

**Hereford Stronger Towns Board Meeting
Friday 7 July 2023 (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:	Graham Biggs	GB	Councillor, Herefordshire Council
	Judith Faux	JF	Trustee, HVOSS
	Cat Hornsey	CH	Councillor, Hereford City
	Grace Joiner	GJ	Youth Board Member
	Frank Myers	FM	Herefordshire Business Board/Marches LEP
	Jesse Norman	JNo	MP for Hereford and South Herefordshire
	Ruth Parry	RP	Director Operations & Marketing, Simple Design Works Ltd
	Paul Stevens	PS	Hereford Business Improvement District
Other Attendees:	Govin Ajula	GA	Department of Levelling Up, Housing & Communities
	Roger Allonby	RA	Service Director for Economy & Growth, HC
	Ivan Annibal	IA	Rose Regeneration (RR)
	Alex Collins	AC	Department of Levelling Up, Housing & Communities
	Christian Dangerfield	CD	Rose Regeneration (RR)
	Joni Hughes	JH	Portfolio Manager, Capital Development, HC
	Elizabeth Parbutt	EP	Orphan's (part)
	Paul Walker	PW	Chief Executive, Herefordshire Council (part)
Apologies/Absent:	Andrew Lovegrove	AL	Chief Finance Officer, Herefordshire Council
	James Newby	JNe	Chief Officer, NMITE
	Lauren Rogers	LR	Rural Media Company
	Julian Vaughan	JV	Green Dragon Hotel, Hereford
Notes:	Jan Bailey	JB	Herefordshire Business Board

Summary of Actions

Minute No	Action	Resp.
4.1	Further reminder to send Declaration of Interest Forms to RR	Board, as applicable
4.2	Develop future project management proposal, including project representation at Board meetings	RR
4.3	Revised schedule of PDG meetings to be circulated to Board members	RR
6.3	Liaison with Encore project to present revised proposal to PDG	RR
6.10	Special Board Meeting to be arranged to discuss Library/Resource Centre Project	RA/RR
7.3	Proposal regarding 'legacy' film development	AA/RR
8.1	Circulate Greening of the City Project Update	JB

ITEM	NOTES	ACTION
1.	Welcome and Apologies	

1.1	The Chair welcomed everyone to the meeting. Apologies and absences are as noted above.	
2.	Conflicts of Interest	
2.1	There were no new Conflicts of Interest.	
3.	Minutes of the last Board meeting (held 2 June 2023)	
3.1	The Minutes of the Board meeting held on 2 June were approved as a correct record.	
4.	Matters Arising	
4.1	With regard to item 2.1 'Outstanding Declarations of Interest Forms', the Chair advised that some Declarations were still outstanding. She asked those who were yet to return their form to RR to do so as soon as possible.	Board, as applicable
4.2	With regard to item 6.4 'Consider how Project Leads can be invited to Board meetings', the Chair advised that this subject had been discussed at the previous evening's Project Sponsors' meeting. Project Sponsors had expressed an interest in attending Board meetings. RR will develop a proposal for this to happen within the broader revised project management document.	RR
4.3	With regard to item 8.1, 'Circulate schedule of future PDG meetings to Board members', this has been partially completed. A revised schedule will be circulated shortly.	RR
4.4	With regard to item 9.1 re the Manchester Stronger Towns Conference. FM and CD confirmed that they attended this event on behalf of Hereford. They advised that c250 attended. Discussions focused on three key areas: i) project history and governance, ii) key challenges and iii) legacy. With reference to legacy, the Chair stressed the importance of including discussions on the Hereford legacy in future Board Agendas.	
4.5	All other matters arising have either been completed or would be considered as part of today's Agenda.	
5.	Progress Update and Future Planning	
5.1	IA referred Board members to the papers circulated with today's Agenda and attached as Appendix A to these notes.	
5.2	IA noted that two Funding Agreements remain outstanding (in correction of written report); these are for the Digital Culture Hub and Powerhouse projects.	
5.3	IA advised that three projects had recently presented their Project Initiation Documents (PIDs) to the Project Delivery Group (PDG). These are in relation to the Southside, NMITE (Future of Work) and Meadow Arts projects. Board members had previously had sight of these documents and confirmed their approval of all three submitted PIDs.	
5.4	Board members were referred to RR's report (see Appendix A) for details of outstanding PIDs. FM reminded all Board members that they are welcome to attend any future PDGs, should they so wish.	

5.5	IA advised that at the Project Sponsors' meeting held on the previous evening, RR had reminded projects of the process in relation to the PIDs, with particular emphasis being placed on tendering requirements.	
6.	<p>Current Programme Overview and Budget</p> <p>6.1 IA referred to the details contained within the document circulated prior to today's meeting and attached as Appendix A to these notes.</p> <p>6.2 Encore Project</p> <p>IA advised of one material change since the Board papers were circulated and this is in relation to the Encore Project. Encore had recently advised that they are withdrawing from the Town Hall consortium and are now proposing to find an alternative location for their project.</p> <p>6.3 Following discussion, the Board agreed that their support for the Encore project remains and they want to do what they can to ensure that it succeeds. The Project Leader will be asked to return to PDG with a revised proposal.</p> <p>6.4 Good News</p> <p>IA highlighted a number of positive developments so far achieved by Stronger Hereford:</p> <ul style="list-style-type: none"> • Electric Buses: Scheduled to begin operating from September • Meadow Arts: 2nd installation now in place • Cycle Track: Specialist tarmac now laid and a plan is in progress for a launch event • Castle Green: Progressing well with lots of interest expressed in running the café. <p>6.5 Digital Culture Hub / Powerhouse Projects</p> <p>IA referred Board to the information previously circulated and contained within Appendix C of this document. He advised that RR was continuing to liaise with AC and GA regarding the Project Adjustment Request.</p> <p>6.6 Library/Resource Centre Project</p> <p>RA presented an update on the Library/Resource Centre Project, which has been paused following the election of a new Cabinet. His presentation can be viewed at Appendix D.</p> <p>6.7 Board members provided some initial feedback to RA:</p> <ul style="list-style-type: none"> • Concerns that if the Shire Hall option is chosen, this would mean the loss of a valuable large performance space in the city. • The design challenges and likely costs of converting the Shire Hall into a library and learning resource that is innovative, cutting edge and exciting. • Whether a move to the Shire Hall would be able to meet the original project vision and outcomes measures. • Accessibility issues with the Shire Hall premises. • There was an appreciation that a decision needs to be made quickly, but it must be the right decision that capitalises on the investment being made. 	RR

