

Agenda

Cabinet

Date: **Thursday 21 January 2021**

Time: **2.30 pm**

Place: **online meeting**

Notes: Please note the time, date and venue of the meeting.

For any further information please contact:

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If you would like help to understand this document, or would like it in another format, please call Sarah Buffrey on (01432) 260176 or e-mail sarah.buffrey@herefordshire.gov.uk in advance of the meeting.

Agenda for the meeting of Cabinet

Membership

| | |
|-------------------------|---|
| Chairperson | Councillor David Hitchiner, Leader of the Council |
| Vice-Chairperson | Councillor Felicity Norman, Deputy Leader of the Council |
| | Councillor Ellie Chowns |
| | Councillor Pauline Crockett |
| | Councillor Gemma Davies |
| | Councillor John Harrington |
| | Councillor Liz Harvey |
| | Councillor Ange Tyler |

Agenda

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|---|----------|
| 1. APOLOGIES FOR ABSENCE To receive any apologies for absence. | |
| 2. DECLARATIONS OF INTEREST To receive declarations of interests in respect of Schedule 1, Schedule 2 or Other Interests from members of the committee in respect of items on the agenda. | |
| 3. MINUTES To approve and sign the minutes of the meeting held on 1 December 2020 and 3 December 2020. | 11 - 36 |
| HOW TO SUBMIT QUESTIONS <i>The deadline for submission of questions for this meeting is:</i> 9:30am on Monday 18 January 2021. <i>Questions must be submitted to councillorservices@herefordshire.gov.uk. Questions sent to any other address may not be accepted.</i> <i>Accepted questions and the response to them will be published as a supplement to the agenda papers prior to the meeting. Further information and guidance is available at https://www.herefordshire.gov.uk/getinvolved</i> | |
| 4. QUESTIONS FROM MEMBERS OF THE PUBLIC To receive questions from members of the public. | |
| 5. QUESTIONS FROM COUNCILLORS To receive questions from councillors. | |
| 6. HEREFORD TRANSPORT STRATEGY For cabinet to set out its recommendations to council with regard to stopping the western bypass and southern link road schemes and amendment to the capital programme; and For cabinet to agree allocation of ear marked revenue reserves to cover the costs of decapitalising the two road schemes in the event that council agrees to stop the schemes. | 37 - 44 |
| 7. SCHOOLS CAPITAL INVESTMENT PROGRAMME To approve the proposed expenditure of the preliminary works budget included in the capital programme. | 45 - 52 |
| 8. HEREFORD TOWNS FUND TOWN INVESTMENT PLAN SUBMISSION To seek approval to accept the grant of £162k to support the Towns Fund process, provide endorsement of the submission, by the Hereford Towns Fund Board to government, of a Town Investment Plan for Hereford and for the council to support the bid by agreeing to be the accountable body for the funding. | 53 - 202 |

The Public's Rights to Information and Attendance at Meetings

Due to the current COVID-19 pandemic Herefordshire Council will be holding remote meetings in accordance with the latest regulations¹. Details of how to observe virtual meetings are set out below. Access to agenda, minutes, decision notices and other documents will be via the Herefordshire Council website or by contacting the Governance Support Team on 01432 260201 / 261699 or at governancesupportteam@herefordshire.gov.uk

YOU HAVE A RIGHT TO: -

- Attend all Council, Cabinet, Committee and Sub-Committee meetings unless the business to be transacted would disclose 'confidential' or 'exempt' information.
- Inspect agenda and public reports at least five clear days before the date of the meeting.
- Inspect minutes of the Council and all Committees and Sub-Committees and written statements of decisions taken by the Cabinet or individual Cabinet Members for up to six years following a meeting.
- Inspect background papers used in the preparation of public reports for a period of up to four years from the date of the meeting. (A list of the background papers to a report is given at the end of each report). A background paper is a document on which the officer has relied in writing the report and which otherwise is not available to the public.
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- Have access to a list specifying those powers on which the Council have delegated decision making to their officers identifying the officers concerned by title.
- Copy any of the documents mentioned above to which you have a right of access, subject to a reasonable charge (20p per sheet subject to a maximum of £5.00 per agenda plus a nominal fee of £1.50 for postage).
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¹ The Local Authorities and Police and Crime Panels (Coronavirus) (Flexibility of Local Authority and Police and Crime Panel Meetings) (England and Wales) Regulations 2020

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Members of the public are advised that if you do not wish to be filmed or photographed you should let the governance services team know before the meeting starts so that anyone who intends filming or photographing the meeting can be made aware.

The reporting of meetings is subject to the law and it is the responsibility of those doing the reporting to ensure that they comply.

The council is making an official recording of this public meeting. These recordings form part of the public record of the meeting and are made available for members of the public via the council's web-site.

Guide to Cabinet

The Executive or Cabinet of the Herefordshire Council consists of a Leader and Deputy Leader and six other Cabinet Members each with their own individual programme area responsibilities. The current Cabinet membership is:

| | |
|--|---|
| Cllr David Hitchiner (Leader) (Herefordshire Independents) | Corporate Strategy and Budget |
| Cllr Felicity Norman (Deputy Leader) (The Green Party) | Children and Families |
| Cllr Gemma Davies (Herefordshire Independents) | Commissioning, Procurement and Assets |
| Cllr Ellie Chowns (The Green Party) | Environment, Economy and Skills |
| Cllr Liz Harvey (It's Our County) | Finance and Corporate Services |
| Cllr Pauline Crockett (Herefordshire Independents) | Health and Adult Wellbeing |
| Cllr John Harrington (It's Our County) | Infrastructure and Transport |
| Cllr Ange Tyler (Herefordshire Independents) | Housing, Regulatory Services and Community Safety |

The Cabinet's roles are:

- To consider the overall management and direction of the Council. Directed by the Leader of the Council, it will work with senior managers to ensure the policies of Herefordshire are clear and carried through effectively;
- To propose to Council a strategic policy framework and individual strategic policies;
- To identify priorities and recommend them to Council;
- To propose to Council the Council's budget and levels of Council Tax;
- To give guidance in relation to: policy co-ordination; implementation of policy; management of the Council; senior employees in relation to day to day implementation issues;
- To receive reports from Cabinet Members on significant matters requiring consideration and proposals for new or amended policies and initiatives;
- To consider and determine policy issues within the policy framework covering more than one programme area and issues relating to the implementation of the outcomes of monitoring reviews.

Who attends cabinet meetings?

| | |
|--|--|
| | Members of the cabinet, including the leader of the council and deputy leader – these are the decision makers, only members of the cabinet can vote on recommendations put to the meeting. |
| | Officers of the council – attend to present reports and give technical advice to cabinet members |
| | Chairmen of scrutiny committees – attend to present the views of their committee if it has considered the item under discussion |
| | Political group leaders attend to present the views of their political group on the item under discussion. Other councillors may also attend as observers but are not entitled to take part in the discussion. |

**The Seven Principles of Public Life
(Nolan Principles)**

1. Selflessness

Holders of public office should act solely in terms of the public interest.

2. Integrity

Holders of public office must avoid placing themselves under any obligation to people or organisations that might try inappropriately to influence them in their work. They should not act or take decisions in order to gain financial or other material benefits for themselves, their family, or their friends. They must declare and resolve any interests and relationships.

3. Objectivity

Holders of public office must act and take decisions impartially, fairly and on merit, using the best evidence and without discrimination or bias.

4. Accountability

Holders of public office are accountable to the public for their decisions and actions and must submit themselves to the scrutiny necessary to ensure this.

5. Openness

Holders of public office should act and take decisions in an open and transparent manner. Information should not be withheld from the public unless there are clear and lawful reasons for so doing.

6. Honesty

Holders of public office should be truthful.

7. Leadership

Holders of public office should exhibit these principles in their own behaviour. They should actively promote and robustly support the principles and be willing to challenge poor behaviour wherever it occurs.

Herefordshire Council

Minutes of the meeting of Cabinet held at online meeting on Tuesday 1 December 2020 at 6.00 pm

Present: Councillor David Hitchiner, Leader of the Council (Chairperson)
Councillor Felicity Norman, Deputy Leader of the Council (Vice-Chairperson)

Councillors Ellie Chowns, Pauline Crockett, Gemma Davies, John Harrington, Liz Harvey and Ange Tyler

Cabinet support members in attendance

Councillors Jenny Bartlett, John Hardwick and Peter Jinman

Group leaders / representatives in attendance

Councillors Terry James, Jonathan Lester and Trish Marsh

Scrutiny chairpersons in attendance

Councillors Elissa Swinglehurst, Carole Gandy and Jonathan Lester

Officers in attendance:

Director for economy and place, Director for children and families, Solicitor to the council, Chief finance officer, Director for adults and communities and Interim Head of Legal Services

28. APOLOGIES FOR ABSENCE

There were no apologies from members of the cabinet.

29. DECLARATIONS OF INTEREST

None.

30. QUESTIONS FROM MEMBERS OF THE PUBLIC (Pages 5 - 6)

Questions received and responses given are attached as appendix 1 to the minutes.

31. QUESTIONS FROM COUNCILLORS (Pages 7 - 8)

Questions received and responses given are attached as appendix 2 to the minutes.

32. OPENING REMARKS

The leader of the council reported that NMITE had received validation from the Open University and would be able to take on its first cohort of students from March 2021. He commented that the council looked forward to supporting the project going forward and that this was good news amid the current difficult times.

33. SUPPORTED ACCOMMODATION FOR CARE LEAVERS - DEVELOPMENT OF A LOCAL FRAMEWORK

The cabinet member children and families introduced the report. She highlighted typographical errors in the recommendations in the report which were noted and corrected. The cabinet member noted that as a result of the feedback received from the children and young people scrutiny committee the launch of the proposed framework would be more gradual.

The head of community commissioning and resources presented the report. He highlighted that the proposed new framework would be part of a wider range of provision for care leavers. Although the new framework would take time to introduce and there was no guarantee as to how it would work in the market it was hoped that it would have a positive impact on both quality and price.

In discussion of the report cabinet members noted that:

- The current framework was often not able to supply the required accommodation resulting in ad hoc arrangements so while there was no certainty that the new approach would increase capacity it was considered worthwhile to try and stimulate the local market;
- The council was also working to source its own accommodation and in the longer term would not rely on the framework for accommodation but more for the support services;
- The council already worked with local suppliers and hoped to provide more business to local companies, although it was noted that local charities and voluntary organisations might need help to understand how they could work with the council;
- The increased in county supply would allow young people more opportunity to remain in the county if that is what they wanted.

Group leaders were invited to give the comments and queries of their groups. The proposals were welcomed and it was noted that:

- There was disappointment that social housing providers seemed increasingly reluctant to provide this kind of support although there were signs of greater interest;
- There might be situations where an out of county placement was appropriate but this should be a choice and increasing in county options would reduce reliance on out county providers;
- The framework would cater for young people with a range of needs, including some providers who can support those with complex needs.

In the concluding discussion it was proposed that reference to 'looked after children' in recommendation (a) be amended to 'care experienced', in line with agreed new terminology.

(Recommended by the cabinet member environment, economy and skills, seconded by the cabinet member commissioning, procurement and assets)

It was resolved that:

- (a) a local framework be established for arranging and purchasing support and accommodation for care leavers and 16 plus care experienced children; and**
- (b) confirmation of the detailed terms and operating arrangements for the framework to be approved by the director for children and families, in consultation with the cabinet member for children and families.**

34. MINERALS AND WASTE LOCAL PLAN (MWLP)

The cabinet member infrastructure and transport introduced the report. He thanked officers for their work, members of the general scrutiny committee for their feedback and recommendations and those councillors and members of the public who had responded to previous consultation on the plan.

The cabinet member noted the requirements of national policy and the need for statements in the plan to be worded positively. He also outlined the process moving towards adoption of a final plan.

The senior planning officer and the council's appointed consultant gave a presentation on the development of the plan and recommendations for consideration at the meeting.

The two supplementary public questions were reviewed and it was suggested that paragraph 5.5.15 be amended to refer directly to the Town and Country Planning (Development Management Procedure) (England) Order 2015 and any subsequent amendments to that order so that it would always be up to date. In relation to policy W3 wording would be reviewed to make the policy more robust.

In discussing the draft plan cabinet members noted that:

- the plan contained policies to guide applicants and planning officers, they would then seek the necessary information to make decisions against the background of that policy;
- the plan linked to the council's core strategy through the spatial strategy;
- the plan focused not only on waste management but resources management so that waste was not generated in the first place, this would include a focus on strategic employment locations so that waste could be dealt with on site supporting a circular economy;
- the plan set objectives rather than targets which could become quickly out of date;
- the policy on extraction of unconventional hydrocarbons was as strongly worded as possible in light of national policy and it was felt very unlikely that any such activity would take place in Herefordshire;
- care should be taken in the language used in the plan, for example be clear and consistent on use of word will, shall or may in policies, and ensure that use of words permitting or permitted do not give the impression of assumed consent;
- policies were still open to comment and change during the next stages of preparation and the planning inspector could make recommendations for further changes to make the plan sound;
- the wording of policy SP1 would be tightened to emphasise the requirement for developers to submit a resource audit and to include reference to embodied carbon and lifecycle costs;
- the wording of paragraphs 3.3.25 and 5.5.17 would be updated to reflect the council's commitment to net zero carbon;
- in relation to anaerobic digestion units the wording of policy W3 would be amended to emphasise it would only be intended to manage natural wastes generated primarily on the unit where it is situated;
- it was noted that the policy would need to be supported by evidence and that there would potentially be locations where sharing a unit between more than one site would be beneficial;
- policy W3 would also be amended to emphasise the requirement to deliver nutrient neutrality, or betterment, within the River Wye SAC;
- The plan covered movement and transport of waste with links to transport policies in the core strategy, officers had sought not to repeat policies already included in the core strategy but added specific policies on minerals and waste;
- The driving factor for this plan was to deal with waste within the county.

The chairman of the general scrutiny committee thanked committee members for their work in considering the draft plan and cabinet members for taking on board the comments and recommendations of the committee. He felt that the summary document produced would be very useful. He noted that further documents had come forward since the scrutiny meeting and while it was recognised that production of a policy such as this was an ongoing process, having access to these documents might have coloured some of the recommendations of the committee. He cautioned that the term 'permitted' used next to reference to development could have a different meaning in other situations and that it would be better to find alternative wording.

Group leaders were invited to present the comments and queries of their groups. It was noted that:

- There was concern about the use of biomass boilers and it was suggested that all councillors should receive a briefing on these units;
- It was important that the plan sufficiently addressed the issue of phosphates;
- Paragraph 2 of SP1 was felt to be passive and the wording of SP1 should be reviewed;
- It was queried if the policy achieved the aspirations of the national planning policy framework with regard to the contributions that secondary materials and recycled materials should make.

In concluding the discussion the cabinet member infrastructure and transport proposed that he be granted delegated authority to review the draft plan in light of the points raised before its submission to Council. This was seconded by the cabinet member environment, economy and skills.

It was resolved that:

- a) **that authority be delegated to the cabinet member infrastructure and transport to review the plan in light of amendments discussed at cabinet before submission to council;**
- b) **the responses, at paragraph 128 of this report, to the recommendations made by General Scrutiny Committee be agreed; and the following be recommended to Full Council;**
 - i. **the draft Minerals and Waste Local Plan development plan document as amended be approved for pre-submission consultation;**
 - ii. **authority be delegated to the Programme Director Housing and Growth, following consultation with the Cabinet Member Infrastructure and Transport, to make any technical amendments required to the draft Minerals Local Plan and supporting documents resulting from the completion of ongoing technical work before pre-submission consultation begins; and**
 - iii. **authority be delegated to the Programme Director Housing and Growth, following consultation with the Cabinet Member Infrastructure and Transport, to make any minor textual or graphical amendments, prior to the submission to the Secretary of State; and**
 - iv. **following completion of the pre-submission publication of the Minerals and Waste Local Plan and its supporting documents, the documents be submitted to the Secretary of State for Examination in Public.**

The meeting ended at 8.47 pm

Chairperson

PUBLIC QUESTIONS TO CABINET – 1 December 2020

Question 1**Ms H Hamilton, Leominster****To: cabinet member, infrastructure and transport**

Would the cabinet agree with me that policy SP1 is poorly drafted as it fails to incorporate the ambition in 5.5.15 to require a resource audit and does not place any obligation on developers to comply with the audit?

Response

Paragraph 5.5.15 of the MWLP simply identifies those development types that will be required to submit a resource audit, but other types may be asked to do so. It is the policy that states the provision of a Resource Audit and the matters that should be addressed within it. Policy does not place obligation on developers to comply with any approved audit; that is the role of conditions attached to any planning permission that is granted.

Supplementary Question

Why does paragraph 5.5.15 exclude development of 1,000 sq m or more from the types of development that would require a resource audit? This is defined in the DMPO as major development*, alongside the categories that are listed in paragraph 5.5.15 i.e. residential developments of 10 plus units/0.5ha and other development of 1 ha or more.

Response

The cabinet member indicated that this point would be picked up in discussion of the report and that a written response would be provided.

Question 2**Ms M Albright****To: cabinet member, infrastructure and transport**

Herefordshire's Construction Industry Lobby Group (HCILG) are concerned by the wording and inference of Policy W3.

This policy appears to support livestock intensification if the 'waste' can be managed on and off site - without detailing what 'management' should entail, what 'on or off site' means or without seeking improvements in current management. Given the problem Herefordshire faces with agricultural pollution currently is it possible to make the policy more explicit and to consider revising the wording to facilitate ecological protection and change?

For example:

'Planning permission for livestock units on agricultural holdings will only be supported where an independently commissioned waste management method statement demonstrates that the development will be nutrient neutral ,or represent betterment, when considered singularly and with regard to the cumulative impact of other proposals and existing farm activity'

Response

Policy W3 is a wholly innovative, and potentially unique, policy, addressing a waste stream that is not usually managed through the planning regime. The policy itself neither supports or not agricultural proposals; it is simply providing a framework within which to determine applications. The policy requires relevant information to be submitted and it will then be for the planning officer to determine if the proposed approach is acceptable, or not. It is not appropriate for the policy to be more explicit as the details will be different for each agricultural unit and each proposal.

The method statement does not need to be independently commissioned, and this would be an inappropriate and disproportionate request to make of applicants. Instead, the planning officer will provide the independent review of the detail that is submitted and will gain advice from relevant organisations, which include the Environment Agency, Natural England and the National Farmers Union.

The policy makes clear the requirement for development proposals to demonstrate that the approach undertaken with the unit will contribute to achieving nutrient neutrality or betterment. This is the objective to be met, but how it is met will be dependent on the agricultural unit.

Supplementary Question

HCILG appreciate the intention is to prepare a 'wholly innovative' policy and agree that this is needed - especially considering the recent RePhokus presentation regard the true scale of the Wye Catchment issues.

We remain concerned that the wording and expectation should be more clearly defined in order to realise the intentions of Council - namely to reduce and avoid nutrient pollution. We are also concerned about the burden the policy places upon planning officers. To assess multiple applicant generated waste method statements and land management plans across a diverse sector and within broad catchment with very specific nutrient pollution risks is a huge task.

Are the council confident that planning officers have enough resources, training and time to apply W3 with the rigour and certainty that Herefordshire needs to begin to redress our nutrient pollution issues and prevent a similar situation arising in the future?

Response

The cabinet member indicated that this point would be picked up in discussion of the report and that a written response would be provided.

COUNCILLOR QUESTIONS TO CABINET – 1 December 2020

Question 1

Councillor Nigel Shaw, Bromyard Bringsty Ward

To: leader of the council

I note that the administration is now anticipating a £4m overspend by the end of the year which I presume it will seek to cover from reserves. What confidence can the leader give that his budget will be any more accurate next year, given an anticipated fall in income and current rise in revenue expenditure?

Response

The global pandemic has challenged all of us, Herefordshire Council has intervened in a number of ways to help keep our residents safe and support the businesses in Herefordshire. As has been reported to cabinet and council these interventions have taken a number of different forms. Some of these were time limited, dealing with specific emerging issues, and others such as ensuring the provision of PPE are longer term and are likely to continue for a while longer. The Council has been working with central government, providing evidence of the costs of responding to the challenges of Covid 19. Government have provided a number of grants, and we expect to receive further grants. We expect to deliver more of a balanced out turn at the end of the year as grants are confirmed and new grants agreed. However we recognise that by its very nature of the pandemic it is difficult to forecast the financial outturn with complete accuracy.

I am confident that the process to agree next year's budget is robust and will deliver a balanced budget, we have started the consultation process and it will be presented to the council scrutiny meetings shortly. We welcome the Chancellor's announcement in the recent spending review that Government will continue to fund councils into the future as they deal with the pandemic.

Supplementary Question

Thank you for your answer and I hope that your confidence is well placed, given this year's forecast £5m revenue overspend within the looked after children budget.

If the government settlement is not as generous as the current ambition of the administration requires, where will the leader be looking first to cut costs, in order that we can continue to protect our most vulnerable citizens?

Response

I think I can only say that we are looking at what options are available. Consultation has started with the various parishes to start with and no commitments have been made at the moment. We're still not quite sure about the government funding but as Nigel Shaw knows we do have to provide a balanced budget and that is what we'll be doing, working with the officers to ensure that it's robust and deliverable and to make sure that we're complying with our statutory requirements as to how we should operate as a council.

Minutes of the meeting of Cabinet held at online meeting on Thursday 3 December 2020 at 2.30 pm

Present: Councillor David Hitchiner, Leader of the Council (Chairperson)
Councillor Felicity Norman, Deputy Leader of the Council (Vice-Chairperson)

Councillors Ellie Chowns, Pauline Crockett, Gemma Davies, John Harrington, Liz Harvey and Ange Tyler

Cabinet support members in attendance Councillors Jenny Bartlett, John Hardwick, Peter Jinman and Alan Seldon

Group leaders / representatives in attendance Councillors Terry James, Jonathan Lester, Bob Matthews and Diana Toynbee

Scrutiny chairpersons in attendance Councillors Carole Gandy, Jonathan Lester and Elissa Swinglehurst

Other councillors in attendance: Councillors Jennie Hewitt

Officers in attendance: Director for economy and place, Director for children and families, Solicitor to the council, Chief finance officer, Director for adults and communities and Interim Head of Legal Services

35. APOLOGIES FOR ABSENCE

There were no apologies from members of the cabinet.

36. DECLARATIONS OF INTEREST

Councillor Hitchiner declared a schedule 1 interest in relation to property in his ownership. He confirmed the monitoring officer had granted a dispensation for him to participate in the meeting and vote on the item.

37. MINUTES (To Follow)

This item was deferred.

38. QUESTIONS FROM MEMBERS OF THE PUBLIC (Pages 9 - 16)

Questions received and responses given are attached as appendix 1 to the minutes.

39. QUESTIONS FROM COUNCILLORS (Pages 17 - 18)

Questions received and responses given are attached as appendix 2 to the minutes.

40. PETERCHURCH PRIMARY SCHOOL REBUILD - DEVELOPED DESIGN

The cabinet member commissioning, procurement and assets introduced the item and stated she was pleased that the project was now moving forward. Challenging conversations had taken place around how best to proceed and how to deliver value for money with the project.

