on behalf of the Towns Fund Board in relation to the implementation of the project.
Agree a specific list of support with the project sponsor to be managed through the schedule of meetings identified above along with a list of potential outcomes from the support.	Become a direct representative of the project in any form of negotiation or statutory process.
Provide as appropriate a supplementary overview of project process at Board meetings.	Feel obliged to maintain a relationship with the project if you feel you don't have the expertise or “chemistry” with it as your relationship develops.
Help celebrate the success and promote the achievements of the project.	
Help prompt good practice in the context of issues such as equality/ diversity and help the project think through beneficial approaches and linkages as the overall STF programme unfolds, taking account of new policies and procedures as they arise.	

It is also important to ensure that this process of support does not become confused with the secretariat roles performed by the STF team.

The following allocation of buddies to projects is now moving forward and there is scope for other board members to take on this role as things evolve:

Project	Sponsor	Board buddy
Castle Green Pavilion	Paddy Nugent	Frank Myers
Electric Buses	Steve Kerry	Kath Hey
Cycle Track	Richard Preece	Paul Stevens
Skate Park	Charlie Arthur	Paul Stevens/Grace Joiner
Southside	James Newby	Frank Myers
Wyeside	Steve Taylor	Frank Myers
Digital Culture Hub	Nic Millington	Ruth Parry

#### 4. Comparison of current operating procedures with those recommended in new Guidance

It was agreed at the last Board Meeting that the current approach in relation to the running of the Towns Fund should be compared with the latest guidance. A detailed breakdown is set out below:

Guidance	Current Position and Where Relevant Mitigations
1. Roles and Responsibilities: The Town Deal Board should have a document, published on the Lead Council's website, which clearly sets out the roles and responsibilities and the governance and decision making processes for the Town Deal Board, the Town Deal Board Chair and Lead Council.	This currently exists on the Herefordshire Council website: <a href="https://www.herefordshire.gov.uk/business-1/towns-fund/3">https://www.herefordshire.gov.uk/business-1/towns-fund/3</a> It would be useful to consider having this also on the Stronger Towns Fund website
2. Code of Conduct policy: outlining the Lead Council's record keeping responsibilities on behalf of Town Deal Board with specific	This is included on the Council website.

<p>reference to the seven principles of public life, including a register of gifts and/or hospitality.</p>	
<p>3. Conflict of interest policy: process of record for each Board member.</p>	<p>This is currently being developed and an example is set out further on in this report.</p>
<p>5. Transparency: transparent decision making is supported by the publication of information on the Lead Council's website and we expect the following standards to be applied:</p> <p>6. A documented decision-making process outlining the voting rights of the Board to be published</p> <p>Profiles of Board Members to be published (stating private or public member)</p> <p>All Board papers to be published on the Lead Council's website in advance of the meeting (within 5 clear working days)</p> <p>To promptly publish draft minutes of meetings on the Lead Council's website following the meeting (within 10 clear working days)</p> <p>To publish final minutes on the Lead Council's website, once approved by the Board (within 10 clear working days)</p> <p>Any conflicts of interest reported to be formally noted within the published minutes.</p>	<p>This referenced on the Council website</p> <p>These are already published on both websites although the entries on the Council website need updating</p> <p>This is not currently done although links to the papers can be seen through the connection to the Stronger Towns website – we will commit to doing this</p> <p>This process is in train</p> <p>This already happens</p> <p>This already happens</p>

<p>5. The Town Deal Board’s membership should reflect the diversity of the town and surrounding area. The Towns Fund Prospectus stated that membership of Town Deal Boards should comprise:</p> <ul style="list-style-type: none"> <li>• A private sector chair</li> <li>• All tiers of local government for the geography of the town</li> <li>• The MP(s) representing the town</li> <li>• The Local Enterprise Partnership</li> <li>• Local businesses and investors</li> <li>• Community/local voluntary community sector representatives</li> <li>• Other relevant local organisations, such as FE colleges or Clinical</li> <li>• Commissioning Groups.</li> </ul>	<p>This requirement is reflected in the structure of the Board</p>
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The guidance also sets out clearly the principle of interactions between the Town Fund Board and the local authority (in this case Herefordshire Council) as follows:

*The Towns Fund Delivery Partner (TFDP) article “Town Leadership in the Delivery Phase” (available on the Towns Fund website: <https://townsfund.org.uk/blogcollection/town-leadership-in-the-delivery-phase>) provides a helpful starting point for Boards to consider how they operate moving forward. DLUHC expects Boards to continue meeting regularly to discuss progress, ensure that projects are staying true to the vision of the Town Investment Plan, and to work through risks and issues together.*

*I w have demonstrated that they are a key link to the local community and local businesses and should be involved in any refresh of engagement and communication plans.*