<p>6.8</p> <p>6.9</p> <p>6.10</p> <p>6.11</p>	<ul style="list-style-type: none"> • There needs to be an understanding of the diverse range of groups who currently utilise and value the library and how proposals would address/meet these needs. • A comment about the changing nature of city centres – a repurposing into spaces that are not just about retail. • A comment regarding the need to look after our heritage buildings. <p>JNo asked for clarification as to the Board’s power to withdraw Stronger Towns funding from the project. The Chair replied that a Project Adjustment Request (PAR) would be needed from Project Leads, which would then be considered by PDG/Board. She said that if the Board didn’t feel that the revised proposal met its original outputs, they were not obliged to approve it.</p> <p>RP asked for details about the funding that had already been committed by the Library/Resource Centre project. The Chair responded that this detail would be part of the revised proposal and would need to be taken into consideration at that point.</p> <p>RA advised that a review of the project would be published by the Council next week, to include cost implications. A special Board meeting will be arranged immediately after publication to further discuss all aspects and the Board’s response. The Chair commented that Board would be looking to see real ambition of vision in any new proposal.</p> <p>Budget</p> <p>The Chair drew Board Members’ attention to up-to-date budget information, previously circulated to Board and contained within Appendix A of this document. There were no comments or queries from Board Members, but the Chair encouraged all to contact JH/IA if they should require clarification on any points.</p>	<p>RA/RR</p>
<p>7.</p> <p>7.1</p> <p>7.2</p>	<p>Communications Update</p> <p>EP provided an update on communications actions to date:</p> <ul style="list-style-type: none"> • A new fortnightly series of Project Spotlights has been developed for social media use. • The Electric Buses (Zippers) Spotlight story was picked up and shared by Your Hereford and Hereford Voice. • Ongoing conversations with the Hereford Times regarding the Library/Resource Centre project to ensure correct information is supplied and reported. • All content now developed for the Stronger Hereford website, including FAQs, updated Board membership, news section. • The latest newsletter has just been published. • Partnership started with Hereford College of Arts’ students • Meeting scheduled with the Hereford Times this afternoon (5 July) with AA to show them the skatepark/cycle track projects • A social media workshop will be held with projects next week • Article in the September edition of ‘Herefordshire Now’ is being discussed with the Council comms team. <p>Further information/data is provided at Appendix E.</p> <p>The Chair thanked EP for her efforts. She advised that a proposal for a ‘legacy’ film is currently in progress and would be presented at the next Board meeting.</p>	<p>AA/RR</p>

8.	Any Other Business	
8.1	PS asked for an update on the Greening of the City Project. The Chair advised that this had previously been received from the Project Lead and would be circulated to members after today's meeting.	JB
9.	Date of Next Meeting Friday 4 August from 8.30 – 10.00 am at Hereford College of Arts, Venn's Lane Campus (hybrid alternative available).	

Appendix A

Progress Update and Future Planning

1. Introduction

This report provides a high-level overview of progress since the last Board meeting.

2. Funding Agreement Progress

All funding agreements are now agreed.

PIDS from the following projects have been presented to the PDG and are attached as separate documents for Board approval. The PDG supports their adoption:

- Southside
- NMITE
- Meadow Arts

The following PIDS are currently being scheduled for consideration by the PDG and subsequent reporting to the Board:

- Wyeside,
- Skatepark,
- HCA,
- DCH,
- Powerhouse,
- Encore

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. There is little material change in the status of the most challenged projects since the last Board Meeting. This table therefore largely repeats the information we had previously and is attached as an aide memoir of the current position for members.

2. Top Risks

Project	Town Fund	Match	Total	Risk Rating	Challenge	Current Position
River Wye Infrastructure	1.035	0.112	1.147		There are clear cost over runs for this project, support for the programme management is being provided by Herefordshire Council.	This project is now in train with programme management support. Generating a full understanding of the strategy for managing the value engineering activities planned in relating to this project is a priority and this will be addressed through a presentation of the PID at a future PDG meeting.
Encore Music Hub	0.21	0.6	0.810		FBC has now been approved but needs detailed implementation scrutiny	The change of location proposed for this project will, as previously notified, affect its output and funding profile. These issues will be discussed in detail when its PID is discussed at a future PDG.

Digital Culture Hub	1.201	0.55	1.751		The development of a funding agreement to reflect the now agreed change from rent to purchase	On 5 June the Government Town Fund Board identified that a Project Adjustment Form was required for this project. With the mandate of the Board from the last meeting to support the proposed way forward this has now been put into the system as a formal document.
Southside	3.656	0.613	4.269		Significant programme management requirements on multiple fronts. PDG is providing significant ongoing support.	The PID updating progress has been reviewed and supported by the PDG and is attached for Board approval.
Powerhouse	0.31	0	0.31		The principle of co-location with the Digital Culture Hub is now in a detailed stage of development	This project following Board support is now the subject of the PAR as referenced in relation to the Digital Culture Hub above.