The cabinet member children and families also spoke to the report and highlighted the long development of the project. She acknowledged that the school building was now in very poor condition and that staff and pupils had managed well in these difficult conditions.

The head of educational development summarised the report, setting out the background to the proposal and that the next steps would retain flexibility for future development on the site including co-location with the high school or a specialist provision. The primary school was popular with parents and rated as Good by Ofsted. The council had already spent nearly £200k on reactive works and a considerable additional sum would need to be spent to repair and maintain the building going forward. A complete rebuild was recommended as the most cost effective option and it would also allow for an expansion in numbers to reflect future need in the area. The next piece of work would produce a developed design and more accurate costing.

In discussion of the report cabinet members noted:

- There was disappointment that the opportunity to create a through school had not generated more enthusiasm in the local community but this could be revisited at some point in the future;
- The costs would need to be considerably lower than the line entry in the current capital programme;
- The brief would seek to deliver Passivhaus certification as a minimum and a net gain in biodiversity on the site, this was a welcome step in aligning with the council's carbon reduction plans;
- It was unlikely that the primary school would convert to an academy, it would not be supported to convert as a standalone academy and the governing body were reported to be opposed to academisation;
- There would be opportunities for the children at the school to be involved with and learn from the build process.

Councillor Hewitt as the local ward member paid tribute to the school staff who had struggled for so long with a poor building. She stressed the need to focus on early years and on mental and emotional wellbeing in that phase. She thanked cabinet members for supporting the proposals and noted that the parish council was also supportive. The proposal for a complete new build would be less disruptive than other options considered.

Group leaders were invited to raise comments and queries on behalf of their group. There was general support for the proposals and it was noted that:

- The previous ward member had also supported this option;
- The reasons for not progressing a through school were understood and it was important to respect the views of the community;
- Higher building standards would have to become the norm and the achievement of Passivhaus status would have benefits for the running costs and for the pupils.

It was resolved that:

- (a) the council proceed to the next stage of replacing Peterchurch primary school and associated on-site facilities on its current site; and**
- (b) The Director Children and Families be authorised to commission a RIBA stage 3 developed design for the rebuild of Peterchurch primary school within a budget of not more than £300k including fees.**

41. PURCHASE OF ACCOMMODATION AND REFURBISHMENT OF 4 & 5 BLACKFRIARS STREET TO MEET STRATEGIC HOUSING PRIORITIES, AS A CONSEQUENCE OF THE RESTRICTIONS CAUSED BY COVID-19

The leader of the council explained that this item had been added to the agenda as an urgent matter due to the deadlines to accept and spend the grant funding. He noted that the chairman of the general scrutiny committee had agreed to its inclusion on the agenda.

The cabinet member housing, regulatory services and community safety introduced the report. She explained that the grant funding had been provided in response to the covid situation and the need to provide safe accommodation for homeless individuals. Various accommodation options had been used and there were still around 90 households in temporary accommodation which was an ongoing revenue pressure for the council. The report sought approval to accept the grant award for the purchase of eight properties from the open market and the refurbishment of the council property at 4 and 5 Blackfriars Street. Given the buoyant housing market it was necessary to move quickly to secure suitable properties and spend the grant within the timescales required.

In discussion of the report cabinet members noted that:

- The proposal was in line with the homelessness strategy;
- The refurbishment of 4/5 Blackfriars Street would create 6 units in total and aim to reduce the carbon footprint as much as possible, it was hoped that the works would be delivered for less than was set out in the report but number 5 was known to be in a bad state of repair;
- Social value would be embedded in the contract, making use of local labour as much as possible.

Group leaders expressed support for the proposal but stressed the need to achieve value for money and monitor the project to ensure high standards were delivered.

It was resolved that:

- (a) **Cabinet accepts the Ministry for Housing, Communities and Local Government (MHCLG) capital grant of £420k for the purposes of purchasing up to eight properties**
- (b) **Approval is given to purchase up to eight properties within a budget of £1,120k and to refurbish 4 & 5 Blackfriars Street within a budget of £500k, to enable the council to protect and accommodate those currently in Covid-19 emergency accommodation from future homelessness.**
- (c) **Authority to purchase the properties be delegated to the Director for economy and place, following consultation with relevant cabinet members and the Chief Finance Officer.**

42. HEREFORD TRANSPORT STRATEGY REVIEW

The leader of the council opened the discussion on this item, noting that it was eagerly awaited. He highlighted the climate emergency and that consideration of the planet was becoming more and more important. The decision to pause and review the transport strategy was felt to be correct in light of this and the impact of the coronavirus pandemic was a life changing shock which would have significant repercussions. Cabinet members had an important decision to make and should reflect on the ambitions in the adopted County Plan.

The cabinet member infrastructure and transport made an introductory statement. He reflected on the work that had taken place to review the options and find the best way forward. He commended the work and input of all involved and thanked members of the scrutiny committee for their thoughtful deliberations and recommendations. He concluded with an assurance that decisions would be based on sound evidence and made with the intention to deliver the best outcome for the future of the city and county.

The head of transport and access services introduced a presentation by officers. The presentation included comments from the consultant representing Mott Macdonald in relation to the peer review and critical friend work and from WSP in relation to the review of the Hereford Transport Strategy.

Cabinet members discussed the presentation and content of the report. The following key points were noted:

- The strategic business case for the southern link road had not been submitted to DfT so no formal response had been received on that report;
- There was an element of uncertainty on costs but the work within package A was scalable and did not have to be delivered all at the same time;
- The council needed vision led plans for the future to respond to the climate emergency and to make an investment in the city overall, the evidence was now in place to underpin that new vision;
- The report flagged the number of short trips taken each day within the city boundary, the majority of which were single persons, and reducing that figure would transform the experience of the city;
- The strategy needed to work for everyone, supporting the economy and levelling up access to affordable and regular transport options for those households that did not have access to private vehicles;
- There was a typographical error on page 56 of the WSP report (page 176 of the agenda pack) – the eastern link option c would link to the A438 Ledbury Road not Worcester Road as stated;
- There was support for the introduction of a second river crossing in the city, while the quantitative measures for the western and eastern options were felt to be not dissimilar the cost of the western route was significantly higher in the report;
- The impact of school travel on congestion was recognised and it was noted that this could be addressed by integrating elements from package B to improve school buses with the elements in package A to support safer walking and cycling routes;
- The bus priority elements of package B were important so that those using the bus did not end up sat in the same traffic as they would in a car, switching from car to bus was an easier choice to make in bad weather than use of cycling or walking;
- The health benefits of active travel measures should be considered;
- Elements from the various packages could be brought together as a blend of options;
- The bus options had significant revenue costs whereas other options in package C such as parking charges could generate revenue income to balance these out;
- Resilience of the transport network was an important element and was included in the assessment under the economy heading;
- The location of facilities such as park and ride sites should be carefully considered to manage how people came into the city from surrounding areas;
- Previous work to model the impact of the southern link road with a package of active travel measures showed a transfer of traffic from Belmont Road to Ross Road with a reduction in rat running through some of the rural roads, however the flow north of the river would not change much from the introduction of the southern link road alone;
- There was recognition that in rural areas there was little alternative to use of a car;
- It was possible that the longer term impact of covid might be an increase in home working which would alter travel patterns;
- Delivery of road schemes was estimated to take up to 10 years, including time to agree and design a specific scheme, receive democratic approval and planning consent and then to construct;
- Cabinet members were aware that feedback from many residents highlighted concerns about congestion and a wish that this be tackled as soon as possible,

however there were differing views as to how this should be achieved and in many cases residents did not have a specific preference on any one package of measures.

The meeting adjourned at 5:08 and resumed at 5:15. While hearing contributions from group leaders attendees agreed to extend the meeting beyond 3 hours.

Group leaders were invited to raise comments and queries on behalf of their groups. Views on which options should be progressed were mixed. The use of active travel measures and improvements in bus networks were widely supported. There was general recognition of the need for an additional river crossing to improve resilience of the network but no single view on where this should be. The following points were put forward:

- The selected transport strategy needed to support the local economy, create a resilient system deliver value for money and reduce carbon emissions;
- The A49 Hereford to Ross road should be upgraded and Highways England would need to play their part in progressing any packages put forward;
- Alternative river crossings should be explored both within and outside the city;
- Arguments in favour of an eastern link from Rotherwas to the Ledbury Road included improved access to the hospital, better access for emergency vehicles and reduced rat running through Hampton Bishop, Mordiford and Holme Lacy;
- Arguments in favour of a western route highlighted that the review, which had cost nearly £500k, showed that a western bypass was the best way to reduce congestion and that the original transport package proposed had already included active travel measures and more space for buses and cycle routes by diverting travel;
- The strategy should provide choice of movement and use options that unlocked the most potential for other aims, creating more growth would unlock land for houses and jobs that would be a greater return to the local economy;
- It was queried whether most people would have time to use buses and that there might only be a small number of locations in the city where bus priority schemes could be introduced, affordability of any package was also a concern, particularly sustaining increased revenue costs in the long term;
- It was frustrating that there were legislative challenges to establishing local bus services;
- The easy wins should be implemented first, road schemes could take considerable time to bring forward;
- The view that covid would significantly alter patterns in the long term was challenged but it was also noted that it provided an opportunity for everyone to consider how they commuted and to think about the importance of quality of life and access to the countryside.

The chairman of the general scrutiny committee presented the feedback and recommendations from the scrutiny session on the review report. He thanked all those who had taken part in the scrutiny meeting but questioned whether the committee had had enough time to do justice to all of the issues that needed to be considered. Of the 13 recommendations made a number queried if cabinet had all the information needed to make a judgement on how to proceed while a further recommendation highlighted the option to select a blend of measures from the various packages. The majority of the committee supported cancellation of the western bypass scheme and other major road schemes with the exception of an eastern river crossing. The chairman of the committee noted it was not a unanimous decision but that the committee was looking to move things forward. The final recommendation urged cabinet members to challenge the robustness of the report in their deliberations.

Cabinet members debated the points raised by group leaders and the recommendations of the scrutiny committee. Key points raised in this section of the debate were:

- Cabinet members were happy to look at all options, however some of the options raised by the scrutiny committee would take time to explore and were not covered in the scope of this review;
- Carbon offsetting would be explored in the next stages of the carbon management plan to see what was possible;
- With reference to options such as the river bus scheme mentioned in recommendation (d) it might be for community groups to take these forward;
- The critical friend work and peer review had been carried out to ensure the report was robust and a suitable evidence base on which to take decisions;
- Package A – walking and cycling measures – was scalable and some elements such as the transport hub and St Owen’s cycle contraflow would soon be in place;
- The view that a bypass would generate growth was challenged and as the top preference in the stakeholder analysis was investment in the bus network and reduction in fares it was disputed that the majority of people wanted a bypass, however it was also noted that the second highest preference was for new roads and a river crossing;
- The park and choose sites in Herefordshire would benefit from more investment;
- Some of the packages shared common options and some elements might be combined from different packages;
- Cabinet members felt that all of the recommendations from the scrutiny committee could be broadly accepted for further consideration with the exception of recommendation K as the preference was for any eastern route to be taken as far as the A438 Ledbury Road.

At the conclusion of the debate the cabinet member finance and corporate services proposed that the preferred strategic transport package to be taken forward be a combination of packages A, B and E with the parking elements from the demand management (option 11) included in package C. This was seconded by the cabinet member health and adult wellbeing.

The cabinet member finance and corporate services explained that if this was the preferred package to be taken forward then the cabinet would need to be clear that work on the western bypass and southern link road must cease and appropriate action be taken to allocate financial resources to cover the costs incurred.

The monitoring officer advised that in the event that cabinet supported this recommendation a further report would be prepared setting out the financial implications of ceasing work on the two road schemes and the impact on the policy framework. Cabinet could not take the final decision itself as the proposal was contrary to the adopted policy of the Council. Instead Cabinet would need to make a recommendation to a meeting of the full Council following consideration of that further report.

It was resolved that cabinet:

- notes and considers the review findings and the recommendations and comments of the general scrutiny committee;**
- identifies strategic transport packages A+ B + from package C demand management – option 11 car parking + E as the preferred options to take forward;**
- agrees the recommendations A to M of the general scrutiny committee which are set out at Appendix E with the exception of recommendation K;**
- seeks a further report to set out the implications of taking forward the preferred package(s) and confirms authority for subsequent work to proceed; and**
- with regard to the two road schemes (the southern link road and western bypass) is minded to recommend to**

- i. stop progress of the southern link road; and
- ii. stop progress of the western bypass.

The meeting ended at 6.23 pm

Chairperson

PUBLIC QUESTIONS TO CABINET – 3 December 2020

Question 1

Mr I Morgan, Hereford

To: cabinet member, infrastructure and transport

If the Cabinet decides to completely scrap the idea of a bypass and the Southern Link Road, can they guarantee the citizens of Herefordshire that the decision is not influenced by the impact of air pollution on environmental grounds as by 2030, under the Government's policy in ten years time, all cars and vans will have to be electric.

Response

The technical work presented in the Hereford Transport Strategy Review includes amongst other impacts an assessment of how air pollution in the city would be affected by the different packages. All modelling was carried out with a set date of 2026 in mind. For carbon emissions, this included applying Department of Transport estimates where we would be with the take-up of electric vehicles by 2026. It should be noted that the current Government policy is that there will be no new sales of petrol and diesel vehicles after 2030, although many will no doubt still be on the road after this date. The other, equally pertinent, consideration on the issue of environmental impact is the effect that the road building will have on the ecology and landscape of the land and also the amount of embedded carbon that the scheme will produce. These issues would need to be considered for any road scheme.

Question 2

Ms N Goodwin, Hereford

To: cabinet member, infrastructure and transport

The critical friend review states that: "planning for the future by solely looking in the rear-view mirror is no longer adequate in the face of the opportunities, threats and uncertainties ahead. Can the cabinet confirm what they will do to ensure that the environmental assessment of carbon and climate impacts meets current requirements and takes into account the "exceptional floods and record-breaking water levels in the River Wye in Feb 2020" and that Climate Emergency, Net Zero and Net Gain are strategic objectives against which options are assessed and progressed as part of any future work on the package?

Response

The Hereford Transport Strategy Review has included explicit reference to carbon and climate emergency issues as a central part of its assessment methodology. It is accepted that any further work to progress a package (or packages) will need to also include assessment of these issues in line with government guidance at that time.

Supplementary Question

The use of the word "accepted" seems vague. Is it representative of the cabinet members' individual and collective views on carbon and climate emergency issues or are they able to assure the public that such issues will be prioritised in accordance with the council's declaration to set a target of zero carbon emissions by 2030?

Response

Yes I can give that assurance that that is our ambition and that it is our collective view on carbon and climate emergency issues and they will be prioritised in accordance with the council's declaration.

Question 3

Dr N Geeson, Hereford

To: cabinet member, infrastructure and transport

The Southern Link Road route SC2 which is part of the South Wye Transport Package, was put forward in 2014. Is it the case that the previous Conservative administration could not claim funding to progress the Southern Link Road, even as late as spring 2019, because they could not finalise a strong enough business case?

Response

This is not entirely accurate. A strategic outline business case had been developed for the scheme which indicated, in accordance with DfT guidance, good value for money. It was on this basis that funding was awarded, on the condition that when a full business case was submitted and approved the full amount would be released. Earlier in the scheme development DfT released a proportion of the funding. In line with DfT requirements, the full business case would have been scheduled to be submitted and tested by them when the contract for the road was confirmed and tendered costs known.

The full business case was not completed and submitted and therefore not tested by DfT as the procurement process which ran from May 2018 to November 2018 did not progress to the award of the contract on the advice of the council's statutory officers who did not consider the procurement process to be sufficiently robust. The process was terminated in 2019 by the new administration on the advice of the statutory officers. Subsequently, the administration determined to undertake this review.

Supplementary Question

In considering the business case for the Southern Link Road, its major role would be to shunt traffic between the A465 Belmont Road and A49 Ross Road. It is likely that if this road were built, in order to escape congestion on the A465 Belmont Road a greater volume of traffic than now would use the A49 Ross Road to enter Hereford. We have recently learned that only 7% of traffic is through traffic in Hereford, and 93% has a source or destination (or both) within the City. Since the A465 and A49 converge to cross Greyfriars Bridge, do you agree that the Southern Link Road would bring only negligible advantage to traffic flow within Hereford City?

Response

I recall that in the original feasibility work for the southern link road it was indeed projected that traffic would be increased on the A49 down the Ross Road because traffic would move across from the Belmont Road to try and enter Hereford on a different approach, so as a standalone project it certainly has some difficulties.

Question 4

Mr R Board, Hereford

To: cabinet member, infrastructure and transport

Given that the Hereford Transport Strategy Review has now ruled out a Full A49 Eastern Bypass due to the environmental sensitivities of the Lugg Meadow, Could the Hereford Transport Strategy Review now include a seventh option, this being a Western Bridge ONLY Option, as it appears that this option would perform well against the other bridge options in terms of Climate Emergency, Environment and Society and also that a Western bridge appears to be the only option that would allow for Hereford to ultimately have a full A49 Western Bypass.

Response

The review did not promote or rule out anything, its purpose was to assess transport options in line with national and local criteria. There were many considerations put forward for a new transport strategy and stakeholders feedback helped inform the Council and their consultants which of those should be taken forward for further consideration within the review. Cabinet is also not constrained by the transport options and packages which have been considered in the review and could continue to consider different options or variations of those options. At face value I do not see how such a proposal would work but I would welcome the opportunity to discuss this further with Mr Board.

Question 5

Mr R Palgrave, How Caple

To: cabinet member, infrastructure and transport

HM Treasury's Green Book provides guidance on how to appraise and evaluate policies, projects and programmes. It defines how interventions like transport measures are to be assessed and developed. A long list of possible measures is identified, then is sifted to produce a short list to be taken forward for more detailed evaluation. The shortlisting process carried out for the Hereford Transport Strategy appears to follow this path. Noting that the Southern Link Road was not included in the short list either on its own or in combination with other possible road schemes, how confident is the council that any future request for central government funding to build the SLR would be deemed compliant with the Green Book?

Response

It is not correct to say that the southern link road was not included in our assessment. It forms part of the Western Bypass option (ref page 55 of report) and is therefore included in Package A+C+D (page 73 of report). On this basis the assessment is compliant with the Green Book.

Supplementary Question

You responded to my question saying, "It is not correct to say that the southern link road was not included in our assessment." My question did not, however, say that the SLR was not included in the assessment - it said that the SLR is not included, either standalone or in combination, in the short list produced by the assessment. Now I have clarified that, can I have a response please?

Response

A written answer would be provided.

Question 6

Mrs C Protherough, Clehonger

To: cabinet member, infrastructure and transport

At the Scrutiny meeting Cllr Rone was very concerned about air pollution and the impact of vehicle pollution on Hereford residents, particularly those in South Wye. Modelling of the Southern Link Road showed that the scheme increased air pollution on the Ross Road and did little if nothing to reduce air pollution elsewhere in Hereford City. Which package in the Hereford Transport Strategy Review would deliver the best improvements not only to minimise air pollution but to also address the risk and impacts of Climate change?

Response

I presume you may be referencing studies done for the original assessment of the Southern Link road. I believe you are broadly correct, overall forecasted reduction in air pollution generally was not significant and there was a projected increase in air pollution and traffic numbers along the Ross Road. Whilst this recent review has not looked at the issue of air quality and carbon reduction in combination it has considered both issues for the city as a whole which has provided outputs in relation to each of the assessed packages. This indicates:

1. Overall carbon emissions in Hereford – Packages A, A+B and A+B+C are all forecast to have the largest impact on reducing carbon emissions (pages 76, 78 and 80 of report).
2. Impacts on the Air Quality Management Area – Package A+C+D is forecast to have the largest impact on reducing traffic flows through the AQMA (page 82 of report).

Supplementary Question

A further problem in the South Wye area, threatening life and wellbeing of adults and children, is a crisis of obesity. This area has the highest figures of all age groups in the County as evidenced in the Report on obesity (no 12) from HEREFORDSHIRE COUNCIL STRATEGIC INTELLIGENCE TEAM December 2016. For adults 16 plus, Belmont medical practice had an obesity rate of 17.8% compared with 9% nationwide. The figures for prevalence of obesity in reception at school ranged from 4.9 per cent in Greater Ledbury to 11.7 per cent in South West Wye. Taking into account the need to reduce obesity, especially starting young, what would be the best combination of measures to make lifetime health improvements in this area?

Response

That's quite a broad question and I'm not sure I'm the perfect person qualified to answer that. Obviously whatever support and help we can give in allowing people who live in that area to travel in an active way and whatever opportunity we can give to reduce congestion would be a priority but particularly the ability for children to walk and cycle safely to school by themselves or with their parents would be a really strong ambition. It is a possible ambition it's just a matter of priorities and putting the money and the effort into that strategy.

Question 7

Mrs V Wegg-Prosser, Breinton

To: cabinet member, infrastructure and transport

Appendix D the Peer Review HTP Technical Report (cl. 4.3.6) notes that the Bypass Stage 2 Environmental Assessment lacks a sufficient assessment of carbon and climate change impacts compared to current requirements.

Planning Application No. 162921, Land Drainage comments (IntConsResp 36) on the Three Elms Development note 'great uncertainty' with regard to the Western Bypass scheduled to travel

through this large urban extension ... where significant land for flood alleviation will be required, jeopardising delivery of the proposed employment land to the west of the proposed route.

Could the Cabinet member responsible for Infrastructure please explain whether the 'great uncertainty' associated with the Three Elms site was specifically factored in to the economic, social and environmental evaluation of the Bypass Stage 2 Environmental Assessment, and if not, why not?

Response

I have been assured that the Hereford Transport Package Stage 2 Environmental Assessment Report did take into account the land use proposals for Three Elms and these informed the assessment of route options. In light of the climate emergency declarations and government policy direction we anticipate that DfT will be updating guidance on the environmental assessment of major transport schemes. It is possible a new assessment could produce different results based on that updated guidance.

Question 8

Mr P Chapman, Breinton Common

To: cabinet member, infrastructure and transport

I understand that all the road schemes have been packaged with 'Demand Management', which thus includes some form of congestion charging, in order to minimise the effects of induced demand. Obviously, this could nullify any benefits from providing extra road capacity. What is the expected price point and average cost to the local motorist, at which such charging would retain the benefits of any new road scheme in tackling congestion and would the expansion of a cycling network further increase charges if demand is even further reduced?

Response

The review has considered several possible components of a demand management strategy for Hereford (page 52 of report). However, no decision has been taken by cabinet on which aspects would be taken forward. It is not correct that all the road schemes include congestion charging and the report makes it clear that the more likely demand management measures to be considered further are the consolidation of off-street parking, parking pricing and/or a workplace parking levy. In the event that cabinet wished to progress a congestion charge further work would need to be undertaken to assess appropriate charging levels and extent of any scheme.

Question 9

Ms K Sharp, Hereford

To: cabinet member, infrastructure and transport

In an answer to Mr P Price at the GSC meeting (9/11/2020, question 29) about the planning permission for the Southern Link Road, would officers please confirm whether the current planning approval (P151314/F), would deliver the road scheme or whether new designs would have to be prepared - and planning permission sought - increasing the height of the railway bridge crossing etc (see the Options Refinement Report dated November 2018, 4.3 - Changes after

Grant of Planning Permission - where ten 'significant' design changes to the scheme were identified by structural engineers) thus increasing the negative impact of the scheme?