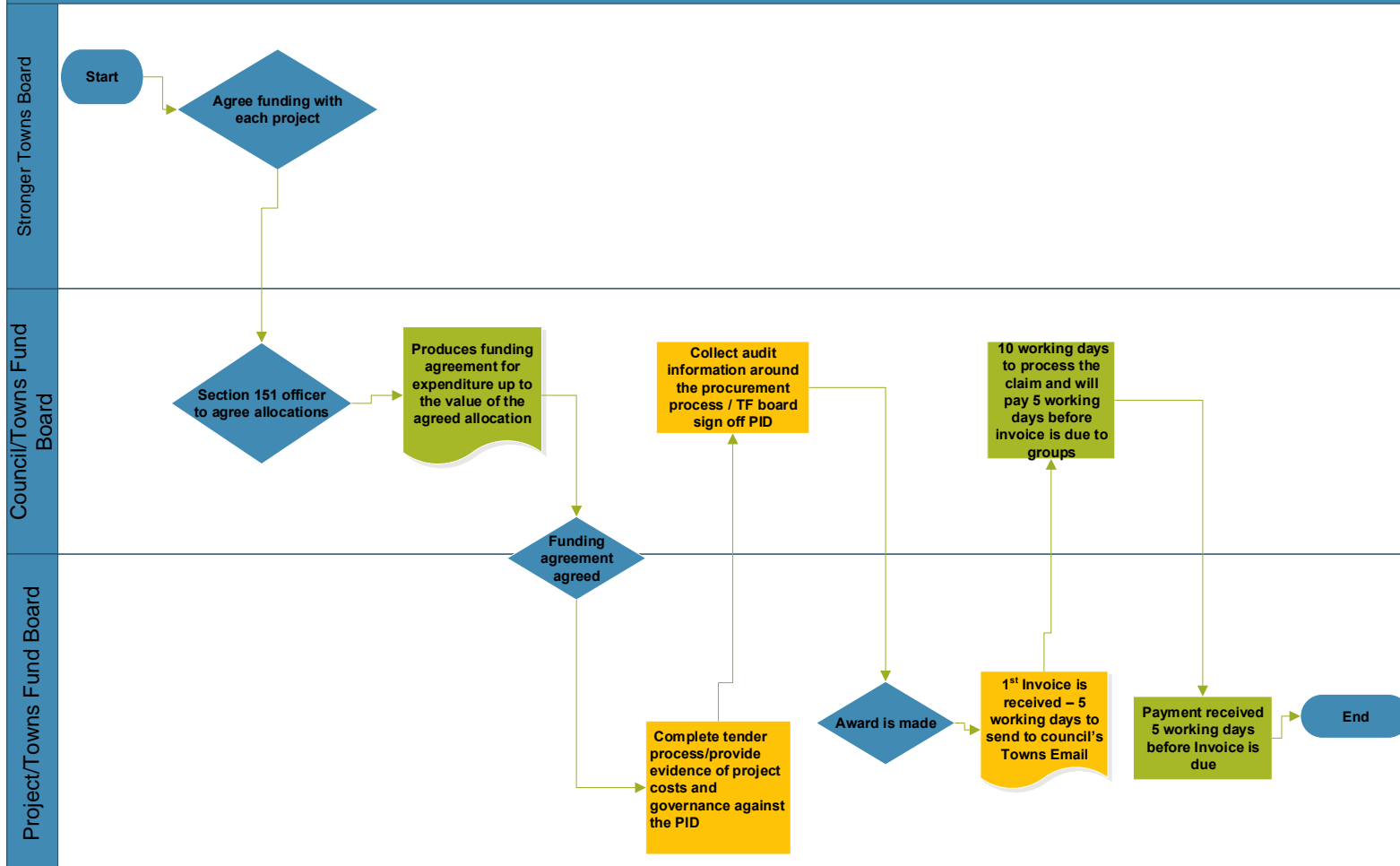
*Town Deals have always had a focus on local accountability and decision making, and this will continue as the programme moves into delivery. However, as places will be aware, DLUHC requires local authorities (as the accountable body) to report on progress every six months. These reports cover Expenditure, Progress, Risks, Outputs and Outcomes. Town Deal Boards are required have sight of these performance reporting*

*returns, and the opportunity to feed into them, before they are submitted to DLUHC. The Town Deal Board Chair must sign the performance reporting return before it is submitted to DLUHC.*

*When submitting Project Adjustment Requests, Local Authorities are required to confirm that the Town Deal Board have reviewed and agreed the proposals. This requirement will continue; Town Deal Boards should be involved in any discussions around project changes and agree these before they are made either under local delegation or submitted to DLUHC for a decision. This includes Project Adjustments to projects already in delivery.*

Our discussions in relation to the structure of this guidance have focussed principally on the oversight and approval of financial decisions. After discussions at a recent Project Delivery Group the following diagram has been developed summarising the proposed refinements to the current operation of the financial arrangements.