3. Project Progress

Skills Foundry

Southside

This project is proceeding to schedule and the latest PID is attached as separate paper for Board agreement.

Digital Culture Hub

Since the last Board Meeting it has been confirmed that this project will require a Project Adjustment Request. A paper setting out the key issues is attached at Appendix 2.

HCA School of Creative Digital Futures

There has been no significant change to overall progress since the last meeting. Some value engineering is required to ensure that the project meets the spend total agreed. It is not anticipated however that this will impact on the overall delivery of the outputs and outcomes within the agreed funding envelope.

NMITE Future of Work

There are no major concerns about progress at this. A funding agreement has been issued for the project. The PID for the project was approved by the PDG and is attached with these papers for Board approval.

Access and Greening

River Wye Infrastructure

There has been no significant change in relation to this project since the last report in on 2 June. The next substantive discussion in relation to this project will follow the presentation of its PID to the PDG which is currently being scheduled.

Greening the City

There has been no significant change in relation to this project since the last meeting on 2 June.

Meadow Arts

The second installation by artists Mathew Cornford and John Beck is now underway. This provides an excellent opportunity to promote Stronger Hereford 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. The project presented its PID to the PDG on 28 June and it is attached with these papers for Board approval.

Castle Green Pavilion

This project is proceeding professionally to budget and schedule.

Cultural Assets

Maylords Library and Learning Resource Centre

The incoming administration at Herefordshire Council have initiated an options appraisal over the location of the library. They will present more information about the options in play at the Board. If a significant change of location is proposed it will be necessary to generate a Project Adjustment Request. The consultation material shared with stakeholders as part of the process to date is set out below:

REVIEW OF NEW HEREFORD LIBRARY AND LEARNING RESOURCE CENTRE LOCATION

The Council is reviewing the proposed location for the city library and has identified alternative sites for development, arising from the draft City Masterplan and reflecting the ongoing strong demand for commercial occupation at Maylord Orchards. The outcomes sought from the project are:

- Improving perceptions of Hereford by residents, visitors and businesses
- Increasing visitors to arts, heritage and cultural events and venues
- Assisting new learners
- Contributing to improving health & wellbeing

You/your organisation has been identified as a key stakeholder for the project so we would like to gather your views about whether an alternative location to the site originally proposed at Maylord Orchards offers more opportunity for us to work together to deliver a shared vision. We are exploring the potential of four sites:

1. Maylord Orchards
2. Shire Hall Undercroft and Assembly Hall
3. Town Hall and 10 St Owen Street (one site)
4. Museum Resource Learning Centre (Friars St), the temporary location for the library.

Each of the sites will need to meet the Council's statutory obligations in relation to library services and the Equality Duty.

Considering these alternatives, which site seems to you to represent the best opportunity to deliver against your strategic aims or the needs of your community of stakeholders (e.g. residents, businesses, arts organisations)?

- Which, if any, site appears to have the most strengths as a potential location for library services, in relation to:
 - o lending and reference to resources
 - o digital literacy programmes
 - o cultural and creative activities
 - o children and family learning
 - o informal adult education

- o formal adult education
- o health & wellbeing advice and information
- o business support

Which, if any, of the sites appears to have significant weaknesses as a potential location for library services, and how do you think these could be addressed?

How do you think you would work alongside the Council to realise the possibilities of any of the sites?

Are there any concrete implications for you/your organisation of the choice of any of the sites, or of the timescales or budgets required to bring them into use?

Do you have any other comments on the alternative sites proposed?

Do you have any preference for one site over the others, and if so, why?

Powerhouse

The future arrangements for the delivery of this project are subject to the negotiation of the Project Adjustment request as part of its linkages with the Digital Culture Hub as set out above.

Encore Music Hub

There has been no significant change to this project since the last meeting on 2 June 2023. 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. The project has its Funding Agreement but it is proposed that no work is initiated in the short term pending further analysis of the situation.

Individual Projects

Marches Experience

The interview associated with the HLF application was scheduled for 15 May. A verbal update relating to progress will be provide at the Board Meeting.

Electric Buses

There are no significant changes to this project since the last meeting on 2 June. We are still awaiting confirmation as to whether the adjustment to the funding deployment associated with this project will require a Project Adjustment Request from Government. This was agreed at the Board Meeting on 2 June and involves:

- Transfer of £60,000 of surplus capital to NMITE in return for £60,000 of revenue from them to the Electric Buses
- Confirmation that staff training (4% of the tender price from Yeomans) can be capitalised and paid up front
- Confirmation that depot rental (11% of the tender price from Yeomans) can be capitalised and paid up front

Extreme Sports Hub

There has been no significant change to the status of either the skate park or the cycle track which make up this element within the Towns Fund Portfolio since the meeting on 2 June.

4. 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 – June 2023
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 has emerged as the Funding Agreements were firmed up. Considerable additional matched funding has been identified in conjunction with the Museum 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. The potential relocation of the Maylords Library project which has a match of £4 million associated with the building and the requirement from BEIS for us to submit a PAR for the DCH/Powerhouse projects due to a reduction in matched funding make this a significant live issue.
Completion of Project Initiation Documents	Medium	Medium	Close liaison and clear indication of requirements with each individual project and then consideration at PDG	The first tranche of PID presentations has been completed and the second scheduled with PIDs for approval in respect of Southside, Meadow Arts and NMITE coming to the Board today.
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	This is a significant but manageable risk. Preceding elements of this report set out how

			PISs progress to enable us to mitigate this in relation to individual projects.	we have been managing the process as does the project by project narrative which precedes it.
Programme Governance Failures	Low	High	We have the operation of the Board and its assurance framework including the PDG under constant review and the Chair has been interviewing individual members to understand their perspectives in relation to these challenges. We have also recently agreed a new financial reporting process to enable us to manage the challenges linked to this issue.	The current Chair has reviewed the governance status of the programme and positive new governance arrangements have been agreed.
Achieving Target Spend	Medium	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 intelligence is collected on a real time basis through our engagement with each project as the TF secretariat. There is scope for some projects to offset an under commitment of others by increasing their spend and we are currently investigating this position.	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 distinction between the amount of spend profiled by DLUHC and from a programme management perspective. Our intelligence from the individual project discussions enabled us to meet our commitment targets for 2022/23. Our recent submission of the quarterly return in June 2023 indicated that we are on profile but we did raise the issue of inflation as a potential challenge.