Response

The planning permissions for the scheme as granted remain valid. The refinement of the design identified potential changes which will need to be processed through the planning system in due course if the scheme progresses and the changes are adopted. Further amendments to planning consent would need to be approved by the planning authority as modifications have been made to the design.

Supplementary Question

When the first planning permission for the SLR was determined in 2015 and 2016, there were lengthy discussions between Historic England and the council concerning the negative landscape impacts of the scheme. The Planning Officer Report records that measures (planting, noise barriers etc) would be designed into the scheme, particularly on the railway bridge with its embankment, to mitigate these impacts. The ten significant engineering changes that I referred to in my original question were first identified in 2017 - but were never progressed through planning - and included, amongst other things, raising the height of the railway bridge by 0.5 m. If planning permission is sought for the major changes, will the landscape considerations that were so controversial in 2016 be thoroughly re-examined given the structures along the entire route will have to be significantly widened, extended and increased in height?

Response

Modifications will be needed there's no doubt about that and as a result a view on that would be needed from the planning officers and either a modification within the existing position or new permissions and I should image that if that is the case the other considerations will have to be taken into account. I will get a written answer from the head of planning to clarify that.

Question 10

Mr T Meadows, Hereford

To: cabinet member, infrastructure and transport

When I asked at the Scrutiny meeting "If the full effects of induced demand were provided in the Hereford Transport Model, please state what would be the average journey time saving in minutes in Hereford on each of the key routes into the city?" the officers were unable to provide an answer of the journey time saving in minutes. Therefore I need to ask again, even if the full effects of induced demand are not included, according to the Hereford Transport Model, which is reported to overestimate the benefits of new roads, what would be the average journey time savings, for the average motorist, at peak time on each of the key routes into the city?

Response

WSP have not provided, in their assessment of congestion reduction, journey times in a 'minutes saved' format. That information would be of interest. Chapter 7 of the review sets out the journey time reductions for the same key routes for each of the assessed packages. These are presented as percentage time savings compared with the do minimum. Further details on the indicator are provided in the table at page 60 of the review and the journey time indicator is 5.2 in the table.

Supplementary Question

Percentages are meaningless when the average journey time is not referenced at all. This was acknowledged by Amey in their 2010 report when, they explained that “a statistic which is easier to understand and relates well to public perception is the Journey Time analysis”. The Amey report showed that a bypass would only improve a north-south journey time by just 1 minute more for cars than if sustainable transport measures were introduced and before allowing for the effect of induced demand from the new road. Can WSP confirm that all the percentages on journey time savings they have referenced for vehicles are on average less than 5 minutes, and that many of these journey time savings can be achieved more simply and cheaply by implementing sustainable transport measures?

Response

That is a valid point and will be included in our discussion.

Question 11

Mrs E Morawiecka, Breinton

To: cabinet member, infrastructure and transport

The most recent new road scheme delivered in Hereford City is the City Link Road. The publication of the evaluation of the new road scheme performance has still not been made public before the deadline for public questions for 3rd December. One of the key benefits of this scheme was that local residents, businesses and other users of the Hereford transport network would see improved management of traffic flows and speeds, with the majority of the scheme benefits forecast to be delivered through improved journey times on the city centre road network when compared to the no scheme scenario. As an indicator as to how new roads in Hereford deliver on the forecast outcomes, please confirm how the new City Link Road has improved journey times on the A49 trunk Road in Hereford and reduced air pollution in the AQMA.

Response

Following the completion of the City Link Road element of the HCCTP an interim traffic flow evaluation was undertaken to evaluate the impact of the City Link Road on the traffic flows in the areas surrounding the road. The findings of this are contained within the HCCTP interim Traffic Flow Evaluation Report. I apologise that this was not published before the deadline for questions for today's Cabinet Meeting. The report has been now published on the council's website and can be found by following the link below:

<https://www.herefordshire.gov.uk/roads-1/herford-2020/3>

The delivery of the city link road was not predicted to reduce traffic flows on the A49 but was to enable expansion of the city centre and regeneration of the area to the north of the inner ring road. This would include providing capacity to enable upgrading of Blueschool Street, Newmarket Street and Commercial Road for pedestrians, cyclists and public transport and to promote sustainable transport. This interim report shows, as forecast, reductions in traffic flows on Blueschool Street, Newmarket Street and Commercial Road. However, an increase in traffic flows on College Road has been observed which will be monitored and reviewed in the delivery of the remaining elements of the package.

A Monitoring & Evaluation Plan (MEP) for the HCCTP has been developed and this sets out the monitoring programme. The MEP outlines the monitoring of the journey time and air quality aspects, along with other aspects such as walking and cycling flows and confirms monitoring will be undertaken one year and five years after the completion of the whole package. This is on the basis that it is the full package that supports the mode shift to realise changes to these outcomes.

Supplementary Question

Now the report is published, the answer is on page 7 of the evaluation report. This states that morning peak traffic flows have increased on Edgar St by 21%-25% and evening peak flows have increased 32%-68%. Whilst the City Link Road has reduced vehicles on Newmarket St, Blueschool St, it appears that this was at the expense of other roads, particularly residential ones such as College Road (vehicles up 42% & 15%) and Venns Lane (up 14% & 8%). This new road, has increased car use, congestion and air pollution on Edgar St, despite being part of the AQMA. With the changes in traffic volumes miles out from that modelled, and with some of the impacts particularly detrimental to residential areas and around schools and colleges, how can councillors have any confidence in the modelling for further road building?

Response

It is a rhetorical question but it's a fair question and I think it's one that we've addressed in the past. We've discussed this issued that when we commission reports it's often best to try and stay away from specific metrics because you tend to concentrate on them for all sorts of reasons and it's particularly important to look at the ambition that you're trying to achieve. That said you need to monitor the projections that consultants give you to have faith in them and you need to follow up and see how the predictions line up with the realities after the event. I think they don't always line up very well and that is for a variety of reasons and sometime unavoidable but I think it's just something you bear I mind when we are looking forward at projections, that they are at the end of the day assumptions made either on data or on qualitative expertise.

COUNCILLOR QUESTIONS TO CABINET – 3 December 2020

Question 1

Councillor Nigel Shaw, Bromyard Bringsty Ward

To: cabinet member infrastructure and transport

The options refer to “demand management”. Can you explain what this involves in the context of Hereford?

Response

The review has considered several possible components of a demand management strategy for Hereford (page 52 of report). The report suggests that the more likely demand management measures to be considered further include the consolidation of off-street parking, parking pricing and/or a workplace parking levy. However, no decision has been taken by cabinet on which aspects would be taken forward.

Supplementary Question

To be clear, can you confirm that this administration has not ruled out congestion charging, and that a workplace parking levy will also be considered in Hereford?

Response

I can confirm that we’ve pretty much ruled out congestion charging and we have ruled out a workplace parking levy and in actual fact both of those elements factor very heavily in the packages for the western bypass.



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|-------------------------|--|
| Meeting: | Cabinet |
| Meeting date: | 21 January 2021 |
| Title of report: | Hereford Transport Strategy |
| Report by: | Cabinet member for infrastructure and transport |

Classification

Open

Decision type

Non-key

Wards affected

Countywide

Purpose

For cabinet to set out its recommendations to council with regard to stopping the western bypass and southern link road schemes and amendment to the capital programme.

For cabinet to agree allocation of ear marked revenue reserves to cover the costs of decapitalising the two road schemes in the event that council agrees to stop the schemes.

Recommendation(s)

Following Cabinet's recommendation of 3 December 2020 to stop the western bypass and southern link road schemes THAT:

- (a) Cabinet also recommends to council that the Hereford Transport Package and South Wye Transport Package be removed from the capital programme; and**
- (b) Subject to Council agreeing to stop the western bypass and southern link road schemes, cabinet, instructs the chief finance officer to allocate the finance resilience earmarked reserve amounting to £11.833m to cover the**

costs associated with the western bypass and southern link road schemes being de-capitalised.

Alternative options

1. There are no alternative options to this report if cabinet wishes to progress its recommendation of 3 December 2020 to stop the western bypass and southern link road schemes. Both schemes are included in the core strategy and local transport plan and the Monitoring Officer has confirmed that stopping these schemes would constitute a change to the budget and policy framework and this is a decision which can only be made by full council. The financial consequences of stopping these two schemes is that an amendment to the capital programme is required to remove the Hereford Transport Package project which currently funds the development of the western bypass and the South Wye Transport Package project which has funded the southern link road. The capital programme can only be amended with the agreement of council. Finally, as was reported 3 December 2020, stopping these schemes will result in the projects being decapitalised as confirmed by the Chief Finance Officer and capital spend to date will need to be funded from ear marked revenue reserves.

Key considerations

2. Cabinet determined to pause and review the western bypass and southern link road schemes in its decision of 22 October 2019 (report [here](#)) and agreed the scope of the review 24 January 2020 (report [here](#)). The review included a peer assessment of the evidence base for the two road schemes and a fresh review of the transport strategy for Hereford. This was undertaken in the context of the council's declaration of a climate emergency and a need to consider alternative transport proposals for Hereford which would take into account a range of objectives including carbon reduction.
3. Cabinet considered the peer assessment and findings of the strategy review and recommendations of the General Scrutiny Committee at its meeting of 3 December 2020 and made the following decision (decision detail [here](#)):

That cabinet:

- (a) notes and considers the review findings and the recommendations and comments of the general scrutiny committee;**
- (b) identifies strategic transport packages A+ B + from package C demand management – option 11 car parking + package E as the preferred options to take forward;**
- (c) agrees the recommendations A to M of the general scrutiny committee which are set out at Appendix E with the exception of recommendation K;**
- (d) seeks a further report to set out the implications of taking forward the preferred package(s) and confirms authority for subsequent work to proceed; and**
- (e) with regard to the two road schemes (the southern link road and western bypass) is minded to recommend to**
 - i. stop progress of the southern link road; and**
 - ii. stop progress of the western bypass.**

The Monitoring Officer advised cabinet members that part (e) of the decision would need to be referred to Council for a decision.

4. This report addresses the issues which cabinet need to determine and consider in relation to recommendation (e) which concerns stopping the western bypass and southern link road schemes. A further report will be made to cabinet in relation to recommendation (d) after the issue of the road schemes has been determined by full council.
5. The financial and legal implications of stopping western bypass and southern link road schemes are set out in the appropriate sections of the report below.
6. Noting that both schemes have been paused since October 2019 there are project specific activities which will need to be concluded following a formal decision to stop the schemes and this will be managed in accordance with the council's new project management approach and any appropriate governance.

Community impact

7. The review has been undertaken in the context of the County Plan 2020-24, adopted by council February 2020 which sets out that:

“We know that in the future transport systems must, and will, change, so we need to rethink our investment now in transport infrastructure to tackle the 21st century challenges of climate emergency and to support the wellbeing of our population. This will be central to the review of the Hereford bypass and southern link road schemes and the urgent update of our Core Strategy and planning policies.”

8. The County Plan's Delivery Plan 2020-22 was agreed by cabinet November 2020 and this includes specific reference to completing the Hereford Transport Strategy Review and beginning the implementation of preferred options (EN2.1). The Delivery Plan also sets out other related key projects and initiatives which will be supported by progressing the development of transport strategy and delivery of preferred options including:

- EN0.1 – developing evidence base to inform update of the core strategy
- EN2.2 – continue to deliver and extend Choose How You Move sustainable and active travel programme to increase levels of walking and cycling
- EN2.3 – significantly increase electric vehicle charging infrastructure
- EN2.4 – explore the feasibility for the development of a cycle super highway
- EC2.1 – development of £25m Town Investment Plan for Hereford
- EC2.4 – continue to support development of the Hereford Enterprise Zone

Environmental Impact

9. There are no specific environmental impacts as a result of this report. As set out in the report to cabinet 3 December 2020, the Hereford Transport Strategy Review identified key objectives in respect of environmental impacts and climate emergency, expressed by 8 outcomes. The outcomes were used to help assess package contributions to carbon reduction (operational and embodied carbon), reducing the need to travel by private motor vehicle, impacts on air quality, and impacts on natural and built environment. These

outcomes were set out in the review report to enable cabinet to determine its preferred combination of package elements.

Equality duty

10. Under section 149 of the Equality Act 2010, the 'general duty' on public authorities is set out as follows:

A public authority must, in the exercise of its functions, have due regard to the need to -

- (a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;
 - (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
 - (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
11. There are no specific equality duty implications as a result of this report. As reported to cabinet 3 December 2020, the assessment of options and packages of options took into account a range of outcome indicators which provide an assessment of impacts on society and this includes the following outcome O14 and indicator 14.1 which considers those with protected characteristics.

| | |
|--|--|
| O14: All sectors of society have easy and affordable access to the services and facilities they need | 14.1 What impact does the option have on meeting the accessibility needs of all sectors of society, including those with protected characteristics or those without access to a car? |
|--|--|

12. Whilst at this stage most options have not been subject to detailed design, the infrastructure measures which would change the physical characteristics of the transport network will be subject to the appropriate design standards and will follow the principles set out in the governments 'Inclusive Transport Strategy' 2018 if they are to be taken forward.

Resource implications

13. As reported to cabinet 3 December 2020 stopping the two road schemes requires that they both be decapitalised and capital costs incurred in their development need to be funded from revenue. Decapitalisation of costs for the transport packages involves reversing capital costs incurred to date, less any eligible capital costs that can remain (for example for the purchases of premises). The funding of the decapitalised costs also requires reversing meaning that the cost requires funding from revenue resources. The table below sets out total spend to date (capital and revenue) including estimated outstanding costs and identifies the amount of funds, £11.833m, which will be required to de-capitalise both packages.

| Package | | Spend up to March 2020 | Spend in 2020/21 | Estimated outstanding costs | Totals package Costs | Capital costs subject to de-capitalisation |
|---|----------|------------------------|------------------|-----------------------------|----------------------|--|
| £000s | | | | | | |
| HTP | Rev | 5,110 | 0 | 0 | 5,110 | |
| | Cap | 3,970 | 100 | 350 | 4,420 | 4,420 |
| | | | | | 9,530 | |
| SWTP | Rev | 0 | 0 | 0 | 0 | |
| | Cap | 7,334 | 29 | 50 | 7,413 | 7,413 |
| | Assets * | 821 | 0 | 0 | 821 | |
| Totals | | 17,235 | 129 | 400 | 17,764 | 11,833 |
| Total required from ear marked reserves to fund decapitalisation of the HTP and SWTP | | | | | | 11,833 |

*Retained assets to a value of £821k are costs of purchasing properties. These do not need to be decapitalised as they will remain as an asset to the council.

14. The outstanding costs estimated for each package included in the figures provided above comprise:

- i. HTP – estimate remaining project costs - £350k
 - Gain share contractual payment associated with works completed during 2018/19 and 2019/20 prior to decision to pause scheme £200k (see details at paragraph 15)
 - Removal of boreholes £140k
 - Final payment on Peer Assessment commission £10k
- ii. SWTP – estimated remaining project costs - £50k
 - Gain share contractual payment associated with works completed financial year 2018/19 £40k (see details at paragraph 15)
 - Outstanding compensation payments to landowners £10k

15. It is important to note that gain share contractual payments are not penalty payments for early termination of contracted works and that no penalty payments have either been claimed or paid as a result of stopping work on the HTP or SWTP. A target cost value was agreed for the HTP programme of works during the 2018/19 financial year following selection of the red route for the western bypass. These works extended into the 2019/20 financial year and the original target cost continued into this financial year up to the point where works were stopped. During the delivery of the works changes were captured in compensation events which provided the revised target cost. When the decision was taken to stop work on the HTP project a compensation event was prepared which removed from the target cost the value of activities which would not to be completed. This provided the final target cost. In line with the terms of the contract the defined (actual) cost up to the point where works were stopped was compared to the final target cost and this is the basis for the calculation of the gain share element for the project. The SWTP gain share calculation followed the same process as set out above. In both cases the gain share payments represent costs for works completed prior to the decision to pause the projects. In commissioning this work through the public realm contract a robust process for commissioning and managing the work has taken place. The scope of work and target cost for each commission were scrutinised in detail prior to being agreed and all changes were managed using a change control process to ensure the final target reflects correctly any changes to scope of work. Calculation of the gain share against actual cost (which can be

accessed and validated) ensures costs are controlled, transparent and ensures value for money for this work.

16. Whilst cabinet has the authority to confirm the use of reserves for this purpose it is recommended that movement of the revenue funds be made subject to council confirming agreement to stop the two schemes. Council will be advised that this would result in the schemes being de-capitalised and the revenue reserves used as set out in paragraph 13.
17. The capital programme currently includes two items: Hereford Transport Package and South Wye Transport Package which have funded development of the western bypass and southern link road schemes respectively. Whilst there is no funding in the SWTP following the Marches LEP's decision to remove the local growth deal grant which had been secured for the SWTP, the Hereford Transport Package has £3.75m remaining for capital expenditure on the western bypass, after all final costs have been settled as detailed above. This budget has been funded from prudential borrowing. Given that council is being asked to confirm that both of these schemes are stopped it is also recommended that the council confirm the associated removal of the HTP and SWTP from the capital programme.

Legal implications

18. This decision is in two parts. Recommendation (a) is an amendment to the capital programme and can only be taken by full council on recommendation from cabinet. Recommendation (b) is an executive function.

Other legal implications: Southern link Road

19. The compulsory purchase order (CPO) for the South Wye Transport Package (SWTP) was confirmed in March 2019 pursuant to the Acquisition of Land Act 1981 for the SLR along with the side roads order (SRO) being made pursuant to the Highways Act 1980.
20. The CPO provides the council with the authority to progress with the purchase of land required for the SWTP. The CPO in place allows the council to compulsorily purchase all land that falls within the CPO corridor of the SLR for the purposes of building the road if the general vesting declaration is executed. The general vesting declaration has to be executed within three years of the date of confirmation of the CPO (March 2022) otherwise the CPO lapses.
21. The council have negotiated land option agreements with 4 of the landowners but these have not been completed. If completed, they will allow the council to purchase the land but only if the general vesting declaration is executed. 2 further option agreements have been completed but again will only allow the council to purchase the land if the general vesting declaration is executed. As a result of the Cabinet recommendation the vesting declaration will not be executed.
22. The council have completed acquisition on one parcel of land prior to the confirmation of the CPO which contractually requires the council to offer the landowner the first opportunity to re-acquire the land at the originating purchase price if the SLR does not proceed.
23. Planning permission for the SLR has been granted and implemented in accordance with the Town and Country Planning Act 1990.
24. Where there is planning blight, the property/landowner can serve a blight notice which requires the authority to purchase the affected land at the market value ignoring the effect

of the proposed highway project on the value of the land. Once planning blight occurs, the affected landowner can bring forward the acquisition of their interest in the blighted land within a timeframe that suits the landowner rather than the project programme of the council.

25. Blight notices could be served by claimant landowners whose land falls within the confines of the CPO corridor, if blight notices are received the council assesses them and either accepts or rejects them. There are currently no live blight notices on the SLR scheme.

Other legal implications: Western bypass

26. The Western Bypass as part of the Hereford Transport Package (HTP) has not been designated as a specific type of road scheme, requiring either a CPO and planning permission for its construction, or a development consent order but it has undergone a number of public non statutory consultations involving statutory bodies and public representations. Planning has not been secured for the scheme.
27. The scheme is included in the Core Strategy as the Relief Road Corridor (shown in Figure 4.2 of the Core Strategy) and referred to as the Red Route on previous decisions made. Blight notices can be served by claimant landowners whose land falls within the Relief Road Corridor, and or the Red Route. If blight notices are received the council assesses them and either accepts or reject them. There is one current blight notice that is being considered by the council.
28. The recommendations in this report follow the decision by cabinet on 3 December 2020 at (e) and are in accordance with, and progression of the cabinet decision. There are no other legal considerations or problems with the cabinet member doing what is proposed.

Risk management

29. The risks associated with stopping the western bypass and southern link road schemes were set out in the report to cabinet 3 December 2020. The key risks related to consideration that this would be a decision impacting the policy and budget framework and the resultant need to decapitalise both schemes. This report sets out the requirements to address these risks including recommendations for consideration of council which address the issues in respect of change to policy and budget framework and a recommendation that cabinet agrees to the allocation of revenue reserves to cover costs of decapitalisation.

Consultees

30. No consultation has been carried out in respect of this report. Consultation with the public, stakeholders and members in development of transport strategy options has been reported in previous reports.

Appendices

None

Background papers

None

Please include a glossary of terms, abbreviations and acronyms used in this report.

HTP – Hereford Transport Package (which includes the western bypass)

SWTP – South Wye Transport Package (which includes the southern link road)

SLR – Southern Link Road

CPO – Compulsory Purchase Order



| | |
|-------------------------|---|
| Meeting: | Cabinet |
| Meeting date: | Thursday 21 January 2021 |
| Title of report: | Schools Capital Investment Programme |
| Report by: | Cabinet member commissioning, procurement and assets |

Classification

Open

Decision type

Key

This is a key decision because it is likely to result in the council incurring expenditure which is, or the making of savings which are, significant having regard to the council's budget for the service or function concerned. A threshold of £500,000 is regarded as significant.

This is a key decision because it is likely to be significant having regard to: the strategic nature of the decision; and / or whether the outcome will have an impact, for better or worse, on the amenity of the community or quality of service provided by the authority to a significant number of people living or working in the locality (two or more wards) affected.

Notice has been served in accordance with Part 3, Section 9 (Publicity in Connection with Key Decisions) of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012.

Wards affected

(All Wards);

Purpose

To approve the proposed expenditure of the preliminary works budget included in the capital programme.

The distribution of this funding is determined in accordance with the principles set out in the schools capital investment strategy and is based on regular condition surveys, suitability assessments and assessments of current and forecast demand for places.

Further information on the subject of this report is available from
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Recommendation(s)

That:

- (a) **Feasibility studies, within an approved budget of £475K, are commissioned to inform a programme of school capital investment work;**
- (b) **The Assistant Director for Education, Development and Skills be authorised to take all operational decisions necessary to deliver the required schedule of feasibility studies within the approved budget of £475k including fees; and**
- (c) **The Assistant Director for Education, Development and Skills be authorised to take all operational decisions necessary to vary the schedule of feasibility studies should any information received require them to do so.**

Alternative options

- 1. A different set of investment works are prioritised. The works proposed have been determined based on the latest information in terms of the condition, suitability and sufficiency of the children & families establishments. The proposed works are addressing the known priorities and the council's statutory duties.