## 5% Enhanced Process – Stronger Towns



The actions set out in yellow in the diagram above identify the key interactions of the Board in the financial scrutiny and management process. To summarise:

- The Board will see the Project Initiation Documents (PID) developed by the projects and “tested” at the Project Delivery Group, these will set out the arrangements for tendering to be followed by each project arising from the Funding Agreement.
- The Board and Financially Accountable Body will both sign off the PID and the Accountable Body will share the procurement and audit information it receives from the Projects as the PIDs are implemented.
- As invoices are submitted they will be logged and reported to the Board on a monthly basis. The Financially Accountable Body and Secretariat on behalf of the Board will liaise on the receipt and approval of invoices on a real time basis.

**Recommendations:**

1. Members note the progress to date and raise any issues associated with the funding agreement and buddying processes as described.
2. Members approve the arrangements for interaction between the Board, Financially Accountable Body and Secretariat as set out above.



## 7. Current Programme Overview

### 1. Introduction

This report provides an overview on progress since the last board meeting and in advance of detailed implementation negotiations. A brief commentary on a project by project basis is provided below and the accompanying excel table RAG rates each project. The highest level risks are set out below.

### 2. Top Risks

Project	Town Fund	Match	Total	Risk Rating	Challenge	Current Position
<b>River Wye Infrastructure</b>	1.035	0.112	1.147		There are clear cost over runs for this project	It was agreed that the approach to the release of funding to support the detailed feasibility work on project design which was subsequently agreed at the Board on 4 <sup>th</sup> November would be progressed. The feasibility studies have now been commissioned and it has been possible to accelerate the purchase of the crane which is a key component of the overall project.
<b>Southside</b>	3.656	0.613	4.269		Significant programme management requirements on multiple fronts. PDG is providing significant ongoing support.	The project has significant value engineering challenges and has concluded it cannot find a way to manage its VAT liabilities, asset transfer and planning are key issues in a project that still has many "moving parts". Value engineering due to inflation has been substantively undertaken. An outline planning application has now been submitted and it has been confirmed that subject to planning the asset transfer can move ahead. An

						independently facilitated meeting with consider an options paper and identify the most appropriate way forward for the project has been scheduled for 2 February.
<b>Encore Music Hub</b>	0.21	0.6	0.810		FBC which is site agnostic has been submitted	The project has reported that a potential site has now been identified and the project lead is optimistic that this might be brought to fruition. It is likely however that both the timescales and the nature of the outputs to be delivered will change significantly and once the Project Initiation Document which will be supplied to the project has been completed the Project Delivery Group will need to review the proposition as it now stands pending a referral to the Board.
<b>Powerhouse</b>	0.31	0	0.31		The principle of co-location with the Digital Culture Hub is now in a detailed stage of development	This has now been identified raised with the Accountable Body and a detailed dialogue is in train with Powerhouse, Rural Media (DCH) and the TF secretariat. The Board has agreed to support this proposal. A funding agreement will be issued once the wider issues associated with the development of the DCH project (see below) are resolved.
<b>Digital Culture Hub</b>	1.201	0.55	1.751		The development of a funding agreement to reflect the now agreed change from rent to purchase	The project has been asked to finalise its proposals for a charge on the building and the confirmation of its matched funding for the implementation of its activities prior to the completion of the funding agreement. It is also seeking independent values of the property to ensure it is able to procure the facility at a mutually agreed value for money price.

### 3. Project Progress

#### Skills Foundry

##### Southside

This project is progressing but has a number of challenges associated with the transfer of the land and from the Council, achievement of planning permission and delivery of the outputs associated with the project within the cost envelope. There is also a need to establish the CIC for the partners to work within. All of these challenges are being addressed, however the project is at the stage where it might be undeliverable in its present form and a detailed independently facilitated options discussion with the key parties involved in the delivery of the project has been scheduled for 2 February. There is likely to be an £800,000 underspend on this project for the 2022/23 financial year.

##### Digital Culture Hub

The relocation of this project to Packers House has now been approved by DLUHC. The next stage in the development of the project is the completion of a satisfactory funding agreement. There is scope to maximise the financial draw down associated with this project by allocating more of the Towns Fund to purchase and more of the matched funding to refurbishment. The project sponsors are currently involved in confirming detailed third party valuations for the project once these have been received it is anticipated that a rapid progression to a funding agreement will be possible.

##### HCA School of Creative Digital Futures

There are no immediate concerns about the implementation of this project and the planning application for the project has been approved. There are some modest cost over-runs which are currently being scoped can be accommodated through value engineering. Details of the contingency allocation in this context are still being finalised at the college. There will also be some logistical challenges to manage operationally in relation to the scheduling of the works once a contract is let for delivery in the heart of an active college setting. The validation process associated with the additional courses that are planned to be delivered in the new facility using the new equipment are progressing well. The outputs quoted for the funding agreement are being finally checked against the FBC output commitment to confirm they are consistent.