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 have proceeded the challenges around the delivery of this aspect of the work have been confirmed as fully manageable. Herefordshire Council has recently deployed programme management support to assist the delivery of Wyeside and Southside projects. We have a good schedule of PIDs now coming on line which help provide an insightful overview of the status of projects.
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.	Four projects: Powerhouse, Digital Culture Hub, 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	Low	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. With nearly all the Funding Agreements confirmed with projects we believe we have a robust level of intelligence and understanding in relation to the programme and that at this stage it is straightforwardly manageable.

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 stage of the Funding Agreement process is completed.	We currently have no evidence to suggest that this will be a performance issue.
Individual Project Failure	Medium	Medium	There will inevitably be some challenges which occur in terms of project delivery. Through the Funding Agreement process these we have a clear overview of these challenges and we will be able to keep on top of them through the project implementation process. 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, Powerhouse, Digital Culture Hub and Southside. None of the projects have yet failed and we are confident that with our ongoing support they will be able to continue successfully.

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. We are however exercising a careful overview of vulnerabilities at a programme level as 1/3 of the total TF portfolio involves projects at different levels of delivery challenge.
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 where required and will have mitigations pre-planned should any challenges arise.	We are yet to schedule this detailed desk review and it will be initiated once the final funding agreements are in place.

5. Budget

The Period 2 (May) position in relation to the programme is set out below:

Project	Total TF Allocation	Spend 21-23	23-24 Spend P1-2	Total Spend to Date	Total to Spend	23-24 Profile Spend	Spend and Profile to Mar 24	Total Committed 22-23	Remaining to Commit	Spend to date vs Spend and Profile to Mar 24	Remaining to Commit vs Total	Remaining to Spend vs Total
Castle Green Pavilion	1,568,252	137,800	65,334	203,134	1,365,118	1,005,290	1,208,424	1,294,608	273,644	17%	17%	91%
Cycle Track	690,263	325,616	266,842	592,458	97,805	0	690,263	690,263	0	86%	0%	36%
Digital Culture Hub	1,201,322	52,092		52,092	1,149,230	573,015	625,107	44,858	1,156,464	8%	96%	96%
Electric Buses	1,708,993	85,250		85,250	1,623,743	703,703	788,953	1,068,350	640,643	11%	37%	95%
Encore Music Hub	201,058	0		0	201,058	201,058	201,058	0	201,058	0%	100%	100%
Future of Work	2,337,291	27,363	6,118	33,481	2,303,811	1,317,135	1,350,616	24,054	2,313,237	2%	99%	99%
Greening the City	411,164	80,685		80,685	330,479	0	411,164	411,164	0	20%	0%	80%
HCA School of Digital Futures	653,439	0		0	653,439	452,381	452,381	35,000	618,439	0%	95%	100%
Marches Experience	5,026,450	1,404,051		1,404,051	3,622,399	2,010,580	3,414,631	2,010,580	3,015,870	41%	60%	72%
Maylords Library	3,015,870	328,917		328,917	2,686,953	879,842	1,208,759	2,137,289	878,581	27%	29%	89%
Meadow Arts	90,476	18,000	2,050	20,050	70,426	0	90,476	20,050	70,426	22%	78%	77%
Powerhouse	301,587	19,050		19,050	282,537	0	301,587	38,097	263,490	6%	87%	94%
Skate Park	500,000	0	30,000.00	30,000	470,000	0	500,000	19,050	480,950	6%	96%	94%
Southside	3,656,155	154,919	27,469	182,388	3,473,767	2,659,325	2,841,713	490,000	3,166,155	6%	87%	96%
Wyeside	1,035,875	34,017	99,195	133,212	902,663	517,937	651,149	166,862	869,013	20%	84%	87%
Total *	22,398,195	2,667,761	497,008	3,164,769	19,233,426	9,739,300	12,904,069	6,165,175	16,233,020	25%	72%	87%

A spreadsheet setting more detail on payments is attached as an appendix with this report, including detailed individual project transactions.

6. Communications

An update on communications will be provided at the Board.

7. Secretariat Process Reset

The current arrangement for the secretariat will move into a new phase from August 2023 onwards. A number of operational refinements including: the frequency of meetings, presentation of information, the structure and approach of the Project Sponsor meetings and the governance advice to the Board are all being considered and an initial discussion of options pending a more detailed paper to the August meeting will be led by the Chair.