Key considerations

- 2. The 2016 – 2021 Schools Capital Investment Strategy (SCIS) is informed by a set of widely consulted on principles and is applied to a detailed understanding of each of our schools and other establishments to provide clear options for improvement. In some cases the improvement options will be very straight forward and easy to apply, whilst for others there will be more challenging issues to consider. All schools, including academies, trust and faith schools, not just those run by the council, early years and post 16 provision are covered by the strategy. It's important to ensure that the buildings being used provide high quality learning environments to support the council's wider education and business ambitions.
- 3. The council receive various grants from the government. These grants may be annually received, for example, basic need funding (further detail at para 12 & 13) for the creation of additional pupil places, or may be one-off specific grants. As with all government funding, grants come with strict criteria for their use and application.
- 4. Amongst other areas, the capital investment strategy focuses on condition, suitability (fitness for purpose) and sufficiency (number of pupil places) of schools within the county.
- 5. Grant funding is received for condition (maintenance grant) and sufficiency (basic need funding). No government funding is currently available for suitability issues at schools. Should the council wish to address any suitability issues, they will bear the cost.
- 6. All projects identified from the SCIS will have a feasibility study undertaken to determine high level costs to obtain a perspective on its viability. A feasibility study is an analysis that takes all of a project's relevant factors into account – including economic, technical, legal and scheduling considerations – to ascertain the likelihood of completing the project successfully. The council use feasibility studies to discern the advantages and disadvantages of undertaking a given project before a significant investment of time and

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money is made in a given project. Feasibility studies can also provide the council with crucial information that could prevent them from investing into projects.

7. For all capital projects, the completed works would need to ensure that the building can be maintained cost effectively in the long term and include appropriate environmental measures to support the council's Carbon Management Plan's (2020 – 2026) aim of:
 - Reducing carbon emissions by schools by 40% over the next 5 years, with a view of;
 - Carbon neutrality by 2030.
8. Any new building, as a minimum, will achieve Passivhaus certification or equivalent.
9. The schools capital investment strategy has highlighted a number of areas that need development. Feasibility studies are now required to inform the programme of works which include:
 - Increase capacity of the secondary education estate, across the county, where we have identified that an increase in the number of pupil places is required
 - Increase capacity of the primary education estate, across the county, where we have identified that an increase in the number of pupil places is required
 - Feasibility study to inform the works required for Improved accommodation at Westfield Special School
10. Ensuring there are sufficient school places to meet parental demand is a statutory duty for the council. This means that the council must make population and pupil forecasts in order to anticipate changes in demand. Where additional places are required the council is responsible for securing them. This applies to maintained schools, voluntary aided schools and academies.
11. Every year the council is required to make a school capacity (SCAP) return to the DfE. This includes information about the number of children on roll in each school planning area by age, as well as details of the capacity of schools. A forecast is required, indicating the expected future number of children requiring a place. Where this exceeds the capacity of the schools, then the DfE allocates a formula-based “basic needs” grant. This is intended to contribute towards the capital costs of adding places.
12. Over the last 3 years central government has allocated basic need funding, up to and including 2020/21, as follows:

| Year | Amount |
|---------|------------|
| 2018/19 | £1,048,294 |
| 2019/20 | £1,747,936 |
| 2020/21 | £6,832,740 |

13. To date allocations have been made to increase secondary capacity at John Kyrle High School and primary capacity at Marlbrook Primary School.
14. The feasibility studies will inform how best to increase the capacity of the council's school estate where it is most needed. This could include re-modelling existing spaces within the establishment and/or extensions to provide additional capacity or spaces.
15. Westfield Special School is a 2-19 school situated in Leominster, catering for children and young people with learning disabilities (LD). It is one of the three schools currently in Herefordshire that has this designation.
16. The school is non-compliant with the government building bulletin guiding provision of this type (BB104). It is not designed to support provision of an appropriate curriculum for LD special education needs (SEN) pupils, and parts of each building on site are in poor condition. Added to which, the buildings do not meet the guidance on capacity needed for the current pupils accommodated.
17. A recent (2020) fire risk assessment identifies that all three buildings on site are unsuitable for this provision and consideration should be given to a complete new build.
18. Over time significant amounts of maintenance and repair have been effected, but the existing buildings still cannot be brought to the required standard of safe high quality accommodation that we aspire to for all of our Herefordshire children.
19. The proposed feasibility study will look at how accommodation could be significantly improved and made safer for Westfield pupils.
20. Approval for variations that can be covered within the available budget will follow the council's governance processes. Where there is insufficient budget to cover the work required consideration will be given to reduce the scope of works or defer the scheme to a future year.
21. All capital work will be procured in accordance with the council's contract procedure rules.

Community impact

22. Schools are a key part of communities and as such it is important that they are well maintained, fit for purpose and large enough to accommodate the children in the area.
23. The schools capital investment strategy sets out the council's approach to delivering the legal duty to ensure there are enough school places for the children in its area. In Herefordshire this will be done in a way that supports the delivery of high quality education and contributes to the attractiveness of the county as a place to live and work.
24. These activities support the council's County Plan 2020 – 2024 Ambition to strengthen communities to ensure that everyone lives well and safely together and the Children & Young People's Plan Pledge of helping all children and young people succeed – be amazing.
25. The grants will be used to invest in establishments around the county to improve or expand their facilities, bring the buildings in line with the specifications included in the DfE's building bulletins, include mitigation of potential health and safety and safeguarding

risks, and aim to provide well maintained buildings which are more cost effective to run and therefore benefit all pupils, including looked after and children in care.

26. Environmental measures will be considered as part of each scheme to support the council's Carbon Management Plan's target and areas of work for projects and schools and academies.
27. The schemes fit within the corporate property strategy whose aims are to support and help deliver public integrated services across the county with the vision to support the efficient integrated delivery of public services across the county by providing modern, fit for purpose buildings, shared by public agencies.

Environmental Impact

28. This decision / proposal seeks to deliver the council's environmental policy commitments and aligns to the following success measures in the County Plan.
 - Reduce the council's carbon emissions
 - Work in partnership with others to reduce county carbon emissions
 - Improve the air quality within Herefordshire
29. The council provides and purchases a wide range of services for the people of Herefordshire. Together with partner organisations in the private, public and voluntary sectors we share a strong commitment to improving our environmental sustainability, achieving carbon neutrality and to protect and enhance Herefordshire's outstanding natural environment.
30. The environmental impact of this proposal has been considered through the service specification and includes appropriate requirements on the contractor/delivery partner to minimise waste, reduce energy and carbon emissions and to consider opportunities to enhance biodiversity. This will be managed and reported through the ongoing contract management.
31. Replacement of assets provides a means of improving building service installations, for instance using more efficient light fittings and controls to better manage heating systems. These proposals will contribute towards the delivery of the aims in the council's corporate plan to 'support improvement in the quality of the natural and built environment' and 'to make best use of the resources available to meet the council's priorities' as well as improve the council's energy efficiency, reduce its carbon footprint and provide cost savings.
32. The environmental measures to be incorporated within the build will support the council's Carbon Management Plan's target and areas of work for projects and Schools & Academies.
33. The development of these schemes will seek to minimise any adverse environmental impact and will actively seek opportunities to improve and enhance environmental performance.

Equality duty

34. Under section 149 of the Equality Act 2010, the 'general duty' on public authorities is set out as follows:

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A public authority must, in the exercise of its functions, have due regard to the need to -

- (a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;
- (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
- (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

35. The public sector equality duty (specific duty) requires us to consider how we can positively contribute to the advancement of equality and good relations, and demonstrate that we are paying 'due regard' in our decision making in the design of policies and in the delivery of services. This strategy if accepted will support the council in fulfilling this specific duty by demonstrating that it will be using the grant funding in line with the specific duties. Providers will be made aware of their contractual requirements in regards to equality legislation. Any building works carried out within schools will be compliant with the Equality Act 2010 and support improved accessibility.

Resource implications

36. £1.015m corporate funding has been made available by full Council for preliminary works to inform investment in the county in the capital programme that was approved at Council in February 2020 and is included in the Medium term Financial Strategy. To date £29k has been spent resulting in a balance of £986k.

| Capital cost of project | 2020/21 | 2021/22 | Future Years | Total |
|--|------------|---------|--------------|------------|
| | £000 | £000 | £000 | £000 |
| Westfields Special School feasibility report | 75 | | | 75 |
| Secondary Basic Need feasibility reports | 120 | | | 120 |
| Primary Basic Need feasibility reports | 200 | | | 200 |
| Contingency and fees | 80 | | | 80 |
| TOTAL | 475 | | | 475 |

| Funding streams (indicate whether base budget / external / grant / capital borrowing) | 2020/21 | 2021/22 | Future Years | Total |
|---|------------|---------|--------------|------------|
| | £000 | £000 | £000 | £000 |
| Preliminary works to inform key investment need throughout the county (corporate borrowing) | 475 | | | 475 |
| | | | | |
| TOTAL | 475 | | | 475 |

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37. The figures shown are not final costs however they are based on a detailed analysis of the proposed schemes and current professional advice on the costs for similar types of schemes. Any revenue implications will be funded by the schools who will be involved throughout the feasibility process.

Legal implications

38. Under s13 of the Education Act 1996 the council has a duty to secure efficient primary and secondary education to meet the needs of the population of the county. The proposed feasibilities would support the council's decision making in this regard.
39. There are no other legal implications arising from this report.

Risk management

40. There may be a reputational risk to the council if the government grants are not spent effectively.
41. Each feasibility study would have to be accompanied by its own individual report which would have to be reviewed by officers prior to publication.
42. If the basic need, specific grants and government one-off funding streams' allocations are insufficient to cover capital investment requirements identified by the feasibility reports, other funding sources, including council prudential borrowing, may need to be requested through full Council.
43. There is a risk that there will be insufficient places when they are required. This might lead to some pupils being transported to other areas of the county/out of county to receive their education which will be at additional cost to the council.

Consultees

44. In accordance with the principles in the schools capital investment strategy the council will work with schools to consult on options for where, when and how any additional capacity is created or other improvements are made. Schools and academies will be invited to make their own proposals for improvements can be made, as well as discussing any existing problems with their sites and buildings.
45. The cabinet member for commissioning, procurement and assets and the cabinet member for children and families have been consulted and their comments will be noted here.
46. Political groups have been consulted and no responses were received.

Appendices

None

Background papers

None identified

Glossary of terms, abbreviations and acronyms used in this report.

| | |
|--------|---|
| BREEAM | Building Research Establishment Environmental Assessment Method |
| DfE | Department for Education |
| LD | Learning Disabilities |
| SEN | Special Education Needs |



| | |
|-------------------------|--|
| Meeting: | Cabinet |
| Meeting date: | Thursday 21 January 2021 |
| Title of report: | Hereford Towns Fund town investment plan submission |
| Report by: | Cabinet member environment, economy and skills |

Classification

Open

Decision type

Key

This is a key decision because it is likely to be significant having regard to: the strategic nature of the decision; and / or whether the outcome will have an impact, for better or worse, on the amenity of the community or quality of service provided by the authority to a significant number of people living or working in the locality (two or more wards) affected.

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Wards affected

Aylestone Hill; Belmont Rural; Bobblestock; Central; College; Eign Hill; Greyfriars; Hinton & Hunderton; Holmer; Kings Acre; Newton Farm; Redhill; Saxon Gate; Tupsley; Whitecross; Widemarsh;

Purpose

In November 2019 Hereford was included by government in their Towns Fund Programme. This report seeks to accept the grant of £162k to support the process, provide endorsement of the submission, by the Hereford Towns Fund Board to government, of a Town Investment Plan for Hereford and for the council to support the bid by agreeing to be the accountable body for the funding.

Recommendations

That:

- (a) The council endorses the Hereford Town Investment Plan submission to government which the Hereford Towns Fund Board will prepare, approve and return before 29 January 2021;**
- (b) The council acts as the accountable body for the Hereford Towns Fund programme and any Town Deal that is agreed with government;**
- (c) The Hereford Towns Fund Board is included on the council partnerships register as a significant partnership; and**
- (d) The council accepts, on behalf of the Hereford Towns Fund Board, the grant of £162k capacity funding to support the development of the Town Investment Plan.**

Alternative options

1. Alternative Option 1 – Not to endorse the Town Investment Plan submission made by the Hereford Towns Fund Board.
2. Advantage – there are considered to be no advantages to this approach.
3. Disadvantage – within the government guidance there is no specific requirement for the council to endorse the Town Investment Plan submission. However as the council Leader or Chief Executive is required to be a signatory on the Heads of Terms to be agreed with government at the next stage it is considered appropriate that the council would look to endorse the submission. Additionally significant partnership work between the members of the Hereford Towns Fund Board and the council has been invested in the production of the Town Investment Plan and the council not endorsing the submission would significantly weaken the strength of the Hereford proposal. This would increase the potential for the city to miss out on securing up to £25m of government investment to assist in economic regeneration, with associated reputational consequences.
4. This option is not recommended because of the risk to the reputation of the council and the impact on the strength of the Town Investment Plan with the increased potential to lose grant income that will deliver projects within the city that help to deliver the council's County Plan.
5. Alternative option 2 – To not act as the accountable body for the Towns Fund Programme and any subsequent Town Deal with government.
6. Advantage – the council would not be exposed to potential financial risk associated with the delivery of the projects contained within the submission to government. Projects will manage their financial risk at an individual level and at programme level by the Town Investment Plan project board.
7. Disadvantage – the government guidance states that town deals will need an accountable body which will be a council through which the funding will flow. Given the unitary status of Herefordshire it is considered that there is no lower level council with the financial

capacity to act in an accountable body role or bankroll a programme of the potential size of the Town Deal. Consequently there is no viable alternative to the council acting as the accountable body for the programme.

Key considerations

Towns Fund Background

8. In late 2019 Hereford was included, along with another 100 towns across England, within the government's "Towns Fund" Programme. There was no application process for selection within the Towns Fund programme and Hereford's inclusion was a government decision.
9. Through the Towns Fund government are looking to work with places to address growth constraints and to ensure they chart a course of recovery from the impact of Covid-19. The overarching aim of the Towns Fund is to drive the sustainable economic regeneration of towns to deliver long term economic and productivity growth.
10. Government guidance references some of the current challenges facing towns and communities such as declining towns centres, achieving inclusive growth, sustainability – economic, environmental and social – and the need to meet the net zero greenhouse gas emissions by 2050.

Towns Fund Process

11. The outcome of the Towns Fund process is obtaining a Town Deal with government and the potential to access up to £25m.
12. A Town Deal is an agreement in principle between government, the council and the Hereford Towns Fund Board, confirmed in a Heads of Terms document. All three parties will be required to sign the Heads of Terms. It will set out a vision and strategy for the town and what each party agrees to do to achieve this vision.
13. This Heads of Terms document will be signed by the Secretary of State for Housing, Communities and Local Government on behalf of government. Government expect the other signatories to be the chief executive or leader of the council and the chair of the Hereford Towns Fund Board. Town Deals will cover a period of up to five years.
14. In terms of the Towns Fund process there are two phases, with a decision gateway at the end of each. Firstly, towns will develop Town Investment Plans (TIPs), which will be assessed by the Ministry for Housing, Communities & Local Government (MHCLG) to inform the Heads of Terms offer (given the submission is of sufficient quality). Secondly towns will then develop agreed projects and business cases in detail, and government will assess that information before releasing funding for implementation.

Hereford Towns Fund Board

15. Town Fund Boards are responsible for developing, and approving the submission of, the Town Investment Plan and that it sets out a clear vision and strategy for the town. The Board's formation is a condition of inclusion on the Towns Fund programme. Board membership (included at appendix 1) was set out by the government and includes the

- local MP, a representative of The Marches Local Enterprise Partnership (LEP), a representative of the city council, and local businesses and community groups.
16. The Hereford Towns Fund Board currently consists of fifteen members, eight men and seven women, and meets the government guidance on required and optional membership. The chair of the Hereford Towns Fund Board is Lauren Rogers who is a senior project manager at Rural Media. The council representative on the Hereford Towns Fund Board is Cllr Chowns as the relevant Cabinet Member.
 17. Supporting the Hereford Town Deal Board from the council are the economic development manager, a senior capital project manager, and a support officer. The council's role as set out in the national Towns Fund Guidance, is to advise the board on, among other things;
 - a. Upholding the Seven Principles of Public Life
 - b. Developing a delivery team, delivery arrangements and agreements
 - c. Ensuring decisions made by the board are in accordance with good governance
 - d. Ensuring transparency requirements are met
 - e. Developing agreed projects in detail and undertaking any necessary feasibility studies
 18. Other support available to the Hereford Towns Fund Board includes an observer from the government's Towns Hub consultancy team (put together to assist all 101 towns with their Towns Fund submission and ongoing process) and a representative from the Department for Business, Energy & Industrial Strategy (BEIS) Cities and Local Growth Unit as one of the sponsoring government departments.
 19. Cllr Hitchiner has been a long serving observer of the Hereford Towns Fund Board and has attended all of the Hereford Towns Fund Board Meetings.
 20. Terms of reference and other documentation for the Hereford Towns Fund Board can be viewed via this link: <https://www.herefordshire.gov.uk/business-1/towns-fund?documentId=921&categoryId=200145>

Phase One – Preparing a Town Investment Plan (TIP).

21. Government advises that TIP's should reflect local priorities and be co-designed with local businesses and communities. The TIP will be used as the basis for agreeing the Town Deal, including the specific projects which will be funded and the Heads of Terms.
22. Government views TIPs as long-term, strategic documents that provide the strategic case for Town Deals, with the evidential and analytical basis for the selection and design of the projects proposed in it. They should set out a vision for the town with broad ownership and a strategy that can set the direction for the economic turnaround of the town over a decade, including economic recovery from the current crisis. Whilst the TIP will align with other strategic documents such as the County Plan it is worth noting that the TIP is not a spatial strategy such as the Local Plan nor a overarching economic master plan for the city (although both such documents will need to take account of the TIP vision and objectives).

23. Government has provided comprehensive advice as to the drafting and content of TIP's – please see appendices 3 and 4 for the available guidance. The guidance sets out that TIPs should be clear, concise and accessible documents. The content should be split into two sections.
24. Section 1 outlines the context, strategy and process, should be no longer than 10,000 words and must be structured according to the three main TIP sections - Context Analysis, Strategy, Engagement and Delivery.
25. Section 2 provides details of prioritised projects proposed to receive Towns Fund funding and a spreadsheet supplied by government sets out the details to include.
26. The deadline for submission of the TIP is 29 January 2021. Government has allocated, and the council has received, £162,000 of revenue “capacity funding” to support the TIP production and the development of business cases post Heads of Terms.
27. In line with the government guidance the Hereford Towns Fund Board have approved allocation of the capacity funding to be spent on:
 - a. Consultancy advice to support the drafting of the TIP;
 - b. Communication support to provide the Board with a website and social media presence;
 - c. Graphic design expertise to produce the TIP document;
 - d. Project development support to ensure projects have the required information to provide the Board, the council and government with the required assurance regarding their delivery.
28. All of the above services have been procured in line with the council's contract procedure rules and recorded in record of officer decisions.
29. If the TIP is of the required standard and contains viable projects, government will offer a set of Heads of Terms. Heads of Terms are an agreement in principle for funding and will be in the form of a Memorandum of Understanding (MOU), signed by the Chair of the Town Deal Board, the Lead Council and by Ministers.
30. The Heads of Terms will include:
 - Allocated Towns Fund budget and financial profile
 - List of projects to receive funding and recommended assurance route for business cases
 - List of support agreed by other government departments [where applicable]
 - Key conditions and requirements
31. Once a town has agreed to the Heads of Terms, the Town Deal will be announced.

Phase Two – Development of Full Business Cases

32. Following the agreement of Heads of Terms, Hereford will have up to one year to develop agreed projects in detail, complete and assure comprehensive business cases, and submit a Summary Document to MHCLG to show that this has been completed in line with the agreed conditions and requirements in the Heads of Terms.
33. Towns with agreed Heads of Terms for a Town Deal will be required to produce a fully costed business case for each of the agreed projects, setting out the details of how each

will be delivered. They should be sufficiently detailed and robust to pass through local assurance mechanisms (or that of MHCLG, should they be utilised).

34. Once detailed business cases have been developed for each project, towns must submit a Town Deal Summary Document to government. Guidance on producing some of the documentation required of the Summary Document, including a Delivery Plan and a Monitoring and Evaluation Plan, will be provided by government in due course. Towns have a maximum of 12 months from the agreement of Heads of Terms to develop business cases and submit a Summary Document of sufficient quality to government.
35. Once towns have developed detailed business cases for their agreed projects and submitted the Summary Document, government will carry out a high-level assessment of the document before releasing funding, including confirming whether Heads of Terms criteria have been met.
36. When business cases have been formally approved, and the Summary Document has been signed off, year one of the project funding will be approved by MHCLG and released to the Lead Council.

Hereford Town Investment Plan

37. To assist in the drafting and submission of the Hereford TIP the Hereford Towns Fund Board approved the appointment of consultancy support, which was procured in line with the council's contract procedure rules utilising funding from within the £162k capacity funding.
38. Assisted by the council commercial services team the Hereford Towns Fund Board progressed a compliant mini competition procurement process to select the consultancy team. The purpose of this commission was to produce a final version Town Investment Plan for Hereford by 29 January 2021 which the Hereford Towns Fund Board and the council consider both complies with all of the government's guidance and requirements and is of the necessary quality to agree a Heads of Terms offer with government.
39. At the conclusion of this procurement process Rose Regeneration were appointed due to their strong submission which included awareness of the local issues and extensive previous regeneration strategy experience including working on five other Towns Fund submissions.
40. Government guidance on the production of a TIP has been issued to all towns within the programme. Rose Regeneration have followed this guidance in the Hereford TIP submission. The guidance splits the TIP into two elements:
41. TIP Section 1 – states the document must be structured according to the three main sections - Context analysis, Strategy, Engagement and delivery. These sections should cover the content set out in the guidance, the table below sets out the specific requirement from the guidance and identifies whether this is included within the Hereford TIP.

| Requirement | Agreed by Board |
|---|---|
| Context analysis | |
| Map of agreed town boundary and related context | Yes. Agreed with government in 2019. |
| The main challenges facing the town | Yes. Agreed by Board at 4 th September 2020 meeting. |
| Evidence of need, relevant to proposed projects | Yes. Significant evidence of need has been identified through underlying evidence and community engagement. Relevance of need and demand to individual projects has been confirmed by and to the Board at meeting of 13 January 2021. |
| The town's assets and strengths | Yes. Agreed by Board at 4 th September 2020 meeting. |
| Key opportunities for the town | Yes. Agreed by Board at 4 th September 2020 meeting. |
| Strategy | |
| Town vision, and headline outcomes and/or targets for 2030 or beyond | Yes. Vision and objectives agreed by Board at meeting of 6 th November 2020. |
| Short summary of all projects, including the total Towns Fund funding requested | Yes. Now included in the TIP. Information has been included on the project description, rationale, and funding situation. |
| Strategic plan, including: <ul style="list-style-type: none"> • Underlying evidence • Analysis and rationale • Objectives, targets, and priority areas for the short, medium and long term Spatial strategy, including the recognition of the distribution of impact across town geography and demographics. | Yes. Evidence base overview and Transformation Plan agreed by Board at meeting of 27 th November 2020. Theory of change agreed by Board at meeting of 22 nd December 2020. Spatial strategy and demonstration of project distribution confirmed to Board at meeting of 13 January 2021. |
| Mapping of all strategies, partnerships, programmes and investments relevant to the vision and strategy, and how they will be aligned (including the accelerated capital funding, Covid-19 recovery and clean growth). | Yes. Agreed by Board at meeting of 16 th October 2020. |
| Engagement and delivery | |

| | |
|--|---|
| Clear evidence of buy-in from local businesses and communities, description of who has been engaged throughout the development of this plan, and how this engagement will continue | Yes. Board signed off engagement plan at 25 th September 2020 meeting. Engagement with significant number of local groups, over 100 conversations held including six sector specific workshops. Check and Challenge session with government Towns Hub highlighted that community engagement had been “10 out of 10”. |
| Demonstration of commitments from private-sector players, and ambitions for private-sector investment going forwards (clearly showing the total private-sector funding leveraged to date). | Yes. Included in the TIP and discussed with the Hereford Towns Fund board on the 13 January 2021. |
| High-level plan of business case development and appraisal for each project including the identification of the Accountable Body | Yes. Included in the TIP and discussed with the Hereford Towns Fund board on the 13 January 2021. Mace undertaking further project development work to be included within the final TIP. |
| High-level delivery plan with justification of deliverability | Yes. Included in the TIP and discussed with the Hereford Towns Fund board on the 13 January 2021. |

42. The Hereford Towns Fund Board have collectively produced a vision and objectives for the TIP which they believe captures the spirit and opportunity within Hereford and meets the government expectations and ethos of the Towns Fund. This vision and its objectives are described below:

Vision: “Hereford aspires to be one of the greenest & fairest city in the country, with fantastic opportunities and quality of life for people of all ages. Deeply rooted in our unique rural heritage, we're blossoming into a richly creative, digital, connected & highly-skilled place to live, work, study and visit.”