### **NMITE Future of Work**

The project will be located on the Blackfriars site of NMITE. Initial post FBC discussion has revealed that the project can proceed as planned. The project should be able to commercially commit enough spend to meet its funding profile. There are no major concerns about progress at this stage albeit some discrepancies between the funding profile in the FBC and the funding agreement are being discussed.

### **Access and Greening**

#### **River Wye Infrastructure**

The project is now in a serious phase of reappraisal. We hope to achieve more detailed cost certainty by supporting the process of detailed design works. A funding agreement between the Wyeside partners and Accountable Body has been concluded which enables the commissioning of these design works to progress.

### **Greening the City**

This project is now in the implementation planning stage. Work is underway to confirm the level of financial spend which can be achieved this year through entering into contractual agreements with suppliers. We are optimistic that the project will be able to hit its profiled spend for this financial year. A funding agreement for the project is now in place. There is likely to be a modest delay in the contracting of the Active Travel Planning element of this project.

### **Meadow Arts**

We reported at the that last board meeting that this project is now in proof of concept phase. The first exhibition materials linked to Lothar Gotz are on display and look excellent. This provides an excellent opportunity to promote the Town Fund more widely and discussions are ongoing with Meadow Arts on how best to maximise this opportunity. This project will be able to commercially commit its expenditure to meet its funding profile. It has now been issued with a Funding Agreement which has been completed.

### **Castle Green Pavilion**

The project delivery arrangements for this project have been confirmed and are on schedule. The planning application for the project has now been approved. This project will be able to commercially commit its expenditure to meet its funding profile and we have no major disquiet about its current status. A Funding Agreement for this project has now been issued and completed.

### **Cultural Assets**

#### **Maylords Library and Learning Resource Centre**

The plans for the implementation of this project are proceeding effectively. The Council are currently working to confirm the financial profile and output delivery timing associated with the current profile. A Funding Agreement for this project has now been issued. There is scope for this project to accelerate its funding profile to absorb underspends in other areas including a potential £800,000 underspend associated with Southside.

### **Powerhouse**

Following agreement that this project will relocate to the groundfloor of Packers House on a phased basis a Funding Agreement for this project is pending and will be issued once the overall charge on Packers House has been agreed pending its purchase by Rural Media to deliver the Digital Culture Hub aspect of the Towns Fund.

### **Encore Music Hub**

The project has reported that a potential site has now been identified and the project lead is optimistic that this might be brought to fruition. It is likely however that both the timescales and the nature of the outputs to be delivered will change significantly and once the Project Initiation Document which will be supplied to the project has been completed the Project Delivery Group will need to review the proposition as it now stands pending a referral to the Board.

### **Individual Projects**

### **Marches Experience**

Following HLF agreement to support the project to the next stage of its evolution good progress is being made with the FBC. The Council has committed to a significant package of matched funding for this project and it is on track to achieve its spend profile within the Towns Fund. We understand that the competition for funding is now very severe in relation to the Heritage Lottery aspect of the matched funding for this project and we anticipate that this may be more challenging than we had initially hoped. A detailed public consultation process associated with the development has just been completed.

### **Electric Buses**

The order for the buses has now been issued and discussions are underway to identify the most appropriate operator for the facility. Herefordshire Council has agreed a rapid turnaround arrangement for reimbursement expenditure on this project. Ongoing discussions in relation to the route configuration are still in train with Herefordshire Council.

### **Extreme Sports Hub**

There are two components to this project the skate park and the cycle track. There had been some questioning of the deliverability of the cycle track in the timescales desired by Sport England this issue has now been resolved with Sport England confirming its ongoing support for the project. Subsequently however it has been identified that there are significant cost pressures on the project and on the Skate Park element of the project. Neither element of the overall project is undeliverable and we are optimistic that both can be effectively supported by the Towns Fund team to a point of effective implementation. The situation in relation to these two projects is therefore largely and positively unchanged since the last Board meeting.

## **7. Project Sponsor Meetings**

The last Project Sponsor meeting was held on 5 January. The substantive item discussed at that meeting was the scheduling of the Project Initiation Document which should follow the signing of each Funding Agreement.