Appendix B – Notes from Project Development Group meetings

**Notes from a meeting of the
STRONGER TOWNS FUND – PROJECT DEVELOPMENT GROUP (PDG)
MEETING
held 31 May 2023, 8.30-9.00 am via MS Teams**

Members:	Frank Myers (MBE)	FM	Chair
Chair of	Abigail Appleton	AA	Principal, Hereford College of Arts (and Hereford Stronger Towns Board)
Attendees:	Ivan Annibal	IA	Rose Regeneration, RR
	Christian Dangerfield	CD	Rose Regeneration, RR
	Joni Hughes	JH	Portfolio Manager, Capital Development, HC
Other Attendees:	Elizabeth Parbutt	EP	Orphan's
Notetaker:	Jan Bailey	JB	Herefordshire Business Board

ITEM	NOTES	ACTION
1.	Project Updates	
1.1	Digital Culture Hub / Powerhouse IA advised that DLUHC had recently requested a Project Adjustment Request form to be completed in respect of these two projects. RR will complete the necessary paperwork, making sure that the Board is kept fully informed.	RR
1.2	Skills Hub (NMITE) CD advised that James Newby (JN) had made an enquiry about converting a proportion of this project's funding from capital to revenue. IA reminded PDG of the strict rules imposed by DLUHC regarding overall proportion of STF revenue to capital funding, which made this request unlikely to be able to be accommodated. However, CD will ask JN to make a formal request, including the reasons behind this requested change.	CD
1.3	Digital Skills Centre (Hereford College of Arts) AA provided an update on the construction element of this project. In essence, that tenders were currently out, the deadline for responses being Monday 3 June. AA advised that she was anticipating some inflationary pressures on the budget available, but that contingency plans were in place to mitigate against these.	
2,	Any Other Business	
2.1	New Councillors' Induction	

<p>2.2</p> <p>2.2.1</p> <p>2.2.2</p>	<p>PDG discussed the importance of briefing Herefordshire Council Cabinet on #StrongerHereford projects to obtain 'buy in' into its vision for Hereford.</p> <p>Promotional Video</p> <p>EP provided an outline proposal for a video to be created that showcases Hereford's improved offer as a result of STF investment. She explained that this could be valuable both for attracting tourists and inward investment to the city/ county. This would be in addition to the collection of ad hoc video footage and photography that can be used for social media and other promotional purposes.</p> <p>EP will prepare a draft proposal for further discussion. AA stressed the importance of ensuring procurement for the video is open and transparent. EP will also prepare a proposal for collection of ad hoc video clips and photographs for more immediate use.</p>	<p>EP</p>
<p>3.</p>	<p>Dates of next meeting</p> <p>Next PDG Meeting – Wednesday 14 June 2023, 8.30 – 9.30 am</p> <p>Next Board Meeting – Friday 2 June 2023, 8.30 – 10.00, on line, then first Friday of each month until further notice.</p>	

**Notes from a meeting of the
STRONGER TOWNS FUND – PROJECT DEVELOPMENT GROUP (PDG)
MEETING
held 14 June 2023, 8.30-9.00 am via MS Teams**

Members:	Frank Myers (MBE)	FM	Chair
Chair of	Abigail Appleton	AA	Principal, Hereford College of Arts (and Hereford Stronger Towns Board)
	James Newby	JN	President & CEO, NMITE
	Paul Stevens	PS	Herefordshire BID
Attendees:	Christian Dangerfield	CD	Rose Regeneration, RR
	Joni Hughes	JH	Portfolio Manager, Capital Development, HC
	Ruth Parry Design Works Ltd	RP	Director Operations & Marketing, Simple
Guests:	Anthea Parker	AP	Skills Hub Project Manager, NMITE
Apologies:	Ivan Annibal	IA	Rose Regeneration, RR
Notetaker:	Jan Bailey	JB	Herefordshire Business Board

ITEM	NOTES	ACTION
1.	Welcome and Apologies The Chair welcomed everyone to the meeting. Apologies are as noted above.	
2.	Notes of last PDG Meeting The notes from the PDG meeting held on 17 May were agreed as an accurate record.	
3.	Project Updates Skills Hub (NMITE)	
3.1	AP presented a comprehensive overview of the Skills Hub Project Initiation Document (PID). She explained that there were two work streams working closely together: the physical development of the premises and academic content development.	
3.2	Members asked for clarification and/or raised a number of points: <ul style="list-style-type: none"> • Whether the existing NMITE building at the site was listed. AP confirmed that it is not • Noted the busyness of the location. AP said that this was recognised and is being addressed within the planning process. • AA welcomed the collaborative aspects of this project, particularly with the other projects within the Skills Foundry group, which she said could be structured more. 	

<p>3.3</p> <p>3.4</p> <p>3.5</p>	<ul style="list-style-type: none"> • Confirmation from AP that the Hub would still include a physical making element. • CD sought clarification regarding the number of jobs being created. AP said that the PID figure of 30 represented a joint target of those within the Skills Foundry group. • The possibility for the site to be expanded in the future was discussed. AP advised that some expansion may be possible. <p>The Chair highlighted the preference stated within the PID to switch some of their capital to revenue funding. CD advised that there are rules at programme level which relate to the overall balance between capital and revenue funding, which mean that this option is not currently available to the project.</p> <p>JN confirmed that notwithstanding the above, the programme would deliver its objectives. However, a switch of monies from capital to revenue would enable more to be achieved.</p> <p>Members confirmed they were happy to approve this PID.</p>	
<p>4.</p> <p>4.1</p> <p>4.2</p> <p>4.3</p>	<p>Any Other Business</p> <p>Members discussed the potential of developing further video material to support the promotion of Stronger Hereford (and wider Herefordshire). A proposal from Orphans is expected shortly and will be further discussed at PDG.</p> <p>CD raised the subject of providing an induction day for newly appointed Councillors. The Chair felt that a deeper understanding of what Councillors want is needed before taking steps to develop such a day. AA said that she was meeting the Council's new Leader later today and would discuss this subject with him.</p> <p>PS asked for clarification to be sought from the Greening the City Project, in particular in relation to work along the Great Western Way. JH will ask Roger Allonby for an update.</p>	<p>AA</p> <p>JH</p>
<p>5.</p>	<p>Date of next PDG meeting</p> <p>Next PDG Meeting – Wednesday 21 June 8.30 – 9.30 am via Teams</p> <p>CD will circulate a schedule of future meetings to all Board and PDG members.</p>	<p>CD</p>