Objectives:

- Greenest. Hereford is a green and sustainable city, working towards zero carbon as it grows.
- Fairest. Hereford is levelling up with opportunities for all, fair wages, and social and economic regeneration that improves lives of all residents.
- Creative. Hereford is a city where innovation and creativity flourish across all sectors.
- Digital. Hereford is digitally smart and ambitious city that always embraces emerging technologies.
- Connected: Hereford is an integrated city; its people, places and projects always connect to each other.

- Highly skilled. Hereford is a city of learning and skills for all ages; a place where highly skilled people and businesses always thrive and come together to ensure these skills are shared.
 - Heritage. Hereford's individuality always shines through. With our rich history, unique landmarks and assets and our rural legacy, there is no other city in the country like Hereford.
43. These objectives have been used in defining the local assessment criteria used in the project prioritisation process and the projects included within the final TIP submission will collectively assist in the achievement of the set objectives.
 44. The draft TIP Section 1 is included at appendix 2. This represents an advanced draft of the document which will be signed off by the Hereford Towns Fund Board on the 25th January 2021. It is expected that only minor text or layout changes will be made following this approval prior to submission by the 29th January 2021.
 45. TIP Section 2 - This section of the TIP should contain key details of the projects proposed to receive Towns Fund investment. A spreadsheet setting out the details to include has been supplied by government and has been completed by each project submission.
 46. On the 17th November 2020 a "Direction of Travel" workshop was held with the Towns Hub (government consultants supporting all 101 Towns Fund submissions), Rose Regeneration, the Board Chair and supporting officers. The purpose of this session was to review the process to date and give some insight of what was progressing well and what needed further development.
 47. The feedback from this session was largely positive with particular praise for the level of community engagement achieved and the aspiration to an inclusive city through the vision and objectives. The feedback did highlight several points that would need more consideration including that the TIP would need to stand out from the other 100 submissions, that the TIP would need to explore matched and aligned funding, and that the TIP should seek to address project risk as far as possible at this strategic level prior to detailed Business Case development.
 48. A further Check and Challenge session was held on the 12th January 2021 again with the Towns Hub. They commented that *"significant progress has been made on the development of the documentation and projects against the Government criteria and guidance for the Towns Fund, with no major challenges or gaps identified. We noted that the level of engagement and robustness of the project gathering and selection process were particularly strong. We have suggested some refinement of structure and detail..."*. This feedback should give cabinet confidence that whilst the TIP is currently at draft stage and more work is required prior to submission, the document drafting is progressing well and there are no major obstacles identified.

Project Selection Process

49. Projects included within the TIP have undergone a rigorous assessment process led by Rose Regeneration and overseen by a working group of the Hereford Towns Fund Board. The steps in the process were as follows:

Step 1 Initial call for project ideas promoted via Rose Regeneration engagements, sector workshops, media and social media campaign, public survey.

- Step 2 Projects responding to the call for project ideas completed a template capturing the basic project details – scope, financial ask, partners, timescales, outputs etc.
- Step 3 Using the government’s project prioritisation tool the 28 returned project templates were “scored” against a set of local and national criteria by Rose Regeneration and a technical sub group of the Hereford Towns Fund Board. This resulted in a “moderated” score for each application and an outline priority ranking which was recommended to the Hereford Towns Fund Board.
- Step 4 The full Hereford Towns Fund Board met to discuss the recommendations of the Technical Sub Group and agree which projects should be taken forward to a long list stage. This resulted in 19 projects from the original 28 being invited to the next, long list, stage.
- Step 5 The 19 long listed projects completed the government supplied TIP2 proforma which requests an additional level of project detail principally around the conformity with the government specified outcomes and outputs, alignment with the local and national criteria, and the overall strategic direction of the TIP document.
- Step 6 Using the government project prioritisation tool the returned TIP2 templates were “scored” by the Technical Sub Group with input from the full Hereford Towns Fund Board against the same set of local and national criteria as in step three.
- Step 7 The results of the Technical Sub Group scoring were presented to the full Hereford Towns Fund Board for discussion and approval. This resulted in a “Core List” of 11 projects which are included within the final TIP submission.
50. To support the development of projects within the final submission, project technical advice was commissioned by the Hereford Towns Fund Board to provide a range of supporting evidence such as architects plans and drawings, risk assessments, cost analysis, viability and dependency analysis. This work has strengthened the project submissions and been undertaken alongside the project proposers and their own knowledge of the project submissions.
51. To provide additional assurance on this selection process and the suitability of the projects, the council commissioned, in line with the council’s Contract Procedure Rules, Independent Technical Advisor support to review and add value to the process. The consultants conducting this review produced a report for the S151 officer, the recommendations and findings of which were shared with the Hereford Towns Fund Board for consideration in the final project selection. The addition project development work identified in para 50 above will support projects to address the findings of the Independent Technical Advisor report.

Selected projects

52. Following the process described above 11 projects were selected by the Board for inclusion within the final TIP submission. These projects are:

| PROJECTS AND PROPOSER | DESCRIPTION | TOWNS FUND ASK | TOTAL PROJECT VALUE |
|-----------------------|-------------|----------------|---------------------|
|-----------------------|-------------|----------------|---------------------|

Further information on the subject of this report is available from
Nick Webster, Tel: 01432 260601, email: nwebster@herefordshire.gov.uk

| | | | |
|--|---|----------------|-----------------|
| Hereford Museum - Herefordshire Council | The project will establish a new, modern visitor attraction at the heart of the city centre. It will build on Herefordshire's significant cultural heritage, supporting the growth of the cultural sector and also boosting the visitor economy in the city. This will be achieved by transforming the existing Museum, Library and Art Gallery, maintaining the existing Victorian Gothic facade of the building while delivering a modern museum experience | £ 5,000,000 | £ 10,000,000 |
| Soil from the City – Pedicargo | Soil from the City is an ambitious and achievable project, planning to divert commercial and municipal food waste from landfill and turn it into a resource to benefit the city. | £ 1,000,000 | £ 1,500,000 |
| Powerhouse Cultural Space – Powerhouse | The redeveloped space will stimulate creative, heritage and visitor economies, and connect community through live experiences and cultural programming, contributing to a renewed and reshaped city centre in a way that drives footfall and economic growth, through tourism and community engagement. | £ 300,000 | £ 300,000 |
| Skills Foundry – consortium bid led by NMITE | The Hereford Skills Foundry is a collaboration between Belmont Wanderers CIC, Growing Local CIC, Rural Media, Hereford College of Arts and NMITE, who share a common vision to improve the future health, wellbeing and employment skill set of the people of Hereford. | £ 7,820,000 | £ 9,845,000 |
| Maylord Orchards Redevelopment – Herefordshire Council | Repurposed mixed-use development, learning resource centre, community re-use café | £ 3,000,000 | £ 3,000,000 |
| Holmer Extreme Sports Hub – Halo Leisure and Hereford Skate Park | The project will include a new traffic free cycle track and expand the existing skate park facility which will create a both an active area for local residents but also a destination facility for wider visitors as a destination venue. | £ 1,150,000 | £ 1,959,000 |
| Encore Music and Skills Hub – Encore | The community of Hereford needs a music hub - where anyone and everyone can meet, enjoy a drink, and participate in musical activities whilst learning new skills. Other towns and cities have a music hub – why not Hereford? A Music and Skills Hub will consolidate, extensively develop and bring community provision to the heart of Hereford (Maylords) | £ 200,000 | £ 300,000 |
| Castle Green Pavilion – Friends of Castle Green | Providing café facilities, a multifunctional and flexible community meeting space, a gallery celebrating local arts and heritage and a revitalised home for the Youth Canoe Club. The once-forgotten Pavilion will become a new and much needed thriving and sustainable community hub | £ 1,560,000 | £ 1,560,000 |
| Greening the City and Enhancing the Visitor Economy – | The project will significantly improve the appearance and attractiveness of the city through the commencement of a range of interrelated greening, public realm, and cycling/ walking and digital | £ 1,500,000 | £ 1,500,000 |

| | | | |
|---|---|-----------------|-----------------|
| Herefordshire Council | connectivity projects significantly enhancing Hereford as a place to visit, learn, live, work and invest. | | |
| River Wye Infrastructure – consortium bid led by Left Bank and Rugby Club | Lighting and power points for this pathway and improved lighting alongside Bishops Meadow and King George’s playing fields with power points to be used for community events, pop up cafes and markets. Accent lighting on beauty spots (trees etc) both northside and southside of the river and up lighting for old bridge A ramp leading onto great western way for connect the south and northside pathways for cyclists and the disabled | £ 1,500,000 | £ 1,610,000 |
| Electric buses – Hereford City Council | An electric bus service connecting transport hubs to retail centres, tourist attractions and health facilities. Service can be embedded in a wider campaign to encourage sustainable travel to and within the city. Service to have a bespoke identity from information at the bus stop, driver training and care of passengers which will become the hallmark of the city, operating at high frequency every day. | £ 1,800,000 | £ 1,800,000 |
| Meadow Arts | A new gateway programme of contemporary public art commissions to animate the site of Station Approach’s Hereford College of Art’s students’ accommodation building. This bold new project will act as a vibrant statement of intent, signaling the city’s commitment to creativity and innovation. Significant commissioned artworks from high calibre artists will be generated, produced and installed on and around the building, potentially reaching into the town itself. This original approach to public art will contribute to Hereford’s identity as a cultural destination. | £ 90,000 | £ 160,000 |
| Total | | £ 24,920,000 | £ 33,534,000 |

53. Of the above eleven selected projects, three are Herefordshire Council led initiatives. In addition to completing the government proformas, the council led projects have completed outline business cases and Equality Impact Assessments.

Accountable Body Status

54. The government’s Towns Fund guidance states that “*All Town Deals will need to have an Accountable Body which will be a council through which funding will flow. The Lead Council for the Town Deal (the Unitary Authority, Metropolitan Council, District Council or Borough Council for the town) will determine the appropriate Council to act as the Accountable Body (the Lead Council may take on this role or nominate an upper tier Authority where more suitable).*”

55. The government guidance explains further that: “*Lead Councils (the Unitary Authority, District Council or Borough Council for the town) should, by default, act as are the Accountable Body through which funding will flow. Lead councils have a seat on the board and take responsibility for ensuring that decisions are made by the board in accordance with good governance.*”
56. The council is the unitary authority for Herefordshire, therefore the council is automatically considered to be the Lead Council for the Town Deal and as there is no upper tier authority in Herefordshire the council is similarly expected, by default as explained in the guidance above, to act as the accountable body.
57. If the council does not agree that it is the accountable body for the Town Deal, it is considered likely that the Hereford Towns Fund Board would seek to negotiate with government an acceptable alternative public body. It is considered that this option would have significant local and national reputational impact.
58. Should the Hereford Town Deal Board and council be offered Heads of Terms by government, the council as the accountable body would be expected to ensure effective delivery of the Town Deal funding offer which could be up to £25m.
59. The risk to the council of being the accountable body for any Town Deal can be broadly quantified at this stage and potential risk mitigation measures identified. As the Town Deal progresses there will be greater clarity over the risk exposure and mitigation as the exact offer from government and allocation to specific projects will be contained in the Heads of Terms offer.
60. The published government guidance does not contain significant detail over the specific role or responsibilities of being an accountable body. However guidance issued on 16 December 2020 does state that “The accountable body (as identified in the Town Investment Plan) will be accountable for implementing the Town Deal.”
61. The guidance goes on to say “Once the funds are allocated to a specific purpose, following the local or central approval of a five-case business case, it is the responsibility of the accountable body to spend these funds for the purpose they were given.”
62. Whilst there are no details beyond these statements it is probable that the council as accountable body will be responsible for the overall financial management, monitoring and risk associated with the delivery of the Town Deal.
63. The government guidance issued in December 2020 states that accountable bodies should have “*clear agreements*” with other delivery bodies for the allocation of any Towns Fund monies with all grant payments from the Towns fund being made to the accountable body.
64. Additionally the December 2020 guidance states that during Stage Two (Business Case development) of the Towns Fund process “*Business cases should be developed to meet the assurance requirements of the accountable body.*”
65. It should also be recognised that the council is currently the lead delivery body for projects included within the TIP with a total funding ask of £9.5m. This reduces the exposure to projects delivered by external partners to a maximum of £15.42m with the potential for this to be reduced depending on the scale of the financial offer from government.

66. The council as accountable body will be able to ensure that projects have a robust business case that meets its own assurance requirements and has the ability to put in place agreements with delivery partners that transfer delivery and financial risk to them.
67. This is a practice that government and local delivery partners have used in other circumstances, a local example being the role Shropshire Council plays as accountable body for the Marches Local Enterprise Partnership where Shropshire Council has legal agreements in place with local delivery partners, such as the council, for the funding of Growth Deal and other regeneration funding routed through the LEP.
68. For the above reasons the report recommends that the council agrees to act as the Accountable Body for any agreed Hereford Town Deal.

Community impact

69. The TIP has been developed by the Hereford Towns Fund Board. The Board membership follows the published government guidance and is a cross sector public / private partnership. In developing the TIP and determining project submissions, the Board have been guided by the local evidence base, published strategy documents, and community engagement. This has included evidence and priorities from outside of the council's County Plan 2020-2024.
70. It is considered however that securing up to £24,920,000 through the Town Investment Plan will have a significant positive impact on the ability to deliver on the ambitions contained within the County Plan 2020 - 2024. Projects contained within the Town Investment Plan will contribute to both the Environment and Economy ambitions within the County Plan. Specifically the TIP submission includes projects that will meet the following success measures:
71. Environment:
- Increase flood resilience and reduce levels of phosphate pollution in the county's rivers
 - Reduce the council's carbon emissions
 - Work in partnership with others to reduce county carbon emissions
 - Improve the air quality within Herefordshire
 - Improve residents' access to green space in Herefordshire
 - Improve energy efficiency of homes and build standards for new housing
72. Economy:
- Increase the average workplace earnings in Herefordshire
 - Grow jobs and keep unemployment rates low in all areas of the county
 - Improve educational attainment and widen further and higher education opportunities
 - Increase the number of short distance trips being done by sustainable modes of travel – walking, cycling, public transport
 - Increase local wealth creation (measured by the Gross Values Added per head of population).
73. At the full business case stage of securing a Town Deal officers will work with projects to understand the potential contribution projects can make to enhancing social value for

example working with people not in employment, education or training (NEETS) or those with disabilities, addressing health inequalities, or those that are digitally excluded.

Environmental Impact

74. The council provides and purchases a wide range of services for the people of Herefordshire. Together with partner organisations in the private, public and voluntary sectors we share a strong commitment to improving our environmental sustainability, achieving carbon neutrality and to protect and enhance Herefordshire's outstanding natural environment.
75. The government guidance on the programme states "All interventions should be designed to help generate local economic growth whilst taking into account the principle of clean growth". During the project selection process detailed above, one of the seven locally selected criteria is "Contributes towards making Hereford zero-carbon and nature-rich". Projects have been assessed and scored against this criteria and whilst the scores will differ from one project to another depending on their scope, they have all received a score of 3 (satisfactory evidence of meeting the criteria) or more.
76. Similarly the vision for the TIP states: *"Hereford aspires to be one of the greenest & fairest city in the country, with fantastic opportunities and quality of life for people of all ages. Deeply rooted in our unique rural heritage, we're blossoming into a richly creative, digital, connected & highly-skilled place to live, work, study and visit."*
77. During the later stages of the Towns Fund process and the development of Business Cases the full extent of the environmental impact will become more defined and projects will seek to minimise any adverse environmental impact and will actively pursue opportunities to improve and enhance environmental performance.

Equality duty

78. Under section 149 of the Equality Act 2010, the 'general duty' on public authorities is set out as follows:

A public authority must, in the exercise of its functions, have due regard to the need to -
 - (a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;
 - (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
 - (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
79. The public sector equality duty (specific duty) requires us to consider how we can positively contribute to the advancement of equality and good relations, and demonstrate that we are paying 'due regard' in our decision making in the design of policies and in the delivery of services. During the Business Case development phase of securing a Town Deal all the project promoters will be made aware of their contractual requirements in regards to equality legislation.

80. The Heads of Terms document for Hereford will incorporate a statement of commitment to the Public Sector Equality Duty, and proportionate consideration of equality issues will be given to all projects supported by the Town Deal Fund.
81. All of the council led projects have completed an Equality Impact Assessment and confirmed that, as a minimum, there is no detrimental impact on any of the protected characteristics.

Resource implications

82. The TIP submission stage of the Town Deal process sets out Hereford's response to government's offer to participate in the programme and bid for up to £25m. TIP's are an unusual process being both a strategy document and a bidding document. Previous government economic development initiatives have largely requested that councils, Local Enterprise Partnerships, and others set out a strategy to regenerate an area and, once approved, invite bids for funding towards projects that deliver the strategy. The Marches Local Enterprise Partnership Strategic Economic Plan and Growth Deal process is a good example of this two-stage approach.
83. The TIP provides strategy and projects in one submission document and projects included within the TIP will be considered by government against how well they contribute towards the TIP delivery. The guidance for the Towns Fund clearly sets out the two stages of the process; 1 – the initial bid submission, the TIP; and 2 – the development of full business cases and negotiation of a Town Deal.
84. At the TIP stage of the process there are no specific financial obligations or commitments, however there is an expectation that projects submitted will be taken forward to the business case stage if the government agrees to their inclusion in the Heads of Terms offer.
85. Government has allocated, and the council has received, £162,000 of revenue "capacity funding" to support the TIP production and the development of business cases post Heads of Terms. The Hereford Towns Fund Board have used funding from within the £162,000 capacity funding provided by government, to support the development and submission of the TIP. Council officer resource has been met from within existing revenue budgets and is quantified at an estimated contribution of between £40,000 and £45,000.
86. The table below demonstrates where the Hereford Towns Fund Board have determined this capacity funding should be allocated.

| Revenue cost of project | 2019/20 | 2020/21 | 2021/22 | Future Years | Total |
|--|---------|---------|---------|--------------|--------|
| | £000 | £ | £000 | £000 | £ |
| <i>Town Investment Plan drafting</i> | | 86,100 | | | 86,100 |
| <i>Project development support</i> | | 19,756 | | | 19,756 |
| <i>Communications and social media</i> | | 2,700 | | | 2,700 |

| | | | | | |
|--|--|----------------|---------------|--|----------------|
| <i>Graphic Design and Town Investment Plan document presentation</i> | | 12,000 | | | 12,000 |
| Business Case development | | | 41,444 | | 41,444 |
| TOTAL | | 120,556 | 41,444 | | 162,000 |

| Funding streams (indicate whether base budget / external / grant / capital borrowing) | 2019/20 | 2020/21 | 2021/22 | Future Years | Total |
|--|----------------|----------------|----------------|---------------------|--------------|
| | £000 | £000 | £000 | £000 | £000 |
| <i>Towns Fund Capacity Funding (grant)</i> | | 120,556 | 41,444 | | 162 |
| TOTAL | | 120,556 | 41,444 | | 162 |

87. Business Cases have been completed for the council projects included within the TIP.
88. At the Heads of Terms stage the council, Hereford Towns Fund Board, and government will agree the scale of the financial offer to Hereford, and the projects that will be invited to progress to the Business Case stage. This decision demonstrates the robust nature of the project selection process and the work that is being undertaken to ensure project submissions can provide a level of assurance to government. If the council agree to become, on agreement of recommendation (b) the accountable body for the Town Deal, the council will be expected to be a signatory to the Heads of Terms document. It is expected that a further decision will be required at this stage to agree to sign the Heads of Terms.

Legal implications

89. The council has been granted £162,000 by Ministry of Housing, Communities & Local Government (MHCLG) under s31 of the Local Government Act 2003 in support of the development of the Town Investment Plan. Legal Services have not been provided with any documentation associated with this grant and it appears that MHCLG has not associated any criteria with these monies save that it must be spent in the development of the Town Investment Plan. There do not appear to be any rights of clawback associated with these monies.
90. The council has a general power of competence under s1 of the Localism Act 2011 which allows the council to do anything an individual can do, this would include accepting grant monies and spending those monies.
91. The council is expected to act as the accountable body for the Town Deal Funds awarded to the projects identified on the Town Improvement Plan. The allocated monies and any conditions associated with it will be set out in the Heads of Terms that will be offered to the Hereford Town Deal Board and the council by MHCLG after consideration of the submitted Town Investment Plan.

92. Town Fund guidance suggests that as the accountable body the council will be responsible for ensuring the delivery of the Town Fund identified projects and also ensuring that all associated business cases are developed in accordance with the council's assurance requirements. The guidance suggests that this could require sign off of the business cases by the s151 Officer and the Cabinet. As accountable body the council will be responsible for ensuring that the allocated funds are used for the purposes for which they were allocated.
93. There does not appear to be any formal legal status given to the council being the accountable body for the Town Deal Fund. However, the council's general duties relating to the use of public money and expenditure would apply.
94. Although there is a clear expectation that the council will fulfil the role of accountable body for the Town Deal, the council does not have a duty to enter into these arrangements but it has the power to do so under Section 1 of the Localism Act 2011 which confers upon the council a power to do anything that individuals generally may do (the general power of competence).

Risk management

95.

| Risk / opportunity | Mitigation |
|---|--|
| Opportunity to secure up to £25m through the Towns Fund process. | Submission of the TIP by the 29 January 2021 is a requirement of the bidding process set out by government. Acceptance of the TIP by government will lead to negotiations over the Heads of Terms for projects and the scale of the funding award. |
| Reputation risk if the council does not agree to be the accountable body. | The council have been engaged with the Towns Fund process for a number of months and have played an active role on the Hereford Towns Fund Board. It is considered that there is no other local authority in Herefordshire who could act as accountable body for the Hereford Town Deal. |
| The TIP is of insufficient quality to secure government funding through the Towns Fund process. | Consultants have been engaged who have been involved in five previous TIPs and bring considerable experience in drafting regeneration strategies. The Hereford Towns Fund Board have overseen all elements of the drafting process. Two challenge sessions have been held with the Towns Hub (government consultants supporting the Town Deal process) and the recommendations / feedback has been incorporated within the final TIP submission. |

Consultees

96. A small number of comments were received from Members during the Member consultation. There have been positive comments received regarding the difference the projects will make to the city.
97. A detailed response was received from one Member that gave detailed feedback on each of the submitted projects. This response is principally an appraisal of the project proposals sharing the Members opinions of each project. This represents a view independent of the Hereford Towns Fund Board and the project selection process. Where appropriate these views will be shared with projects for consideration in any business case development at the later phase of the Towns Fund development.