## 8. Profiling

As we enter the final phases of 2022/23 it is important to review and confirm the final outturn position for each project. Detailed discussions are to be initiated in February to consider how committed spend is likely to be reconciled with projected spend. A breakdown of the BEIS position on profiled spend for this year is set out below:

Project	RDEL/CDEL	21/22 (£)	22/23 (£)
	RDEL		192,750
	CDEL	-	804,080
Southside	Total	-	996,830
	RDEL		15,806
	CDEL		612,500
Digital Culture Hub	Total	-	628,306
	RDEL		3,161
	CDEL		122,500
HCA School of Creative Digital Futures	Total	-	125,661
	RDEL		235,884
	CDEL		33,320
NMITE Future of Work	Total	-	269,204
	RDEL		447,602
	CDEL		1,572,400
Skills Foundry	Total		2,020,002
	RDEL		13,030
	CDEL		504,908
River Wye Infrastructure	Total	-	517,937
	RDEL		10,344
	CDEL		400,820
Greening the City	Total	-	411,164

	RDEL		2,276
	CDEL		88,200
Meadow Arts	Total	-	90,476
	RDEL	5,058	25,290
	CDEL	196,000	980,000
Castle Green Pavilion	Total	201,058	1,005,290
	RDEL	5,058	50,939
	CDEL	196,000	1,973,928
Access and Greening	Total	201,058	2,024,867
	RDEL		37,935
	CDEL		1,470,000
Maylords Library and Learning Resource Centre	Total	-	2,024,867
	RDEL	7,587	
	CDEL	294,000	
Powerhouse	Total	301,587	-
	RDEL		5,058
	CDEL		196,000
Encore Music Hub	Total	-	201,058
	RDEL	7,587	42,993
	CDEL	294,000	1,666,000
Cultural Assets	Total	301,587	1,708,993
	RDEL		25,290
	CDEL		980,000
Marches Experience	Total	-	1,005,290
	RDEL		25,290
	CDEL		980,000
Electric Buses	Total	-	1,005,290
	RDEL		29,943



	CDEL		1,160,320
Extreme Sports Hub	Total	-	1,190,263
	<b>RDEL total</b>	<b>12,645</b>	<b>622,057</b>
	<b>CDEL total</b>	<b>490,000</b>	<b>8,332,648</b>
	<b>Total</b>	<b>502,645</b>	<b>8,954,705</b>

## 7. Programme Level Risk Register

The cross cutting risk register is attached below for discussion and updating post the Board.

Risk	Likelihood	Impact	Mitigating Actions/Actions Required	Latest Position – January 2023
Completion of Project Initiation Documents	Medium	Medium	Close liaison and clear indication of requirements with each individual project and then consideration at PDG	Set up briefings are currently in train with individual projects and will be followed by individual contract negotiations around the establishment of funding agreements. An overview of the process was discussed at the Project Sponsor Meeting scheduled for 5 <sup>th</sup> January 2023.
Achieving Target Spend	Low	Medium	We have identified the relative risks on a project by project basis, individual mitigations measures at the level of specific projects are in place and further	The Funding Agreements ensure there is clarity on timescales and activities associated with the spend profile for each project. We also have to manage the

			intelligence is collected on a real time basis through our engagement with each project as the TF secretariat	distinction between the amount of spend profiled by DLUHC and from a programme management perspective. Our intelligence from the individual project discussions indicates that this is possible.
Achieving Matched Funding Totals	Medium	High	It is clear that due to project design changes arising from the FBC development process that there is a need to value engineer projects as a result of inflationary pressures. This may knock on in terms of matched funding contributions. We are alive to this issue and we have been involved in detailed project by project risk rating to understand and plan mitigations at the level of individual project development.	A changing pattern of matched funding is emerging as the Funding Agreements are firmed up. Considerable additional matched funding has been identified in conjunction with the Musuem project. Reduced and rescheduled matched funding arrangements have been notified in terms of Powerhouse, the Digital Culture Hub and Encore Music Hub projects. Overall the level of programme wide matched funding is in excess of the amount initially cited in the bid.
Programme Management Capacity	Low	High	The team has a good level of dedicated staff with additional capacity in the There is scope to seek support from partners to mitigate unforeseen capacity challenges.	As the Funding Agreements proceed we are positively optimistic that the challenges around the delivery of this aspect of the work are fully manageable.

Achieving Overall Programme Outputs	Medium	High	The programme management role followed by the team provides good scope to identify early and then intervene to manage and mitigate risks as identified.	Two projects: Southside and Wyeside have major delivery challenges. A reduced portfolio of outputs could arise. The secretariat is keeping this situation under careful review and will maintain a detailed overview of progress in conjunction with the Project Delivery Group as project implementation begins.
Achieving Programme Spend Within Annual Profiled Phases	Medium	Low	There is a danger in view of the inflationary pressures faced by the programme and in terms of limited supplier availability in some cases that achieving spend on planned time may be difficult	The Funding Agreements have in each case considered this challenge. Where it occurs unexpectedly a project change form will need to be submitted to Government.
Meeting Evaluation Requirements	Low	Medium	There is a requirement to evaluate the impact of the programmes in the town, we are yet to put the arrangements in place to collect the evidence and programme the evaluation. We have significant experience of these actions in other settings and are beginning to make preparations for the meeting of this obligation once the current	We currently have no evidence to suggest that this will be a performance issue.