**Notes from a meeting of the
STRONGER TOWNS FUND – PROJECT DEVELOPMENT GROUP (PDG)
MEETING
held 21 June 2023, 8.30-9.00 am via MS Teams**

Members:	Frank Myers (MBE)	FM	Chair
Chair of	Abigail Appleton	AA	Principal, Hereford College of Arts (and Hereford Stronger Towns Board)
	James Newby	JN	President & CEO, NMITE
	Paul Stevens	PS	Herefordshire BID
Attendees:	Joni Hughes	JH	Portfolio Manager, Capital Development, HC
Guests:	Louisa Foti	LF	Southside Project
	Pat Gordon	PG	Southside Project
	Chris Tipping	CT	Southside Project
Apologies:	Ivan Annibal	IA	Rose Regeneration, RR
	Christian Dangerfield	CD	Rose Regeneration, RR
Notetaker:	Jan Bailey	JB	Herefordshire Business Board

ITEM	NOTES	ACTION
1.	Welcome and Apologies The Chair welcomed everyone to the meeting. Apologies are as noted above.	
2.	Notes of last PDG Meeting The notes from the PDG meeting held on 14 June were agreed as an accurate record.	
3.	Project Updates Southside Project	
3.1	LF referred to the Project Initiation Document previously circulated to PDG members.	
3.2	LF provided an update on the Southside Project, as follows: <ul style="list-style-type: none"> • The project is progressing well. • The Funding Agreement was signed on 25 May. Growing Local is the lead organisation on this document. • A Memorandum of Understanding (MoU) between all Southside Project Partners is in the process of being agreed. • A MoU with Herefordshire Council is now in place. • With regard to Planning, the application will be considered at Planning Committee on 26 July. The Planning Consultants (Berry's) have been excellent. 	

<p>3.3</p> <p>3.4</p> <p>3.5</p> <p>3.6</p> <p>3.7</p> <p>3.8</p>	<ul style="list-style-type: none"> • The tender for the architectural role has been published. Sixty-seven firms registered an interest. This was reduced to 14 who responded to a pre-qualification questionnaire. The five strongest contenders were then identified and a decision on which will be awarded the contract is due imminently. • With regard to staffing, Growing Local has recruited a grower and an education officer. The first volunteer day is planned to take place this afternoon. • Licensing: LF confirmed that a temporary growing licence is in place until 30 September. The project is expecting new 30 year leases (for both Growing Local and Belmont Wanderers) from 1 October. <p>In response to a query from the Chair, LF confirmed that three Councillors cover the area of the project: Richard Thomas, Jacqui Carwardine and Dan Powell. All are aware and seem very supportive of the project.</p> <p>With regard to the Belmont Wanderers aspect of the project, CT confirmed that good progress is being made according to plans. There is only one area of concern, which is with regard to the cost of the 3G pitch, but negotiations are ongoing to resolve this.</p> <p>The Chair commented that the progress being made would make a good media story. LF confirmed that discussions with Orphan's are ongoing. CT also stated that the project is pro-active in posting its stories on social media. The Chair stressed the importance of maximising opportunities to promote Stronger Hereford as a whole. AA added that having a sense of key project milestones would be useful so that publicity could be planned in advance. The importance of emphasising that projects are being funded by Stronger Towns and not Herefordshire Council was noted. AA to discuss further with Orphans.</p> <p>CT asked for clarification regarding video production for the project. AA confirmed that several possibilities are being explored:</p> <ul style="list-style-type: none"> • Investment in the development of a professionally produced video. • A video-making workshop for projects that have little experience. • HCA students capturing some images/footage. • Projects being encouraged (if they have the capacity/skills) to capture their own video footage/photography as they progress for later inclusion into a whole project video. <p>PG asked in the first instance if there is any capacity for 'before' drone shots to be taken of the Growing Local site within the next two weeks. AA will investigate and feedback to PG.</p> <p>JN (as the third party to the Southside Project) stated how encouraged he felt by the positive progress being made. LF acknowledged the significant support and help provided by the Council team.</p>	<p>AA</p> <p>AA</p>
<p>4.</p>	<p>Date of next PDG meeting</p> <p>Next PDG Meeting – Wednesday 28 June 8.30 – 9.30 am via Teams.</p>	

Appendix C

Digital Culture Hub/Powerhouse Project Adjustment Request Background

Purpose of this report

This report sets out the plan for Rural Media Charity and Powerhouse Creative CIC to meet their respective Stronger Towns Fund objectives through the shared occupation of one property, Packers House, 25 West Street, Hereford. The report is presented in two parts; the first part has been prepared by Rural Media and the second by Powerhouse.

The purpose of this report is to allow the Stronger Towns Fund Board to give its formal approval to the changes since Full Business Case (FBC), and for Herefordshire Council to share with DLUHC in order to confirm that government is aware of the revisions.

Report Part 1 - Rural Media Charity

Revised accommodation plan at May 2023

Powerhouse will reside at Packers House as a long-term tenant and partner of the Digital Culture Hub. Rural Media will continue to occupy the whole of the first floor of Packers House and Powerhouse will occupy approximately one-third of the ground floor. Rural Media will own the freehold of Packers House and Powerhouse will hold a 10-year lease on a peppercorn rent to occupy two ground floor units. Powerhouse will apply its own resources to adapt one of the street-facing units into a performance area that doubles up as digital gallery space, and the other unit into a multi-use workspace and creative skills development space. The gallery space will be made available to Rural Media and other organisations enabling Rural Media to meet Output 2, *“the ground floor of Packers House will house...public digital gallery and function space with digital, immersive and moving image exhibition functionality”*.

Rural Media’s outputs includes *‘Amount of capacity of new or improved training or education facilities, 700 square metres’*, and Powerhouse’s outputs includes *‘Amount of enterprise space improved, 220 square metres’*, the total area of both organisations’ outputs therefore being 920 square metres. Bringing both organisations together at Packers House means that the combined total area becomes 700 square metres due to sharing spaces, creating a hub model and being creative with place shaping for both projects in the same building.