Appendices

Appendix 1 – Membership of the Hereford Towns Fund Board

Appendix 2 – Draft Hereford Town Investment Plan

Appendix 3 - Ministry of Housing, Communities and Local Government Towns Fund Guidance.

Appendix 4 – Ministry of Housing, Communities and Local Government TIP template guidance.

Background papers

None Identified

| | | Required Representation | | | | | | | Optional Representation | | | | | | | | | | | | | | | |
|----------------|---|-------------------------|-----|-----|----------------|-----|-----|----------|-------------------------|---------------|-----------------------|------------|--------|---------|-----------|-----|-----------|----------|-------|----------|---------|------|--------|---|
| Member | Organisation | HC | HCC | MP | Large Business | SME | LEP | Investor | Food & Drink | Manufacturing | Professional Services | Low Carbon | Retail | Tourism | Community | BID | Education | Cultural | Other | Under 35 | Over 35 | Male | Female | |
| | | Yes | | | | | | | | | | | | | | | | | | | Yes | | Yes | |
| Kath Hey | Hereford City Council | | Yes | | | | | | | | | | | | | | | | | | Yes | | Yes | |
| Jesse Norman | MP | | | Yes | | | | | | | | | | | | | | | | | Yes | Yes | | |
| Alan Anderson | British Land - Old Market Hereford | | | | Yes | | | Yes | | | Yes | | Yes | | | Yes | | | | | Yes | Yes | | |
| Julian Vaughan | Green Dragon | | | | | Yes | | | Yes | | | | | | | | | | | | Yes | Yes | | |
| Will Vaughan | Pedicargo | | | | | Yes | | | | | | Yes | | | | | | | | Yes | | Yes | | |
| Lauren Rogers | Rural Media Company | | | | | Yes | | | | | | | | | | | | Yes | | | | Yes | | |
| Frank Myers | Marches LEP | | | | | | Yes | | | | | | | Yes | | | | | | | Yes | Yes | | |
| David Langley | NMIITE | | | | | | | | | | | | | | | | Yes | | | | Yes | Yes | | |
| Elsie Cummings | Youth Sector | | | | | | | | | | | | | | | | | | | Yes | | | Yes | |
| Laura Hughes | Signs and Labels | | | | | Yes | | | | Yes | | | | | | | | | | | | | Yes | |
| Ruth Parry | Simple Design Works | | | | | Yes | | | | Yes | Yes | | | | | | | | | | Yes | | Yes | |
| Judith Faux | Herefordshire Voluntary Organisations Support Service | | | | | | | | | | | | | | Yes | | | | | | Yes | | Yes | |
| Paul Stephens | Hereford BID | | | | | | | | | | | | | | | Yes | | | | | Yes | Yes | | |
| Ian Christie | Welsh Water | | | | Yes | | | | | | | | | | | | | | Yes | | Yes | Yes | | |
| Total | | 1 | 1 | 1 | 2 | 5 | 1 | 1 | 1 | 2 | 2 | 2 | 1 | 1 | 1 | 1 | 2 | 1 | 1 | 1 | 2 | 10 | 8 | 7 |

Hereford Town Investment Plan



HEREFORD

— A greener, fairer city —



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OUR VISION FOR HEREFORD

Hereford aspires to be one of the greenest & fairest cities in the country, with fantastic opportunities and quality of life for people of all ages. Deeply rooted in our unique rural heritage, we're blossoming into a richly creative, digital, connected & highly-skilled place to live, work, study and visit.



Section 1: Context Analysis

Our contextual analysis is rooted firmly in an extensive and deliberately planned dialogue with the people of Hereford which occurred over several months and was heavily refined to ensure we were able to overcome the challenges of the Covid pandemic, principally through significant deployment of virtual and “e-enabled” activities.

LOCATION AND PROFILE

Hereford is a modest city with a unique history and a large reach. It is the sub-regional driver for 192,000 people^[1]. The city itself is situated at the geographic heart of the county and has a population of 55,800^[2]. Its population profile follows that of England very closely, with 62%^[3] of residents of working age. A map of the Towns Fund Boundary for the city is set out below:



Hereford makes up approaching a quarter of the population of the county and accounts for a significant proportion of its productivity. Overall, the county's GVA is low at £20,738 per head compared to the England average of £28,096^[4]. This is the most significant levelling up challenge it faces. This issue is underlain with challenging performance in relation to low wages and low skills. Hereford is 5% points behind the national average in terms of people skilled to NVQ level 4 and above.

Hereford's strongest asset is its heritage and wider cultural creative offer, with 316 listed buildings, 12% of the City given over to green space. It has a fabulous river corridor and a globally significant collection of treasures including its Cathedral, Mappa Mundi and the recently discovered Herefordshire Hoard.

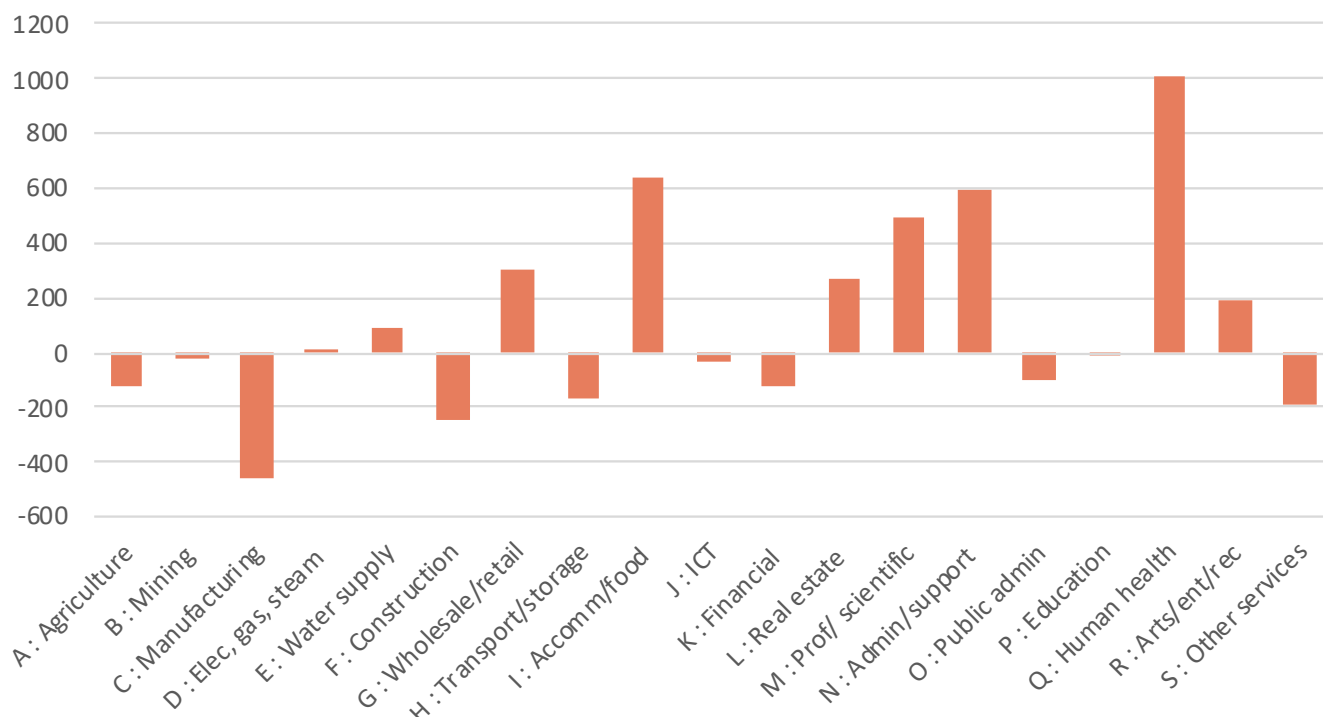
Hereford is also home to a nationally-renowned independent College of Arts, to a large and important Further Education provider, Herefordshire and Ludlow College, and to the Royal National College for the Blind.

Overall, Hereford's stock of jobs grew by 6.3% between 2015 and 2019, 1.3% higher than the national average and a considerably stronger performance than the three largest towns in the county, Leominster, Ledbury and Ross on Wye, all of which experienced modest job losses during this period^[5].

The sectors with the city's highest location quotients are: manufacturing, water supply, sewerage and waste management, wholesale and retail, accommodation and food service activities, real estate and health and social work. Key employers include^[6]:

- Food and drink: the city and its wider catchment are home to major brands such as Avara, Bulmers, Chase Distillery, Tyrrells, Weston's Cider, Ornuia Ingredients and Wye Valley Brewery.
- Advanced manufacturing and engineering: with firms such as ATN Europe, KGD and Wiggin Special Metals, Haygrove Group and S&A Group. Skylon Park in Hereford is part of the cyber valley of Gloucestershire and Worcestershire, the UK's largest cyber cluster outside London. It is also the location of the Marches Growth Hub. Cyber companies located in Hereford include ETL Systems along with Serbus, Simtech-IT, Xreach and Zovolt who are based within the broader hinterland of the city.
- Defence: three Special Forces regiments based in Hereford, with strengths in covert reconnaissance, counterterrorism, direct action, and hostage rescue.
- Construction: with companies including Kingspan, Rehau, Taylor Lane Timber Frame, and Central Roofing and Building Services.
- Retail: M and M Direct and Hoople

Sectoral growth and decline between 2015 and 2019 ^[7] is set out in the chart below:



Manufacturing, construction and other service jobs have experienced the most significant adjustment due to macroeconomic change during the 2015-19 period with retail, accommodation and food services (a proxy for tourism in part) holding up particularly well against national norms.

Central to the drive to increase Hereford's productivity has been the development of Skylon Park, the city's enterprise zone in its southern suburb of Rotherwas. This employment area is a key node in the Marches LEP's Cyber Resilience Alliance. Formed in 2017, the Alliance includes LEPs covering Gloucestershire (GFirst) and Wiltshire (SWLEP). The Science and Innovation Audit (2018) identifies the area as the largest cluster of cyber security activity outside London. Building on this success, the Alliance LEPs are aiming to double the number of people employed in the sector from 5,000 in 2018 to 10,000 in 2028.

In the Marches, the Sector Skills Deep Dive for Cyber Security and Resilience (July 2020) found that the sector currently equates to £667 million, with 4.1% of the region's total jobs (or 11,800 jobs).

The potential for growth in this sector (e.g. direct jobs, wider investment in products and processes across all industries, acting as a regional testbed) is recognised as a catalyst to improve the region's GVA per capita and to narrow its productivity gap over the next ten years.

Alongside Skylon Park, the development of NMITE – the New Model Institute for Technology and Engineering is welcoming its first intake of students in 2021 and plans to add 5,000 new engineers to the market by xxx. NMITE is an internationally significant and nationally unique institution which was enabled by a DfE start-up grant of £23 million in 2018 and which has been conceived to create a national pipeline of engineering graduates with a very high level of applied skills.

The latest claimant count data shows that in November 2020 there were 4,675 people in Herefordshire (aged 16+) claiming out-of-work benefits, an increase of 90 claimants from the previous month. The claimant count is currently 122% higher than in March 2020. In England as a whole, it is 111% higher than in March.^[8]

Applying national projections for the number of employees by sector on furlough based on the tables below:

ESTIMATED PERCENTAGE OF SECTOR WORKFORCE FURLOUGHED UK^[9]

| Sector | % on furlough |
|---|---------------|
| Manufacturing | 31.1% |
| Construction | 46.2% |
| Wholesale and Retail Trade | 21.5% |
| Accommodation and Food Service Activities | 73.3% |
| Transportation and Storage | 32.0% |
| Information and Communication | 13.0% |
| Professional, Scientific and Technical Activities | 13.2% |
| Administrative and Support Service Activities | 31.3% |
| Education | 6.8% |
| Human Health and Social Work Activities | 8.5% |
| Arts, Entertainment and Recreation | 69.9% |
| All Industries | 28.4% |

This indicates 9,323 staff currently on furlough in Hereford at a rate of 28%, broadly on a par with the national average.

Notwithstanding the longstanding and current challenges facing our city, we see real opportunities to build on its potential, identified and developed through an extensive programme of engagement with stakeholders in its future. This consultation process, undertaken during the pandemic through predominantly online meetings with more than 500 individuals and an online survey which reached 8,500 people, has driven the development of a vision of Hereford as a pioneering rural city empowered by a new model of inclusive and sustainable growth which embraces the structural challenges to the high street accelerated by Covid.

Having identified this highly inclusive vision as our lodestar, we have harnessed the potential power

of the Towns Fund in a plan which underpins our achievements, addresses market failure and applies long-term investment to build an ambitious and prosperous future for all communities in our city.

Our vision has also evolved naturally through consideration of those investment initiatives which align most closely with the sectoral and enterprise priorities of the Marches LEP's Strategic Economic Plan. We believe that the interventions in our Town Investment Plan will address the urgent need to create the education and higher value job opportunities which will attract and retain younger generations of residents, boosting the appeal of our city as a great place to live, to work, to study, to invest and to visit.

KEY ASSETS AND STRENGTHS

Our investment plan will build on Hereford's key assets and develop their potential to drive a step change in the economic performance of the city, with a twin emphasis on skills and place shaping.

KEY ASSETS:

Global and national heritage assets – a world class Cathedral and three “treasures” of international significance – the 1217 Magna Carta, the Mappa Mundi and the Herefordshire Hoard. Royal charters dating back to King Richard I, the Friars Street Collections of historical objects and antiquities dating back to the Ice Age and 361 listed buildings.^[10]

Resilient city centre – significant potential to repurpose the city centre with Herefordshire Council as a major landlord of key assets such as Maylord Shopping Centre and the Museum. In October 2020, Zzoomm announced that it will be providing a new full fibre network to cover the entire city, commencing in early 2021.

A “signature” river corridor – significant economic development potential providing opportunities around enhanced leisure and green transport options. More widely the City hinterland has growing access to developing landscape, food and drink and leisure assets which are being opened up as part of the contemporary recognition of the importance of the environment.

Emerging vibrant cultural economy – with key initiatives such as the Powerhouse performance group, Encore music hub and a growing cluster of maker and creative businesses.

A creative social economy – well-established organisations linked to inclusive development, including Rural Media (digital and broadcast provider) and Pedicargo (recycling and delivery business). Hereford and the surrounding area enjoy high levels of volunteering, self-help and participation in community activities. Leadership is provided by Herefordshire Voluntary Organisations Support Service (HVOSS).

7,000 full and part time post 16 students (14% of the population) and four centres of learning, two of which, the College of Arts and NMITE, have a nationally distinctive profile. There is also a recognition of the importance of ensuring young people feel they have a stake in the future of the City and our work with the Holmer Road Cycle Track and Skate Park reflect this in the development of this plan.

Platform for economic development via Skylon Park (Rotherwas) – Centre for Marches LEP Cyber Resilience Alliance activity and focus of major recent LEP investment – including considerable new business space in the Shell Store.

Significant defence cluster – three Special Forces regiments based in Hereford, with significant high technology capability.

A dynamic food and drink sector – home to Avara, Heineken and Weston's Cider. Bulmers, Chase Distillery and Tyrrells are all within the wider Hereford catchment. A recent survey by Legges of Bromyard identified that there are more than 120 independent food and drink producers in the county and an emerging food quarter in Hereford.

Increasing significance of health and care as a growing employer – spearheaded by the Wye Valley NHS Trust, the core impetus for One Herefordshire, which joined the Government's One Public Estate (OPE) programme in April 2017.

Evidence of Need, Challenges and Opportunities

1. ENTERPRISE AND INNOVATION

Hereford is the economic prop which sustains much of the economic dynamism of the county and is home to its core services. The economic success of our city is therefore critical to the wider sustainability of the county as a whole. It represents approaching 30% of the population of the county and its stock of jobs is 44% of the county total^[11]. 24% of Hereford's jobs are in knowledge intensive sectors, on a par with the England average of 25%^[12]. The city has a job density of 91% compared to the England average of 86%^[13]. The somewhat dated origin and destination data from the 2011 census show the long-term relationship between the city and the core towns which it sustains (acknowledging at the same time, that this picture needs to be understood in terms of wider out-commuting which reveals its influence in terms of comparative wage rates as set out in the section below):

COMMUTING 2011 CENSUS

| Currently residing in | Place of Work | | | | | | Total |
|-----------------------|---------------|----------|---------|----------|---------|-------------|--------|
| | Leominster | Bromyard | Kington | Hereford | Ledbury | Ross-on-Wye | |
| Leominster | 2,033 | 120 | 41 | 640 | 50 | 16 | 2,900 |
| Bromyard | 191 | 987 | 5 | 417 | 44 | 10 | 1,654 |
| Kington | 60 | 14 | 395 | 160 | 17 | 9 | 655 |
| Hereford | 543 | 212 | 38 | 18,425 | 299 | 302 | 19,819 |
| Ledbury | 54 | 23 | 4 | 360 | 1,597 | 41 | 2,079 |
| Ross-on-Wye | 20 | 17 | 7 | 443 | 60 | 1,818 | 2,365 |
| Total | 2,901 | 1,373 | 490 | 20,445 | 2,067 | 2,196 | 29,472 |

Whilst the city performs well in the context of its local geography, the wider statistics demonstrate the challenges it faces in terms of enterprise and innovation. Notwithstanding the key role played by the city, wages at place of work across Herefordshire as a whole, are £490 per week compared to an English average of £589. At place of residence, they are £533. This demonstrates that earnings in Herefordshire are almost £100 per week lower than the national average and that Herefordshire residents as a whole earn wages which are over £50 lower per week than the national average^[14]. The clear inference from these statistics is that those in the county earning higher wages out-commute in some considerable numbers to achieve them. This is further borne out by the fact that the GVA per head in Herefordshire is 27% lower than the national average^[15]. Other contributory factors are the relatively high proportion of workers involved in low paying jobs in agriculture.

CHALLENGES:

Availability of skilled workers – 35.8% of Herefordshire's population is qualified at NVQ4 and above, compared to a GB average of 40.3%^[16].

Underperformance of the tourism sector - our visitor economy was worth an estimated £10 million in 2018 vs e.g. Worcester £170 million, Lincoln £210 million and Chester £700 million^[17].

Location and access – Hereford is relatively isolated. It has poor rail and road links to major economic centres, which limit the scale of its markets and access to a wider workforce. New thinking is essential to overcome these challenges, addressing the development of local assets including land, capital and people (neo-endogenous growth). The impact of the pandemic has been a positive disrupter in this context creating opportunities to repurpose the City Centre and move to a more sustainable e-enabled means of generating higher value employment.

Support for innovation and development – The lack of a dedicated Higher Education presence in Hereford (until the creation of NMITE) has led to the need for external agencies to lead the R&D process in relation to the development of businesses in the city. There have nonetheless been some notable innovative achievements which need to be built on, the foremost of which is the Midlands Centre for Cyber Security developed at Skylon Park by the University of Wolverhampton.

Physical connectivity - The need to link the less prosperous south of the city more with the north; the need for congestion reduction (hence electric buses); the need for improved active travel infrastructure; the need to help the city transition from a single-driver-car mode to a different default as part of addressing the climate crisis.

OPPORTUNITIES:

Wider Impact – As already indicated, the development of Hereford will support the wider sustainability of the county, particularly (based on evidence of commuting flows) the five other towns of recognisable scale in the county.

Sectoral Growth – there are clear opportunities to expand a number of key sectors, including tourism, food and drink and the environmental and social economy sectors which sustain Hereford's unique character. We have recognised the current challenge associated with the climate and ecological crisis and see this plan as a key element of our approach to addressing this.

Digital Connectivity – the proposed rollout of superfast broadband network to the whole of the city. Zzoomm is committing private investment to create a full fibre network which will e-enable the city and its business growth potential more widely.

2. PEOPLE

Hereford has a higher proportion of part-time jobs (42.6%) than the national average (32%)^[18]. Whilst relatively resilient in comparison to some other areas in terms of Covid impacts, it has a projected 9,300 workers on furlough. The city also has 15% fewer workers qualified to NVQ level 4 and above than the national average^[19]. At a county level, wages earned in Hereford make up 44% of all incomes, with the county average salary almost exactly £100 per week lower than the national average^[20].

Hereford scores lower than the England median in relation to income, education and living environment domains within the English Indices of Deprivation 2019^[21]. Herefordshire is a cold spot for social mobility: it is one of the worst 20% of local authorities in England in terms of school achievement for disadvantaged children who go on to get a good job and secure housing^[22].

CHALLENGES:

Skills and training – The low level of skills (as evidenced by the Annual Population Survey and the English Indices of Deprivation) represent perhaps the biggest challenge to the economic development of our city. Until recently, the lack of a comprehensive Higher Education offer has been a key challenge in terms of meeting the needs of employers. Our Skills Foundry proposals with portals in the City Centre and South Wye, recognise that the City needs an inclusive approach to learning engaging people at all levels.

Employment and wages – the ratio between part and full time jobs needs to be carefully addressed to ensure people are able to fulfil their full potential in the labour market, if this is done well it will increase productivity by ensuring we provide everyone with the opportunity to work in a way (in terms of hours worked) that maximises their economic potential. The Government's "Good Work Plan" is very important in this context: <https://www.gov.uk/government/publications/good-work-plan>. Wage levels need to increase to fuel the sustainable local economic development of the city and wider area.

Social Mobility and deprivation – it is clear that the area to the south of the River Wye has the poorest outcomes in terms of deprivation and social mobility. This area of Hereford must be a key focus of long-term strategic thinking and intervention.

OPPORTUNITIES:

Skills Development – the operational inception of NMITE and the regionally distinctive offer of the College of Arts (which has an objective to double its HE numbers) both provide real potential to develop a distinctive workforce. Work is currently underway to develop a skills board in Herefordshire and we have engaged with this initiative to ensure all learning providers have the potential to contribute to our skills agenda.

Quality of Place – post-Covid shifts in commuting patterns present an opportunity to attract skilled talent to Hereford on the basis of its natural attractiveness and its relative affordability in terms of living costs. Hereford is also an attractive location to highly skilled people seeking to find a more rural milieu as a response to the urban threats linked to Covid.

Partnership Working – there is a track record of collaboration between public and voluntary sector organisations through initiatives such as Building Better Opportunities Herefordshire, one of two such projects in the Marches LEP area, whereby nine partner organisations are working together to help those aged 19+ furthest away from employment to gain the skills and experience they need to get into work. Other programmes include In2 and No Wrong Door which focus on different age groups.

Social Economy – the city's relatively strong social economy provides a series of very useful access points to promote entry to the workforce and career development in terms of social mobility. This is particularly important in addressing the challenges of those furthest from the labour market.

3. PLACE

Hereford has a distinctive retail profile, an under-developed river corridor at the heart of the city and nationally and internationally significant heritage potential linked to its medieval importance as a key settlement in the Welsh Marches.