			stage of the Funding Agreement process is completed.	
Individual Project Failure	Medium	Medium	There will inevitably be some challenges which occur in terms of project delivery. Through the Funding Agreement process these will come to the fore and we will be able to keep on top of them through the project implementation process set up as the next stage of this programme. Depending on the scale of the project and its relative importance to the programme (we have individual risk registers for each project) we will be able to put mitigations in place or escalate the solution to the issue to a discussion with DLUHC using as appropriate project variation forms rescheduling timescales and outputs.	We have identified the relative vulnerability of each project to inflation in this report. More widely we have a risk register for each individual project. We have the following projects under close scrutiny: Wyeside, Encore Music Hub and Southside.

Multiple Project Failure	Low	High	This is a relatively low risk because of the comprehensive and varied spread of projects across the programme both thematically and in terms of delivery organisations. Should it occur we will, through monitoring be able to plan amelioration as it gathers pace so that the implications are fully understood and reported before they reach an unmanageable stage.	There is no evidence to suggest that this is an issue at this stage of progress towards the establishment of individual funding agreements.
Subsidy Control Challenges	Low	High	Relatively few of the projects have a subsidy control component. We are planning a desk review of the relative challenge associated with each project working with Freeths as professional advisers where required and will have mitigations pre-planned should any challenges arise.	We are not in a position to have a full view on this issue until the funding agreements are all fully in place.
Programme Level Inflation Cost Pressures	High	High	This is a material risk. We are already involved in value engineering discussion with projects on an individual basis as the FBCs progress to enable us	This is a very significant growing risk. We have analysed it in more detail in relation to the table set out above.

			to mitigate this in relation to individual projects.	
Programme Governance Failures	Low	High	We have the operation of the Board and its assurance framework including the PDG under constant review and have just received a new guidance document from Government about the role of the TF Board which confirms we are on the right lines from a progress point of view.	We have now mapped the recently issued supplementary guidance issued by Government against our operational arrangements and the process of codifying them will be agreed at this meeting.

**6 Budget**

The Period 9 (December) position in relation to the programme is set out below. We intend, along with a schedule of individual payments during the month, to produce this information updated on a monthly basis for the Board.

**Expenditure Summary to Period 9 2022/23**

Project	£ Project Funding	Claims Paid £						£ Unclaimed Funding
		2021/22	2022/23				Total Claimed	
			Q1	Q2	Q3	Q4		
Southside	3,583,032	10,108.36	38,119.63	43,894.37	32,965.18	114,979.18	125,087.54	3,457,944.46
Digital Culture Hub	1,177,064	7,234.00	8,000.00	19,013.00	-	27,013.00	34,247.00	1,142,817.00
HCA School of Digital Futures	640,577							640,577.00
Future of Work	2,290,545	-	11,000.00	12,789.05	1,136.03	24,925.08	24,925.08	2,265,619.92
Wyeside	1,014,586	4,360.15	6,028.00	18,253.00	5,376.00	29,657.00	34,017.15	980,568.85
Greening the City	403,655							403,655.00
Meadow Arts	88,200	-	-	18,000.00	-	18,000.00	18,000.00	70,200.00
Castle Green Pavilion	1,537,145	36,060.20	41,939.80	-	-	41,939.80	78,000.00	1,459,145.00
Maylords Library	2,955,504	-	-	-	202,866.00	202,866.00	202,866.00	2,752,638.00
Powerhouse	294,000	-	5,000.00	14,050.00	-	19,050.00	19,050.00	274,950.00
Encore Music Hub	196,000	-	-	-	-	-	-	196,000.00
Marches Experience	4,942,045	-	-	-	357,134.00	357,134.00	357,134.00	4,584,911.00
Electric Buses	1,674,812	-	-	-	50,250.00	50,250.00	50,250.00	1,624,562.00
Cycle Track	676,283					-	-	676,283.00
Skate Park	490,000					-	-	490,000.00
<b>Total Project Funding</b>	<b>£ 21,963,448</b>					<b>Totals</b>	<b>£ 943,576.77</b>	<b>£ 21,019,871.23</b>
Project Management Contribution	£ 434,746							
<b>Total DLHUC Funding</b>	<b>£ 22,398,194</b>							

## 9. New Board Members

A call for new Board Members has been initiated. A copy is attached at Appendix A. An analysis of current experience and background of the Board is set out below:

		Required Representation							Optional Representation																
		Herefordshire Council	City Council	MP	Large business	SME	LEP	Investor	Food & Drink	Manufacturing	Professional Services	Cyber	Low Carbon	Retail	Tourism	Community	BID	Education					Cultural	Other	Under 35
Abigail Appleton	Hereford College of Arts															Y	Y						Y		Y
Ellie Chowns	Herefordshire Council	Y																					Y		Y
Frank Myers	Marches LEP						Y							Y									Y	Y	
Grace Joiner	Youth Representative														Y						Y				Y
Ian Christie	Welsh Water				Y														Y			Y	Y		
James Newby	NMITE																Y								
Jesse Norman	MP			Y																			Y	Y	
Judith Faux	HVOSS														Y								Y		Y
Julian Vaughan	Green Dragon							Y															Y	Y	
Kath Hey	Hereford City Council		Y																						Y
Lauren Rogers	Rural Media Company																	Y							Y
Paul Stephens	Hereford BID															Y								Y	
Ruth Parry	Simple Design Works					Y			Y	Y													Y		Y
Will Vaughan	Pedicargo					Y						Y											Y	Y	



## 10. Conflicts of Interest

The Board also has a conflicts of interest policy – details are set out here:

[https://www.google.com/search?q=towns+board+conflict+of+interest+form&rlz=1C5CHFA\\_enGB941GB941&oq=towns+board+conflict+of+interest+&aqs=chrome.7.69i57j33i160l5j33i22i29i30l4.22879j0j7&sourceid=chrome&ie=UTF-8](https://www.google.com/search?q=towns+board+conflict+of+interest+form&rlz=1C5CHFA_enGB941GB941&oq=towns+board+conflict+of+interest+&aqs=chrome.7.69i57j33i160l5j33i22i29i30l4.22879j0j7&sourceid=chrome&ie=UTF-8)

It would be very useful for each member to refresh the disclosure of their personal position by completing the form set out below:

Name:	
Position within Organisation:	
Date:	
Employment:	<i>Details of all my employers in the last 12 months:</i>
Business:	<i>Details of all businesses in which I am a partner or sole proprietor:</i>

Company directorships:	<i>Details of all companies of which I am a director:</i>
Trusteeships:	<i>Details of all charities of which I am a trustee:</i>
Membership of organisations, public bodies, etc	<i>Details of all organisations of which I am a member AND have a position of general control or management:</i>
Wider Connections	<i>Do you have any personal or close family member connections to any of the projects being funded?</i>

**Declaration:**

I confirm that I have disclosed all of my financial and non-financial interests. I understand that it is my responsibility to disclose any additional interests as they arise.

Signed: .....

Date: .....

**Recommendation:**

That the refreshing of the conflict of interest reporting be approved based on the form set out above.

## Appendix A Call for New Board Members

### **Stronger Hereford is seeking new Board Members to help transform our city**

In 2021, Hereford was successful in attracting a £22.4 million investment from the Government's Towns Fund. This money will support the development of 15 ambitious and innovative Hereford-city based projects, which together aim to make Hereford a greener, fairer city that offers fantastic opportunities and quality of life for people of all ages.

Following outline approval, the projects each had to submit a full business plan for scrutiny. We were delighted that in 2022 Government greenlit the #StrongerHereford projects to proceed.

The projects are now at different stages of delivery and we are looking to strengthen our Board with relevant skills and experience. In particular, we are seeking new members who have significant commercial experience whilst experience of ambitious project delivery would also be advantage.

This is an unpaid role, but you will join a dynamic team of people from different backgrounds and play a part in shaping the future of our city. All Board members are expected to be ambassadors for the city and the Board hopes to represent the diversity of communities we seek to serve.

For more information about our vision, please visit the #StrongerHereford website (link). For an informal chat about the opportunity please email the chair Abigail Appleton [a.appleton@hca.ac.uk](mailto:a.appleton@hca.ac.uk) or Board members XXX

Closing date for applications Monday March 6<sup>th</sup>

Shortlisted candidates will be invited for an informal interview.

## **Board member recruitment information**

Welcome to the member recruitment information for the #StrongerHereford Board. We are delighted that you are interested in joining us.

## **About the Towns Fund**

Hereford was one of 101 places invited by the Department of Levelling Up, Housing and Communities to be part of the £3.6 billion Towns Fund to support economic growth. #StrongerHereford put forward a bid for £24.9 million to Central Government in January 2021 and secured £22.4 million later that year to put towards the assigned projects outlined in their Town Investment Plan. The guidelines for the bid stipulated that projects needed to be in Hereford city and focus on improved transport, broadband connectivity, skills and culture; the successful projects echoed these themes. The name of the scheme has changed over the years – firstly being the Towns Fund for England, then the Towns Fund followed by the Stronger Towns Fund. The #StrongerHereford Board is now overseeing the delivery phase of the projects.