Joint occupation of Packers House affords efficiencies in the form of shared equipment. For example, Rural Media requires a virtual meeting room and Powerhouse requires a virtual audition room. Similarly, both organisations require outdoor / off-site digital screening and touring equipment. Therefore, it makes sense for Powerhouse to purchase technical equipment to be housed at Packers House and shared by both organisations.

Revised financial plan: May 2023

Compared to FBC, Rural Media’s financial plan at May 2023 reflects a greater proportion of Towns Fund grant applied to the purchase of Packers House (£900k instead of £585k), and a

reduction of £207k in Rural Media's match funding. The revised financial plan, showing changes since FBC, is attached to this report.

Capital match funding

Rural Media has sourced £250k of loan finance from Charity Bank to be repaid over 10 years, secured by a second charge on Packers House. In addition, Rural Media has recently been awarded a £40k grant from Clothworkers' Foundation for the purchase of editing equipment. As of May 2023, the confirmed capital match funding from Rural Media is £290k.

Revenue match funding

Revenue match funding has increased by £88k reflecting the Charity Bank loan fees and the interest that Rural Media will incur over the life of the project. Items of revenue match funding are estimates only.

Notes on changes to the Rural Media Charity financial plan

Purchase of Packers House

Stronger Towns Fund to fund the purchase of Packers House up to the property's open market value of £900k. A further £250k of match funding from Charity Bank is required to meet the purchase price of £1,150k.

Property renovations

Despite an estimated 10% inflationary uplift in costs since FBC, the cost of renovations has reduced by £58k. Through not replacing the two atrium roofs and by not increasing the ceiling height of a studio, Rural Media's renovations spend has reduced by £47k, and a further £21k has been saved by not carrying out renovations to the ground floor.

The reduced capital expenditure to roofs and ground floor does not impact Output 1: *"The first floor...will house:*

- *1 x Broadcast standard video production suite*
- *1 x professional audio production suite*
- *2 x industry standard post-production suites*
- *1 x Multi-function AV meeting space"*

Rural Media will seek further capital grants, particularly those linked to energy efficiency.

Equipment (including studio fit)

Equipment costs have reduced by £126k. Rural Media's equipment needs have reduced because Powerhouse will make equipment available for use by both organisations. Over the life of the project, Rural Media will continue to seek additional sources of funding to add to the equipment budget. A recent success in this area was the award of £40k from Clothworkers Foundation for the purchase of editing equipment (included within the revised plan).

Programme development

The FBC included £50k of costs associated with developing the activity programme of the Digital Culture Hub. It has been recognised that this cost can be met from the revenue budget lines 'new posts created by DCH' and 'RMC staff costs allocated to DCH' therefore the £50k expenditure has been removed from the revised financial plan.

Technical implementation

The FBC included £50k of costs associated with identifying, sourcing, and installing technical equipment. These costs will now be borne by the capital 'equipment' budget and the revenue 'RMC staff costs allocated to DCH' budget.

Revenue costs - Mortgage fees and interest

£88k (estimate depending upon interest rates to March 2027) has been added to the match funding in the revised plan.

Overall, the total project spend has fallen by £207k from £2,336k to £2,129k. The project outputs remain unchanged (as attached to this report).

Report Part 2 - Powerhouse Creative CIC

In September 2022, Rural Media Charity and Powerhouse Creative CIC proposed to Stronger Hereford's Project Delivery Group (PDG) the relocation of Powerhouse's project from the original Maylord site listed in its FBC, to Packers House in West Street.

The PDG approved and supported the relocation, having taken into consideration the various challenges that had been faced by Stronger Hereford projects (Rural Media, Powerhouse and Encore Music) in securing viable long-term space at Maylord Shopping Centre. Additionally, it was acknowledged that Powerhouse's risk mitigation planning included relocation to potential options at West Street as part of its FBC approval.

Powerhouse originally listed in its project pro-forma the equivalent open-market lease cost of unit space at Maylord. The lease value of £700k was expected to be offered as an in-kind contribution to the project by the landlord over the life of the programme. Following the move from Maylord to Packers House, this in-kind value of unit space is no longer applicable to the project's match funding profile, and has therefore been removed.

Maintaining the vision of a partnered co-location as laid out in Hereford's original Town Investment Plan; Powerhouse will take on two ground floor units at Packers House as a long-term tenant on a peppercorn lease, following Rural Media's purchase of the building (completion date planned May 31st, 2023).

Rural Media will occupy the whole of the first floor of Packers House and Powerhouse will occupy approximately one-third of the ground floor.

As per the originally planned tenant-renovation model set out in Powerhouse's FBC, the organisation will apply a portion of its Towns Fund grant to adapt the street-facing units into a theatre studio and a community skills development space.

RMC's offer of these two public-facing ground floor units has aimed to ensure a successful Powerhouse relocation. It has been the result of a strong cohesive approach that strengthens both project capital development plans; and has been widely supported by the Stronger Hereford Towns Fund Board and consultative processes.

Whilst co-location of Rural Media Charity and Powerhouse under one roof reduces the combined footprint compared to the two-site approach (Maylord + Packers House), both organisations have meticulously investigated ways in which a modest reduction in square metreage across both projects will still enable all outputs to be met and contribute to additional programme and beneficiary opportunities.

This exploration has led to the design of a multifunctional and mixed-use model for defined spaces, whilst maintaining clear project boundaries, records, and budgets.

Powerhouse will apply its Towns Fund budget to adapt the street-facing ground floor units with an emphasis on multi-purpose adaptability.

All renovations, installations and capital equipment will ensure that not only the needs of Powerhouse, but other community and cultural organisations, can be accommodated.