British Land's landmark investment in the Old Market in 2014 transformed a moribund and obstructive section of the city into a vibrant 21st century retail and leisure complex. Herefordshire Council's recent acquisition of the core Maylord shopping centre has created opportunities to repurpose the heart of the city centre, with the entry of a landlord who is prepared to take a long-term strategic view based on social as well as narrow commercial returns.

Overall, the number of jobs in wholesale and retail in the city rose by over 300 between 2015 and 2019.

One twelfth of the city area^[23] is given over to green space and it has 361 listed buildings^[24] and a world class heritage offer.

Key development opportunities proliferate on the rim of Hereford's city centre including the old cinema complex on Commercial Road, the Station Approach area, the Hereford Football Club facilities around Edgar Street and along the north bank of the River Wye, where a number of local sporting clubs have aspirations to use their sites to open up access to the river.

There is still space for consolidation at Skylon Park where the establishment of a food and drink research facility has been identified as the next stage in the development of the enterprise offer. Skylon Park is already host to a number of value-adding activities including the development of the NMITE Campus, the new Shell Store business workspace and the cyber security cluster.

There have been significant LEP focused investments in Hereford including £3m to the Hereford City Centre Improvements project, £1m for an integrated wetlands project to reduce phosphates in the river Lugg to lift the current planning moratorium, and £1.6m to accelerate the NMITE Skylon Campus developments.

Our portfolio of complementary projects align with the LEP's key priorities and will support the LEP area's recovery from Covid.

Projects being funded by Herefordshire Council in Hereford include £5.5 million of city centre improvements (e.g. the refurbishment of the historic core of Hereford through investment in the streetscape with high quality materials and consistent soft and hard landscaping). This project builds on temporary measures for walking and cycling implemented during Covid, with the aim of increasing footfall and the economic potential of businesses, improving active travel opportunities and air quality and promoting private investment in property in order to create a modern city centre environment.

CHALLENGES:

Unrealised tourism potential – Hereford is a nationally important heritage centre, with assets that have significantly underperformed their potential as tourist attractions for decades. In particular, our current museum and art gallery, along with aspects of the Cathedral visitor offer, are in urgent need of contemporary refreshment and updating.

Covid – following national norm projections, projected furlough levels equate to 21.5% of wholesale and retail jobs, 73% of accommodation and food jobs and 70% of arts, entertainment and recreation jobs. This level of disruption has strengthened the major long term structural challenge to the viability of our city centre.

Dislocation between north and south of the city – notwithstanding its own economic potential, the River Wye acts as an economic barrier between the north and the south of the city, with the south manifesting significant differential deprivation compared to the north. This also represents a challenge in terms of connecting the “out of town” economic growth potential of Skylon Park to the south of the city and the city centre.

Diversification – there is a need to enable and support a greater mix of uses within the city centre in response to long-term changing trends and evidence of demand.

Inhibiting road Infrastructure – the road layout of the city centre, particularly the A49 and A439 and only one viable river crossing, effectively split the city into different, relatively disconnected segments which inhibit synergy and complementary development within its built core. They also introduce significant city centre pollution^[25].

OPPORTUNITIES:

Globally and nationally significant heritage – Scope to build a powerful heritage and visitor offer linked to the very high number of treasures and listed buildings in the city centre. There is real local enthusiasm to build on this as a driving force, exemplified by observations from Kath Hey, the current Mayor of Hereford:

“Since the emergence of our fantastic local, artisan food/drink scene and the development of a new ‘Visit Herefordshire’ website and social media campaign, we are beginning to see a real change in fortunes with regard to tourism. We now need to build on this success with further funding from many sources.”

The River Wye – opportunities to improve access to the river for tourists and wider recreational activities, increasing the value of riverside properties and enhancing the scale of leisure activities in the city.

City centre redevelopment – the cluster of assets at the heart of the city (Maylord, Cathedral Close etc) currently controlled by the City Council, Herefordshire Council and the Hereford Diocese represents significant collaborative potential to repurpose the city centre as a platform for festivals and events, linking to the legacy of the Three Choirs Festival, the calendar of nearly fifty annual festivals in the county and the proximity of the Hay Literary and Abergavenny and Ludlow food festivals. At a wider perimeter level, the One Public Estate initiative led by Wye Valley NHS Trust is a potential catalyst for development in the Commercial Road/Station Road area, building on Marches LEP investment in the City Link Road/ Station Approach which opened in 2017. Other bright points in the future evolution of the City include plans by Herefordshire Council to build 2,500 zero carbon homes in the next decade and the significant recent investment in student accommodation through the Station Approach development.

Alternative transport options – new proposed greenways for both cyclists and pedestrians provide scope to overcome the stifling impact of the current road networks on the functionality of the city centre. There are also proposals for a transport hub at the train station (moving the bus station to outside the train station). This would improve connectivity and open up the current country bus station site for redevelopment. Plans also include the improvement to Commercial Road, improving the public realm and narrowing the road for enhanced pedestrian usage.

4. TRANSPORT AND CONNECTIVITY

The evidence base for the development of the Hereford Transport Strategy Review describes how people respond in a wide variety of ways to investment in and changes to the transport network. These include changing mode, travelling more or less, travelling to different destinations and moving house, all of which are difficult to predict with confidence.

On the one hand, studies have found that improvements to the public realm (such as improved paving and landscaping) can boost local trading by up to 40%. Schemes which increase levels of physical activity, such as additional walking and cycling, have been found to generate 'very high' value for money when assessed against HM Treasury criteria. On the other hand, engagement with Herefordshire businesses has highlighted how traffic delays lose them time delivering products and costs them money, including late delivery penalties, which puts them at a competitive disadvantage.

Translating this analysis to deliverable policy proposals, the local authority has proposed a range of sustainable approaches to the long-term future of transport in Hereford. These involve reducing the impact of the private motor car by promoting walking, cycling, electric buses and public spaces and moving away from the provision of a western bypass for the city.

Alongside this package of physical investments, there are also private sector led plans to provide super-fast fibre broadband across the whole city. Herefordshire Council is also proposing to initiate a focused local area broadband network (LoRaWAN) which will enable the rollout of key services on an e-basis, with scope to enhance dedicated connectivity between the city and wider county using this network.

CHALLENGES:

Reducing severance and rebalancing movement towards sustainable travel - the need to reprioritise key city centre routes in favour of pedestrian movements to enhance connectivity between the city centre, historic core, South Wye and Skylon Park, which will also improve air quality.

Supporting regeneration – enhancing the environment and open spaces in key areas to improve quality of life, unlock sites and enable development.

OPPORTUNITIES:

Transport Strategy and Traffic Management – investments in sustainable, low carbon transport, enhancing the effectiveness of the key public transport nodes such as the Station Approach, promoting the development of new walking and cycling options in the City Centre, reducing the impact of pollution and increasing the economic connectivity of key sites in the City.

5. CLEAN GROWTH

The Towns Board is committed to clean growth which is core to our vision and the first criterion we used when assessing project proposals; our TIP demonstrates our commitment to helping Hereford make the transition to carbon neutrality as soon as possible (2030 is our aspiration) and this is reflected in several dimensions of our TIP including building standards for construction projects; emphasis on quality of life; connectivity through public transport; and the food waste recycling project. We see green growth as being about more than 'building windmills' – it includes e.g. developing the skills base to retrofit leaky homes, developing the domestic visitor economy, and developing our digital economy.

This commitment is reflected in the approach of Herefordshire Council. In September 2019, elected members agreed to accelerate the reduction of emissions and to aspire to become carbon neutral by 2030-2031. The County Plan signals how the Council will identify climate change action in all areas of its operations. The Carbon Management Plan 2020/2021-2025/2026, for example, highlights an LED street lighting project (which would lead to a 78% reduction in street lighting emissions in 2018/2019 from baseline year), efficient design and retro-fits, improved operations, renewable energy supply, hybrid and electric cars, asset rationalisation, behaviour changes, LED office & car park lighting and 100% renewably sourced energy and energy management improvements.

In July 2020, the 99% Organisation and the RSA launched Herefordshire 2030, a new initiative designed to create a blueprint for how Herefordshire can become a greener, fairer and more prosperous county by 2030.

CHALLENGES:

Net zero innovation - there is a pressing need to trial, test and develop potential solutions to achieve this target as an integral part of the delivery of the Towns Fund in Hereford.

Delivering Clean Growth – We have recognised the imperative to embed the principles of clean growth across our portfolio of investment projects and to utilise the skills and expertise of our Climate Commission professionals in order to meet the clean growth aspirations for the city.

OPPORTUNITIES:

Scale & form - Hereford's compact form in terms of its retail and heritage core make it an ideal location for sustainable growth to serve an expanding population. More creative thinking is needed to ensure a cohesive set of connections with the development opportunities in the most challenged economic area of the city, south of the River Wye.

Social economy – we have identified a number of highly innovative proposals linked to the social economy of the city. They include a retail waste recycling project and the provision of electric vehicles alongside the development of new greenways. All these concepts are driven by local action and local civic bodies.

Digital and fibre opportunities – the proposals to increase the scale of fibre and digital connections, driven in part by Covid, provide scope to reduce the use of the internal combustion engine and to enhance the e-enabled reach and economic development potential of the city. This will involve working with projects described later in this plan, led by organisations such as the Hereford Green Network, the Hereford College of Arts and the two local authorities which cover the city.

Transport strategy – Herefordshire Council's refined Transport Strategy provides a major impetus to reduce pollution and to increase the sustainable connectivity of the city and is a significant enabler of the clean growth components of our Town Investment Plan.

Climate for Investment

Our proposals build on Hereford's successful track record of attracting public and private sector investment and delivering highly ambitious multi-million pound projects on time and on budget. Our investment landscape in the last decade has been dominated by a number of transformational capital projects, all of which have achieved or are fast approaching sustainable forward velocity.

1. British Land's £90 million landmark investment in the Old Market retail and leisure complex was the first significant retail development in Hereford in 25 years and has enabled Hereford to recapture regional retail market share for the first time in decades [source: British Land]. It opened in 2014 with 32 tenants and annual footfall expectations of 3.5 million visitors; in the ensuing five years, footfall consistently exceeded 5 million.
2. Skylon Park in Hereford is the designated enterprise zone of the Marches LEP. Since breaking ground in Autumn 2013 as one of 48 Government-designated national enterprise zones, Skylon has emerged as a world-class business cluster with unique defence and security capabilities, building on Hereford's association with UK special forces as the home of the SAS. In the ensuing seven years, it has attracted 38 new companies, creating more than 350 new jobs. Herefordshire Council committed £16 million of initial funding to develop the enterprise zone in 2013, establishing the required infrastructure and remediating the site. The Marches LEP have provided a further £5.4 million in 2020/21 to develop the North Magazine site, home to the Shell Store, Midlands Centre for Cyber Security and NMITE developments.
3. Arguably our most ambitious investment initiative is the disruptive new engineering university project which will open its doors to its first pioneer cohort of students in 2021. So far, NMITE has attracted £50 million of public and private sector funding support (£31 million cash and £19 million in-kind). NMITE will build on Hereford's well-established learning offer in the shape of the highly successful Hereford College of Art, Hereford and Ludlow Further Education College, Hereford Sixth Form College and Royal National College for the Blind.
4. One Herefordshire is a consortium of public sector organisations, comprising Herefordshire Council, Herefordshire Clinical Commissioning Group (CCG), Wye Valley NHS Trust, West Mercia Police and Hereford and Worcester Fire and Rescue Service. One Herefordshire joined the Government's One Public Estate (OPE) programme in April 2017. Between 2019 and 2022, the consortium will deliver three projects supported by Government. They are: (i) the urban village development - to undertake master planning and feasibility work to release land for key work housing; (ii) the refurbishment of Hereford Hospital's Lionel Green building, to enable the relocation of services and to release other premises for redevelopment; and (iii) to provide funding for a One Public Estate programme manager.
5. In addition to these stand-alone projects, there has been around £20 million of private sector entrepreneurial investment in the last five years, principally in the city's hospitality sector and aimed ultimately at establishing a world-wide brand identity for Herefordshire's independent food and drink producers.

With a competitive 21st century retail and leisure offer in place, a thriving manufacturing base, an emerging university set to cement the city's reputation as a national centre of learning, a commitment to rationalising and supporting public service provision and some exciting green shoot investments in hospitality, we have a strong track record of ambition, vision and delivery.

Our long-term aspiration for Hereford builds on a detailed analysis of the key strategic documents and frameworks which underpin the current levelling up ambitions of the city. These documents are summarised at Appendix 1.

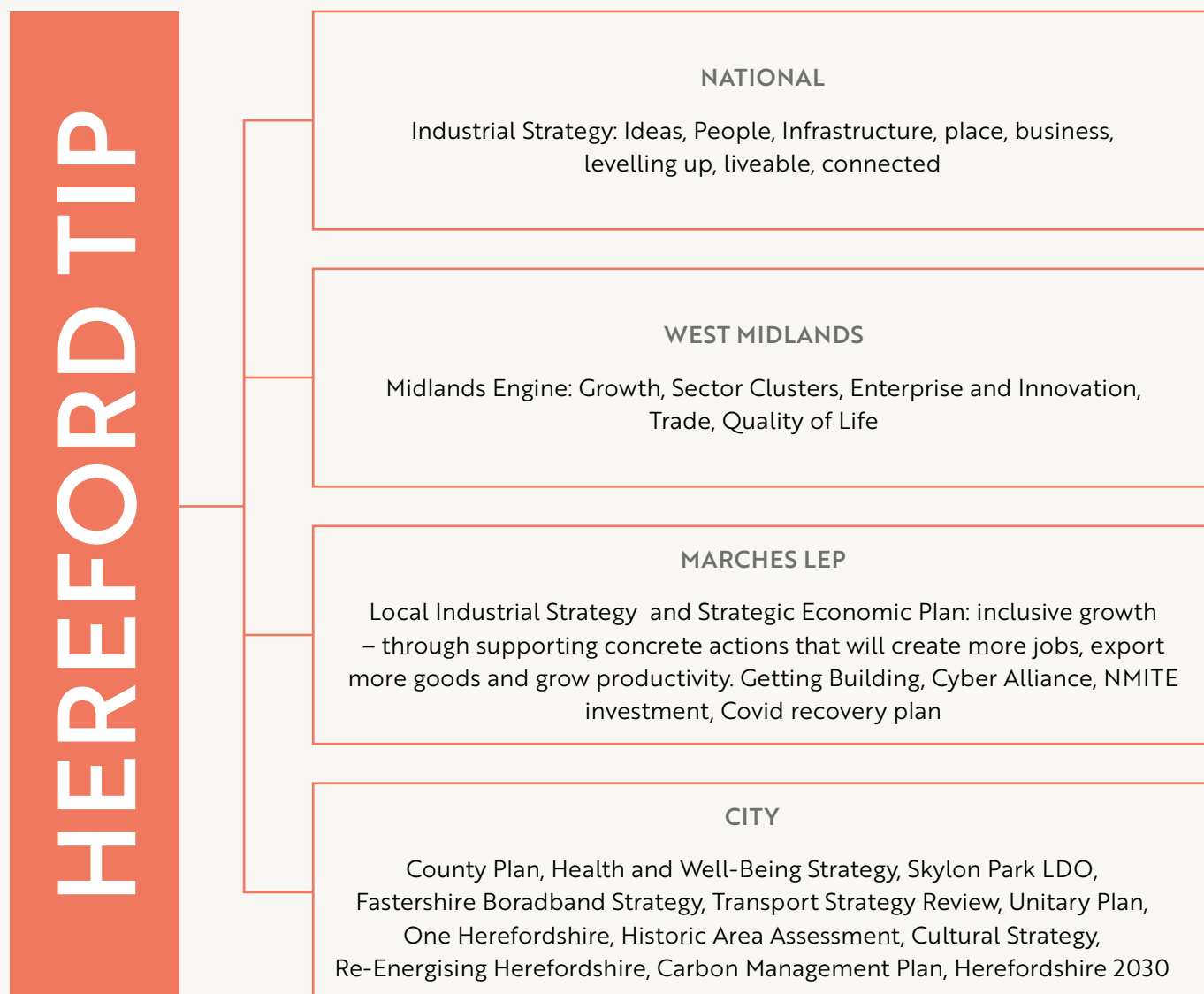
VISION

Hereford aspires to be one of the greenest & fairest cities in the country, with fantastic opportunities and quality of life for people of all ages. Deeply rooted in our unique rural heritage, we're blossoming into a richly creative, digital, connected & highly-skilled place to live, work, study, invest and visit.

- *Greenest: Hereford is a green and sustainable city, always working towards zero carbon as it grows.*
- *Fairest: Hereford is always levelling up with opportunities for all, fair wages, and social and economic regeneration that improves the lives of all residents.*
- *Creative: Hereford is a city where innovation and creativity always flourish across all sectors.*
- *Digital: Hereford is a digitally smart and ambitious city that always embraces emerging technologies.*
- *Connected: Hereford is an integrated city; our people, places and projects always connect to each other.*
- *Heritage: Hereford's individuality always shines through. With our rich history, unique landmarks and assets and our rural legacy, there is no other city in the country like Hereford.*
- *Highly skilled: Hereford is a city of learning and skills for all ages, a place where highly skilled people and businesses always thrive and come together to ensure that skills are shared.*

STRATEGIC CONTEXT

We have set out in the diagram below the core strategic context which underpins the framework for our proposals:



INVESTMENT PLAN FOCUS

We have committed very significant group time to identifying our priorities. This has involved a comprehensive consultation process, running in parallel with our desk research and dialogue with strategic agencies and stakeholders, complemented by a series of direct engagements with the private sector.

The outcome of this process of inclusive engagement is a vision which articulates five core long-term imperatives:

- Greenest
- Fairest
- Creative

- Digital
- Connected

This vision has informed the assembly of a portfolio of interwoven skills and heritage projects which we believe strongly will deliver the three core strategic objectives of the Towns Fund: urban regeneration, a stronger skills base and improved connectivity.

Finally, we have applied clean growth and Covid proofing lenses to our selected projects and to the overall portfolio to ensure that they will deliver a coherent and mutually reinforcing programme of long-term positive change.

We believe that this self-reinforcing model of development will transform the skills landscape in Hereford and attract new residents, businesses, students and visitors who will support the economy of the city and its existing communities, resonating powerfully with the broader levelling up mission at the heart of the Towns Fund. Our Investment Plan consciously rejects growth for its own sake and embraces an integrated model of contemporary place-making based specifically on the history, character, community, terroir, and ambitions of Hereford.

This approach has been inspired by and consciously aligned to the vision of NMITE, our transformational new university project, which seeks to break the mould of generic Higher Education.

A brief summary of the interwoven themes in our Investment Plan is set out below:

Greenest – There are clear and compelling post-Covid opportunities to repurpose our city centre as a sustainable living and working organism. This involves harnessing new modes of transport, shrinking distances and finding new ways of earning and learning through digital means and enhancing our local bio-diversity. This evolving dynamic has informed the development of a range of projects including the Greening the City project (our programme of new green spaces and routes), the highly innovative Soil from the City recycling initiative, the Lines Project community market garden and the provision of electric buses.

Fairest – As we move away from growth for its own sake, we believe that enlightened and inclusive economic development can be a tide which lifts all ships. We recognise the long-standing obstacles to social mobility in Hereford and the gaping disparities in opportunity and life chances between the north and south of our city. We believe that the most powerful antidote to these obstacles is the empowerment of all our people with the skills of the future. This has inspired the development of an inclusive new learning brand, the Skills Foundry, which will operate at many levels in key locations including Hereford's High Town, the Maylord Shopping Centre and the Lines Project in South Wye, in addition to spokes in Herefordshire's five market towns. The Skills Foundry will provide multiple

progressive access points designed to engage learners of all ages, with a particular emphasis on digital skills development supported by Hereford College of Arts, NMITE, Rural Media and businesses in the city and county. We are also committing to support Hereford's social economy and to making the city fairer through the Soil from the City, Powerhouse, Encore and Castle Green Pavilion refurbishment projects.

Creative – With the long tradition of its distinctive College of Arts, Hereford has a significant track record of creative achievement. A number of the Fairest categorised initiatives mentioned above have a creative component. We will complement them through physical investment in key portals to the Hereford story. These investments will include a new landmark Museum, a new Library and Digital Learning hub, repurposed performance and community space at Castle Green and the development of an art installation at the Station Approach, the main public transport node in the city. We will also support capital investments to enhance the operational capacity of two regionally significant creative initiatives: Powerhouse and the Encore Music Hub.

Digital – Significant private and public sector investment to provide superfast broadband to the city and to create a dedicated service network (LoRaWAN) has inspired us to add value through the development of a new Digital Media Centre and invest in enhanced opportunities for skills development and training in media at the Hereford College of Arts. Taken as a whole, this package of external investment and the allocation of Towns Fund resources will begin to realise the potential of Hereford as a creative and e-enabled city. A stronger digital voice will enable us to project Hereford as a thriving independent centre of enterprise, culture and learning and to overcome the relative economic remoteness of our city.

Connected – The Towns Fund emphasizes the economic importance of connectivity. We have built on the commitment to sustainable transport in the refined Herefordshire Transport Strategy with our Electric Buses initiative. We have also sought to free up the economic potential of the River Wye as a key connector linking the north and south of the city and underpinning a key component of its tourism offer through our River Wye Infrastructure proposals. In the context of our Greenest agenda, this investment also enhances the economic potential of one of the city's greatest natural assets. We have

interpreted improved connectivity as a means to draw the city into a more cohesive working whole across its diverse communities. The Lines Project is a key South Wye element of this strategy through its incorporation in the broader envelope of the Skills Foundry. Spatially, we have emphasized the inter-connection of all projects, creating a skills corridor running from the base of the College of Arts in the north of the city, via the art installation at Station Approach through the city centre to the Lines Project in South Wye and a sports corridor running from the north of the city through the Holmer Extreme Sports cluster to the city centre.

Post Covid Hereford - This ecosystem of inter-connected projects stakes out a transformational post-Covid future for our city. It repurposes the Maylord shopping centre at the heart of the city for a new library and learning centre, a new digital media hub, an enhanced creative and performance space linked to the Powerhouse and Encore initiatives which will attract footfall in its own right. NMITE's developing city presence will begin to repopulate High Town's empty retail units and complement its Rotherwas campus. The Electric Buses initiative, Lines Project Community Market Garden, Soil from the City and Greening the City projects will connect with our rural hinterland, knitting the city into a new model of economic sustainability. Enhanced River Wye infrastructure will provide a natural corridor opening up leisure opportunities in the city centre supported by the Castle Green project. A landmark investment in the Museum will create a step change in the potential of the city's visitor economy and will provide an impetus for enhanced collaboration with the Cathedral in terms of its assets and property holdings at the historic core of Hereford.

Clean Growth Hereford – Our Investment Plan has been conceived through the lens of the city's commitment to addressing the climate emergency. In addition to emphasizing the importance and potential of the natural assets of the city through our Greening and River Wye investments, our plans for Electric Buses and the highly innovative Soil from the City and Community Market Garden projects all create the structural framework for clean growth. Moving further up the technical and greening agenda, the NMITE clean growth agenda around Advanced Engineering and the development of our media related learning facilities linked to the College of Arts and Rural Media facility provide new sustainable routes to economic development,

supporting a future model for Hereford. Our city will realise its full potential by enhancing our natural assets and by empowering our core population, in turn supporting the wider communities within the county for which it acts as the hub.