## **The Projects**

The projects range from a hugely ambitious renovation of the city's Museum and Art Gallery and a ground-breaking collaboration between formal education and community organisations, to a new, free to use electric bus service and exciting enhancements of Hereford's pioneering skate park.

## **Description of #StrongerHereford Board**

#StrongerHereford is an independent board for Hereford city made up of a range of people from private, public and community sectors who all have Herefordshire in their heart. It is a mix of parents, students, educators, business owners, employers, employees, creatives and politicians.

#StrongerHereford works in collaboration with Herefordshire Council and Hereford City Council, and each has one seat on the Board.

The Board is supported by the programme managers Rose Regeneration.

The Board is also in the process of recruiting some professional communications support.

You can read the terms of reference here <https://www.herefordshire.gov.uk/downloads/file/21332/hereford-town-deal-board-terms-of-reference>

And updated guidance from the government here [\(add link to latest guidance when posted online\)](#)

### Board member qualities

- A passion for the successful delivery of the #StrongerHereford vision
- A willingness to devote the time and effort the Board requires
- A problem-solving mindset
- The ability to speak your mind in a group
- A readiness to work as part of a team

**Experience:** we are looking for new members with significant commercial experience and ideally also experience of delivering ambitious projects.

Board members must uphold Nolan's seven principles of public life: selflessness, integrity, objectivity, accountability, openness, honesty and leadership.

**Commitment:** The Board currently meets monthly online (the first Friday of each month 8.30am - 10am) with approximately three face to face Board meetings (in Hereford) a year.

The successful applicant(s) will be expected to attend the majority of the board meetings.

In addition, the project sponsors (Leads from each project supported by #StrongerHereford) usually meet on the third Thursday of each month during a weekday evening and Board members are invited to join when they can.

Board members are encouraged to participate in activities in between Board/Project Sponsor meetings which could involve visiting one of our projects, representing the Board at networking events or participating in a sub group.

The Board has recently launched a Board buddy programme encouraging some Board members to develop deeper insight into one or more of the projects. The role is unremunerated but you have a chance to help transform Hereford.

**Eligibility:** Board members are expected to live in Herefordshire or to have a close connection to the county and to be confident that they can travel to attend some meetings in person. If you have any close connections with the projects please note them in your application. If appointed you will be required to fill out a conflict of interests form which may be published.

## Board member testimonials



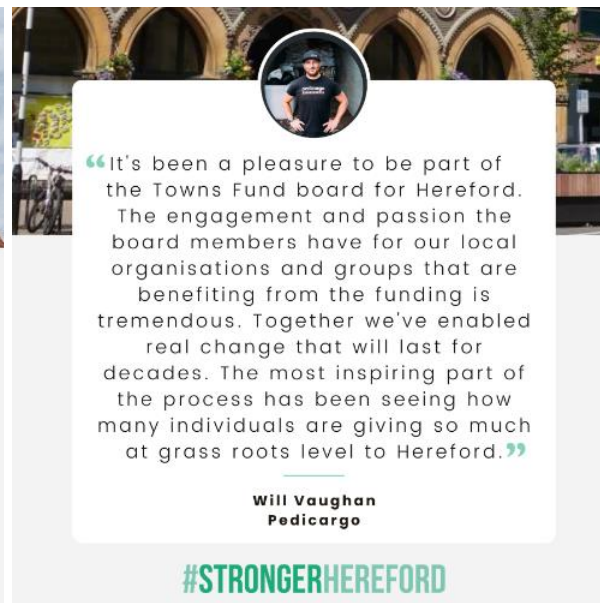



“ The #StrongerHereford board is quite a diverse range of people from different backgrounds. I've learnt a lot from them and certainly gained a much more holistic view of how government funding works.

I have a renewed appreciation for volunteers that help transform our communities but in a capacity that I can help shape that change.”

**Ruth Parry**  
Simple Design Works

#STRONGERHEREFORD






“It's been a pleasure to be part of the Towns Fund board for Hereford. The engagement and passion the board members have for our local organisations and groups that are benefiting from the funding is tremendous. Together we've enabled real change that will last for decades. The most inspiring part of the process has been seeing how many individuals are giving so much at grass roots level to Hereford.”

**Will Vaughan**  
Pedicargo

#STRONGERHEREFORD





“Being on the Board has been fun, challenging, inspirational, and hard work in equal measure.

What I have really liked about being involved in #StrongerHereford is that, regardless of your background or experience, everyone involved is, hand on heart, doing this because they believe in making Hereford a better and fairer place.”

**Lauren Rogers**  
Rural Media

#STRONGERHEREFORD



**#STRONGERHEREFORD**

To arrange an informal conversation email chair of the Board, Abigail Appleton or Board member recruitment task and finish groups members Ruth Parry or Paul Stevens

**How to apply**

If you would like to join us please complete the application form on line.