As an example, the theatre development studio will double as a digital gallery space. The gallery space will be made available to Rural Media and other organisations, allowing Rural Media to meet Output 2, "Public digital exhibition space".

This example demonstrates strong value engineering and collaboration between Rural Media and Powerhouse, ensuring project outputs are met within a revised square metreage footprint.

Secondly, Powerhouse's output "Improved Enterprise Space" (listed at 220 m²) will be achieved by the following:

- Renovate two ground floor units (142 m²)
- Create a new 30m² new space at the rear of the ground floor
- Purchase studio kit for use as a digital theatre audition facility, and digital theatre editing hardware that will be housed and accessible to Powerhouse's young innovators and creative enterprise participants in spaces (totalling 80 m²) across the wider Packers House complex.

Despite smaller square metreage profile, overall project cost remains the same (£300k):

- the adaptable space model requires studios to have more dynamic transformations across use cases. This will require more specialist installation of higher spec requirements, including multi-modal draping systems, lighting systems, acoustic profiling, and multi-function flooring
- similar costs will be replicated in the use of multi-purpose technologies over single-use-case technologies. (Green screen and virtual audition systems over standard conferencing requirements)
- a rise in real world costs following ongoing inflationary and global supply pressures.

This approach - spaces that are adaptable, shared, multi-purpose and mixed use, whilst maintaining strict project funding boundaries, was discussed, and approved by representatives from the

Department for Business, Energy, and Industrial Strategy (BEIS) in March, and approved in April 2023.

On May 12th, 2023, Rural Media Charity and Powerhouse met with Herefordshire Council's 151 Officer, to clarify the shared approach to space whilst maintaining clearly delineated capital project boundaries and independent budgets. Discussions were very positive, and Herefordshire Council is now working with Rural Media Charity towards ensuring the successful exchange and completion of Packers House on May 31st, 2023, pending final Towns Board approval.

Powerhouse Output		
Number of improved cultural facilities	Urban Regeneration	1
Number of closer collaborations with employers	Skills and Enterprise Infrastructure	20
Enterprise infrastructure: Increase in the amount of shared workspace & innovation facilities	Skills and Enterprise Infrastructure	6
Amount of enterprise space improved	Skills and Enterprise Infrastructure	220

Appendix D

Stronger Towns Board

- Review of New Hereford Library and Learning Resource Centre Location

07 July 2023

Presented by Roger Allonby

Background

- Council cabinet took a decision on the 22nd June to pause the current Library and Learning Centre project, and undertake a strategic review to ensure the location of the new facilities are in the best possible location to deliver an outstanding service and benefit the regeneration of the city centre.
- [Decision - Review of New Hereford Library and Learning Resource Centre Location - Herefordshire Council](#)
- The rationale for the review is that circumstances have changed since the project was first established in 2020. For example other Stronger Towns projects that would create a cultural hub are now locating elsewhere, the draft City Centre Masterplan has identified a range of city centre land use needs for strategic sites, locations not available at the time are now available, and demand for retail space in Maylord Orchards remains high.
- Following the cabinet decision the council has commenced a review of locations, including engagement with partners, and would like to seek the views of the Hereford Towns Board in finalising the review. The review will be considered by the council's cabinet on the 20th July.

Scope of the Review

- The strategic review includes the following stages;
 1. Initial high-level consideration of council owned city centre sites to narrow down to deliverable options
 2. More detailed consideration of sites with greatest potential
 3. Engagement with Stronger Towns Board
 4. Engagement with stakeholders
 5. Review of financial and legal position
 6. Formulation of recommendations for decision
- The review of initial long list review of sites considered all public owned buildings, however many were quickly discounted in terms of availability, deliverability, and suitability. Two sites were shortlisted – Maylord Orchards and Shirehall.
- The shortlisted sites are subject to a more detailed review to consider;
 - Strategic fit
 - Value for money
 - Financial Viability (including any aid implications)
 - Stronger Town Outcome deliverability
 - Statutory Duty compliance
 - Deliverability

- Legal constraints
- Equality impact potential

Progress

- The review to date has identified that both locations have significant merit in terms of delivering the Town Investment Plan vision, re-purposing the city centre, creating new arts, cultural and educational uses to increase footfall and support trade.
- Maylord Orchards - As per the original business case, is a strategic site at the heart of the city centre. The project would create a mixed use facility and improve the atrium and Trinity Square. Although the initial vision for a wider cultural hub is not currently due to be delivered, and demand for commercial retail space remains high.
- Shirehall – A grade 2 listed building which currently is redundant, and closed to the public, could be brought back into civic use complimenting the Hereford Museum and Art Gallery, two prominent historic buildings focussed on culture in the city centre. The scale of the site offers opportunities for additional cultural activity in the future. Should the location change, the council would need to undertake further structural and design works, but it is considered the library and learning centre could be delivered in the Assembly Hall and Undercroft areas within the required timescales.

Questions

- Do you have any comments on the two possible locations that you would like to feed into the review?
- Should the review conclude that an alternative location may deliver a better outcome for the city and in accordance with the original objectives of the Town Investment Plan, would the board consider the current grant being utilised in the alternative location where the project could achieve the same or even enhanced outputs?

Next Steps

- Cabinet is due to take a decision on the 20th July 2023.
- The report and review will be published on 11th July, would the board like a further detailed briefing following the publication?

Appendix E

Communications Update – Performance Data

	April	May	June	July
Facebook Followers	477	502	525	
Insta Followers	296	345	369	
Linked In	N/A	27	37	
Facebook Reach	2,587	1,606	7,231	
Insta Reach	208	336	356	
Website Users	312	882	599	
Newsletter opens	N/A	42%	N/A	39.86%
Clicks		21.3%		