A Few Words About Heritage – Hereford has punched well below its weight as a visitor destination for many years, a weakness which will come into sharper focus as NMITE opens its doors for business. As indicated in Section One above, Hereford's visitor economy was worth an estimated £10 million in 2018 vs e.g. Worcester £170 million, Lincoln £210 million and Chester £700 million. According to Visit Britain's website and to many participants in our stakeholder engagement programme, there is "nothing to do" in Hereford. Our strong conviction that Hereford's heritage offer and cultural ecology is a sleeping giant is a core element of our strategy to regenerate Hereford, informing our plans to develop a new landmark Museum and to develop ripple-out connections with the Cathedral and its treasures, with the River Wye, more widely with the built form of the city and its many listed buildings and with its unique history and independent food and drink culture. We believe that combined match-funded TIP and Council investment in the public realm and visitor economy of £35 million in the next five years will create a sustainable step change in the city's tourism sector. A stronger visitor economy means a stronger Hereford.

A Final Note About Other Projects – Our process of engagement initiated proposals for more than forty individual projects. Although we are only able to support a limited number of initiatives through the Towns Fund, we have uncovered a highly compelling pipeline of ideas for the longer-term development of the city through our stakeholder engagement programme.

Details of the most robust additional initiatives are set out as an Appendix to this report .

The Hereford Town Investment Plan – on one page – taking account of the above rationale, and aligning the projects with the three core themes of the Towns Fund is set out below:

HEREFORD STRONGER TOWNS BID PROJECT MAP

**FAIREST**

- 1. Extreme Sports
- 2. nMite
- 3. College of Arts
- 4. Maylords

**GREENEST**

- 5. Electric Buses
- 6. Greening the City
- 7. Soil in the City

**CREATIVE**

- 8. Museum
- 9. Powerhouse
- 10. Encore
- 11. Castle Green

**DIGITAL**

- 12. Digital Media

**CONNECTED**

- 13. River Wye infrastructure
- 14. Lines & Belmont Projects



| CONNECTIVITY | URBAN REGENERATION | SKILLS AND ENTERPRISE |
|--|--------------------------------|-----------------------|
| Electric Buses | Museum | NMITE |
| Soil from the City | Castle Green | Digital Media |
| Greening the City | River Wye Infrastructure | Powerhouse |
| River Wye Infrastructure | Station Approach (Meadow Arts) | Encore |
| Lines (Community Growing) and Belmont Projects | Maylord Centre | Maylord |
| | Greening the City | College of Art |
| | Extreme Sports | |

OUTCOMES AND TARGETS: THEORY OF CHANGE

Our actions, outcomes and targets are set out in the table below which forms a theory of change linking back to the vision, objectives and challenges:

| Key Issues | | Towns Fund Intervention Framework | Project | Output | Outcomes |
|---|---|--------------------------------------|--|--|--|
| Primary Focus: Fairest, Secondary Impact: Connected and Creative | | | | | |
| 1. | Low Skills | Skills Infrastructure | Skills Foundry | Skills Foundry - digital skills, increase in skills participation, repurposing of retail space, generation of enterprise. | 1. Increase in the number of qualifications delivered |
| 2. | Poor social mobility | | Inclusive Community Projects – the Lines Project, Extreme Sports Hub, Encore Music Hub and Powerhouse Creative Arts | Inclusive Community Projects- supported employment, learning and workspace | 2. Engagement of new non-traditional learners 3. Reduction in Economic Inactivity |
| Primary Focus: Greenest, Connected, Digital, Secondary Impact: Creative | | | | | |
| 1. | High Carbon Footprint | Urban Regeneration and Land use | Soil from the City, Holmer Road Extreme Sports, Castle Green, River Wye Infrastructure, Greening the City | Castle Green - new civic space, new tourism infrastructure. Holmer Road - sports related jobs, visitor infrastructure, civic space. Greening the City - enhanced public spaces, increase in community well-being and footfall. Soil from the City - Jobs, recycling, reduced carbon footprint. | 1. Increase in jobs |
| 2. | Climate Challenges to Infrastructure | | | | 2. Increase in GVA |
| 3. | Poor Road and Rail Infrastructure | Local Transport | Electric Buses, River Wye Infrastructure | Transport interchange, enhanced public spaces | 3. Reduced Distance from Markets |
| | | Remediation and Development of Sites | Maylord, Museum Building, Refurbished Pavilion, Greening the city, River Wye infrastructure | Mutually reinforcing linkages between key Town Fund projects – increasing accessibility to the Towns Centre and Tourism assets | 4. Increase in people visiting Hereford |
| | | Digital Technology | Creative Digital Hub | Skills development, Enterprise engagement | 5. Repurposing of Unused Buildings to Stimulate Town Centre Footfall |
| | | | | | 6. Enhanced Digital Media Capacity |
| Primary Focus: Creative, Secondary Impacts: Fairest, Connected | | | | | |
| 1. | Scope to Enhance Retail Engagement and Footfall | Heritage Assets | The Hereford/Marches Experience (Museum), River Wye Infrastructure | Museum - footfall, tourism jobs. River - footfall, tourism jobs, enhanced infrastructure. | 1. Increase in Jobs |
| 2. | Limited Utilisation of Heritage Assets “USP” | Commercial/Retail Repurposing | Maylord Centre – repurposed retail offer (library and learning facilities), Powerhouse Hereford, Encore Music Hub (Maylord), Station Approach Installation (Meadow Arts) | Host for element of the Skills Foundry, Library relocation, base for digital and creative activities linked to the fund, Powerhouse and Encore Music Hub - repurposing of retail space, visitor numbers, footfall, learning outcomes. | 2. Increase in GVA |
| 3. | Under performing Visitor Economy | | | | 3. Increase in Scale and Value of Tourism Sector |
| | | | | | 4. Creation of a Context Promoting Inclusion Through Heritage |
| | | | | | 5. Diversification and Repurposing of the Retail Offer |

Our actions, outcomes and targets are set out in the table below which forms a theory of change linking back to the vision, objectives and challenges:

| Issue | Current Situation | Action | Transformation Targets: 5, 10-15, 30 years |
|---|---|--|---|
| Skills | Hereford is in the lowest 40% of settlements within the English Indices of Deprivation in terms of its Education outcomes. | Increase the targeting of learning interventions at those areas of the community where the greatest gap exists between local and national levels of qualifications and skills. | <p>5 years Effective interventions close the skills gap between Hereford and the national average bringing the city into the 5th decile in terms of the IMD.</p> <p>10-15 years Hereford exceeds parity with England for the proportion of population with higher skills outcomes, and employers indicate limited skills shortages. Recognition as a national centre of learning around the digital economy, manufacturing economy, the learning economy and the heritage sector.</p> <p>30 years Creation of a nationally significant cluster of high value skilled workers particularly in relation to the manufacturing sector, and the heritage, culture and arts sector, which is a key driver of sustainable new businesses and jobs growth.</p> |
| Job Density: 1. High Carbon Footprint 2. Climate Challenges to Infrastructure 3. Poor Road and Rail Infrastructure | Hereford has good job density 91% compared to the Great Britain average of 86% this does reflect the relative isolation of the City as a jobs centre with a sparse Hinterland. The challenge is to attract higher paid jobs in view of the low in the county particularly at workplace. | Increase the number of jobs per head of population in Hereford to increase the range of skills and increase the scale of wages available in the City. | <p>5 years Through an increase in the range and quality of jobs in strategic sectors, particularly digital, manufacturing, learning and heritage Hereford increases its performance compared to the England average for the stock of jobs per head of population.</p> <p>10-15 years Through a continuing trend around the activities set out above Hereford has 10% more jobs per head of population than the national average.</p> <p>30 years Hereford builds on its sectoral strengths and supply chains, which enable it to outstrip the national number of jobs by over 10% on an on-going basis.</p> |
| Employment: social mobility | Hereford is just behind the national average in the 4th decile in terms of the English indices of deprivation and has scope for improvement. This is accounted for mainly by neighbourhoods to the south of the Wye with a third of the population of the city living in neighbourhoods in the bottom 2 deciles of the IMD. | Increase the number and range of job opportunities in Hereford. There needs to be a specific focus on those who are most excluded within the local labour market. | <p>5 years Hereford has employment outcomes, on a par with the national average, with the reduction delivered through very clearly focused targeted interventions in key neighbourhoods of deprivation in the south of the City. These interventions are particularly targeted on giving young people a stake in the community through work.</p> <p>10 – 15 years Hereford has a diverse range of sustainable employment opportunities, with no neighbourhood hotspots of unemployment and disadvantage. This enables it to have an unemployment level, which is 10% less severe than the national average.</p> <p>30 years Hereford has levels of employment, without an overheating jobs market, which are considerably better than the national average and are statistically counted as representing zero unemployment and which sustain the skills needs of its key sectors particularly: manufacturing, heritage and learning.</p> |

| Issue | Current Situation | Action | Transformation Targets: 5, 10-15, 30 years |
|---|---|---|--|
| <p>Wages:</p> <ol style="list-style-type: none"> 1. Social mobility 2. Skills | <p>Herefordshire, for which Hereford is the key economic driver has a weekly salary at workplace of £490 compared to the English average of £589. Its weekly average salary for residents is £533. In both regards it is significantly lower than the national average and the difference between workplace and residence based salaries indicates that a proportion of higher earning individuals travel outside of the area to generate their incomes. Hereford is the key driver for the economy of the county. The industrial structural information below shows that the above wages lag is not accounted for by the number of high quality jobs (expressed as KIBS) in Hereford. It is clear however if Hereford can increase its share of KIBS jobs it will help the whole county perform more effectively and raise levels of prosperity.</p> | <p>Increase the number of better paid jobs in Hereford particularly in KIBS sectors.</p> | <p>5 years An increase in the skills base and range of job opportunities enables Hereford to approach parity with the average wage at a national level.</p> <p>10-15 years Hereford is in the top 50 % of settlements in terms of the Indices of Deprivation income measure. It has a weekly wage based on the growth of high value components of its industrial base, which is on a par with the national average.</p> <p>30 years Hereford is in the top 33% of settlements in terms of the Indices of Deprivation income measure. It has a self – sustaining number of economic sectors operating at an international level, which provide it with the ability to achieve wage levels, which are better than the national average.</p> |
| <p>Industrial Structure:</p> <ol style="list-style-type: none"> 1. Scope to Enhance Retail Engagement and Footfall 2. Limited Utilisation of Heritage Assets “USP” 3. Under performing Visitor Economy | <p>Hereford is on a par with the national average when it comes to workers involved in Knowledge Intensive Businesses (KIBS) – 24% in Hereford compared to 25% in the England average.</p> | <p>Increase the number of people working in KIBS and maximise the range and quality of jobs in the High Street and Heritage sectors and the number of digital and learning sector jobs.</p> | <p>5 years An increase in the stock of Knowledge Intensive Businesses, increasing local productivity and driving up the number of KIBS to at least parity between Hereford and the national average.</p> <p>10-15 years Hereford exceeds parity with the national average in terms of Knowledge Intensive Business jobs, with distinctive strengths in manufacturing, heritage, and retail.</p> <p>30 years Hereford has a more diverse economic base whilst having maximised the number of Knowledge Intensive Businesses in its area through activities, which draw strength from the business opportunities arising from its character as a heritage, learning and retail centre. It will be in the top 33% of places in England in terms of the number of jobs provided by KIBS related businesses.</p> |
| <p>Underperforming Visitor Economy</p> | <p>Hereford currently significantly underperforms in terms of realising the economic potential of its world class heritage offer. As indicated in section one above Hereford's visitor economy was worth an estimated £10 million in 2018 vs Worcester £170 million, Lincoln £210 million and Chester £700 million.</p> | <p>Realise the full heritage potential of the City leading to a step change in visitor numbers.</p> | <p>5 years Hereford closes the gap in tourism performance with Worcester as a near neighbour with a visitor economy increase to £50 million p.a</p> <p>10 -15 years Hereford achieves parity with Worcester and becomes regionally significant as a visitor location with a visitor economy worth £200 million p.a.</p> <p>30 years Hereford is nationally recognised as a world class visitor attraction with a visitor economy worth £500 million p.a.</p> |

| Issue | Current Situation | Action | Transformation Targets: 5, 10-15, 30 years |
|--|--|---|---|
| Health Outcomes: Social mobility | Hereford is almost on a par with England in terms of its health outcomes in terms of the English Indices of Deprivation. | Reduce the number of people with poor health outcomes particularly in relation to sustaining levels of economic activity which are currently better than the national average 17.3% compared to 20.6% | <p>5 years Hereford is on a par with the national average in terms of health outcomes as measured by the English Indices of Deprivation. Through a series of targeted employment focused interventions, including self-employment options and through an increase in the range and diversity of local jobs levels of economic activity fall to comfortably below the national average.</p> <p>10 -15 years Hereford maintains levels of economic inactivity below the national average. It is perceived as a healthy town with a dynamic and adaptable workforce.</p> <p>30 years Hereford has better overall levels of health and well-being than similar towns in terms of size and functionality.</p> |
| Demography: 1. Social mobility 2. High Carbon Footprint 3. Climate Challenges to Infrastructure | Hereford has a moderately higher stock of over 65s 20% compared to the national average 18%. | Find new and innovative ways to make an ageing population a strength rather than a weakness. | <p>5 years A digital revolution gives more people a stake in staying in Hereford as a location of choice to work. The stock of jobs and businesses increases. This leads to the start of a new demographic balance with the working age population rising by 2%.</p> <p>10-15 years The creation of more net jobs increases the working population to 5% above the national average.</p> <p>30 years Hereford is a location of choice for economically active people seeking employment in key sectors for which it has an international reputation. With the growth of the digital sector as its key "enabler" It has a higher proportion of people in the 16-64 age range and lower levels of economic inactivity than the national average.</p> |

SPATIAL STRATEGY AND PROJECT PLAN

The Towns Fund will underpin the economic repurposing of Hereford as a green and fair city over the next 30 years.

Our investment programme includes a portfolio of projects which will deliver a contemporary Cathedral city repurposed through skills and heritage as key drivers. The spatial focus of the programme is the city centre. This is a highly accessible environment which operates as a hub not just within the Towns Fund boundary but more widely for Herefordshire as a whole. Concentration of our resources on assets in this area offers the best opportunity for clean, inclusive and sustainable growth. It will also provide a key catalyst to build the post-Covid functionality of the heart of the city.

Our thinking has aligned the list of projects with the key spatial documents underpinning the evolution of the city namely:

- Marches LEP Local Industrial Strategy and Strategic Economic Plan
- Herefordshire County Plan,
- Herefordshire Broadband Strategy,
- Transport Strategy Review,
- Unitary Plan,
- One Herefordshire,
- Historic Area Assessment,
- Cultural Strategy,
- Re-Energising Herefordshire,
- Carbon Management Plan,
- Herefordshire 2030

Outside of the city centre, we plan corridors of opportunity (linking further outlying projects on Holmer Road, Commercial Road and in South Wye) complemented by plans for new greenways for pedestrians and cyclists, further enhanced by a new city centre Electric Bus circuit. At the heart of the wider vision of connectivity is an objective to realise the full leisure and economic potential of the River Wye in the life of the city. Looking more widely still, we have a number of projects such as the new digital media centre which will harness the enhanced digital capacity being provided through the plans of the private sector and Herefordshire Council.

PROJECT PROFILES

Project profiles, concepts and illustrations are provided for each of the schemes within our Investment Plan alongside the following tables, arranged thematically to align with our local priorities and the Towns Fund Investment Framework. The projects address key policy areas for the economic development of Hereford and seek to drive the collective aspiration of the public, private and community sectors to drive sustainable growth and create a cleaner, more inclusive city. The rationale for investment is clearly articulated in each case, linking back to the need, opportunity and strategic fit. Full details of output, outcome and GVA calculations are included in Section 2.

Greenest: Soil from the City

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| Description | Soil from the City is an ambitious and achievable project, planning to divert commercial and municipal food waste from landfill and turn it into a resource to benefit the city. | |
| Rationale | <p>Emissions and Transport By using emission free modes of transport, reducing vehicles on the road and reducing emissions by recovering resources, Soil from the City will contribute directly to the national Government's 25 Year Environment Plan 'Clean air' target to reduce harmful emission by 2030.</p> <p>Green Recovery By developing a brown field site, generating jobs in the green sector and using zero emission transport, this project aligns with the Governments Ten Point Plan goals for green industrial growth following the Covid-19 pandemic.</p> <p>Food Waste Food waste is a valuable renewable resource which is largely lost to landfill or incineration generating avoidable green house gas emissions. With a Government national target for food waste to be collected separately by 2023, Soil from the City will directly align with the Environment Bill, Circular Economy Package, 25 Year Environment Plan and Ten Point Plan.</p> | |
| Funding | Total Cost: £1.5 m | Towns Fund: £1m |
| | Towns Funding will support | |

Greenest: Electric Buses

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| Description | <p>An electric bus service connecting transport hubs to retail centres, tourist attractions and health facilities. Service can be embedded in a wider campaign to encourage sustainable travel to and within the city.</p> <p>Proposed route includes Station Medical Centre, Railway Station and Student accommodation, County Hospital, Country Bus Station, St Peter's Square for Town Hall, Old Market, City Bus Station and Broad Street for Cathedral and Cultural Quarter.</p> <p>Service to have a bespoke identity from information at the bus stop, driver training and care of passengers which will become the hallmark of the city, operating at high frequency every day.</p> | |
| Rationale | | |
| Funding | Total Cost: £1.8 m | Towns Fund: £1.8m |
| | Towns Funding will support four electric or hydrogen buses including energy supply, Design and Marketing, Training, Bus stops and shelters, real time information | |

Greenest: Greening the City

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| Description | The project will significantly improve the appearance and attractiveness of the city through the commencement of a range of interrelated greening, public realm, and cycling/ walking and digital connectivity projects significantly enhancing Hereford as a place to visit, learn, live, work and invest. | |
| Rationale | The project seeks to improve perceptions of Hereford city for visitors and instill pride of place for residents, encourage more visits to the city centre by creating different ways of interacting with the city centre for residents and visitors. The actions to bring about this change include interventions such improved access to the city at key gateway locations, improved navigation and orientation within the town through digital signage and green focal points and improved public open spaces and greening of the city (creating a more pleasant, relaxing and clean environment for visitors to enjoy), resulting in higher footfall, longer dwell times, increased spend and economic uplift. | |
| Funding | Total Cost: £1.5 m | Towns Fund: £1.5m |

Fairest: Skills Foundry 1 NMITE Future of Work Skills Hub

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| Description | NMITE Future of Work Skills Hub will be located in a technology-rich, flexible site in High Town, and will support Hereford residents, from school leavers and NMITE learner to businesses and mid-career shifters. It will help individuals understand and identify career opportunities as well as offering flexible support to enable them to reach their growth potential. Young people transitioning into the labour market will be given help to secure high-quality, meaningful work placements, whilst employers will be empowered to develop structured, age-appropriate content with SMART learning objectives. | |
| Rationale | Even prior to Covid, Herefordshire was a cold spot in the social mobility index, with wages below the national average. With a weak economy and high competition for jobs (particularly in South Wye), young people are being disproportionately affected by the pandemic. Those entering the labour market for the first time will not have access to the same opportunities as before and those that were unemployed prior to Covid will be further disadvantaged having no work experience and for some, no qualifications or skills. The Government and DWP have defined young people as a key priority. | |
| Funding | Total Cost: £3.067m | Towns Fund: £2.331m |
| | <p>Phase 1: Developing a full economic and logistical business case is in development for the project, which would be managed by NMITE's proposed governance structure, including oversight by their Board of Trustees.</p> <p>Phase 2: Resourcing secure redundant buildings in High Town, consolidating support from other organisations, and identifying satellite locations in South Wye working closely with DM Labs and others.</p> <p>Phase 3: Refurbishment - begin improvement works. Finalise delivery plan. Start outreach programme.</p> <p>Phase 4: Delivery- recruit delivery staff as necessary, develop curriculum and portfolio of skills courses, advertise, outreach, run workshops, begin training sessions, and develop work experience.</p> <p>Phase 5: Impact measurement of outputs and outcomes. Feedback for continuous development.</p> | |

Fairest: Skills Foundry 2 A new School of Creative Digital Futures in Hereford College of Arts with a "spoke" in High Town

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|--------------------|--|--------------------|--------------------|
| Description | <p>This flagship, industry-standard, teaching base on HCA's College Road Campus will turbo charge the expansion of HCA's new School of Creative Digital Futures.</p> <p>The facility will host short and full-time courses from Level 1 to 7 (postgraduate), plus a range of weekend and summer schools to inspire, educate and incubate digital creativity and enterprise. Curriculum areas will include film, animation, interface design, games design, social media content and creative digital marketing, Adobe training, app design and build, website creation, motion graphics, projection mapping, virtual and augmented reality and areas of digital innovation that will have emerge between this bid and its realisation. Students will include FE (16+) and HE students as well all age 'short courses'.</p> <p>The project will refurbish c350 square metres of HCA's historic building addressing condition issues and redesign to modernise and reduce inefficiency. Capital investment will include hardware, software, upgraded campus connectivity, a new motion capture studio, and portable equipment such as free-range Virtual Reality equipment.</p> <p>There will be multiple connections between the partners within the Skills Foundry but in particular the School of Creative Digital Futures will have a fundamental collaborative partnership with the Foundry's new city-centre Digital Cultural Hub.</p> <p>HCA's students will curate digital content from animated film to interactive games in its open public galleries, inspire the next generation of digital makers with workshops and events in its public engagement spaces and graduate to establish businesses in its digital enterprise incubation network. The city's Digital Cultural Hub will give students a public showcase for creative content and business incubation for its graduates.</p> <p>The School of Creative Digital Futures and city-centre Digital Cultural Hub strengthen one of the city's main learning arteries. A physical trail of creative digital art will reinforce and embody this, a statement of Hereford's commitment to learning and innovation.</p> | | |
| Rationale | <p>The School of Creative Digital Futures offers a ladder of progression to young people and adult learners from a wide range of Herefordshire's schools, colleges and other training organisations as well as attracting FE and HE students into Herefordshire from outside the county. This creates a pipeline of new digital talent to benefit the city and region with digitally skilled employees, creative content producers and new digital enterprises.</p> <p>It further enhances the city's education development providing specialist, employability focused education for local students and extends the city's HE offer with all the social, cultural and economic benefits incoming HE students bring, supporting the further potentially powerful development of Hereford's identity as a city of learning and innovation as well as heritage and good living.</p> <p>It supports social mobility through education within a curriculum area known to be of interest to a very broad demographic of young people, with gaming in particular a route to engage some of those harder to reach students.</p> <p>The new centre will enhance HCA's current facilities for students and the location on campus will facilitate interdisciplinary working between many different programmes. In particular, it will enable the college to extend its creative digital curriculum further into games design.</p> <p>In the provisional projection of learners, we have only considered the new students to core FE and HE programmes over 3 years of funding and a cautious assessment of numbers engaged for short course and schools' summer schools supported by the facility (although the level of engagement in a one day or week long course is different and the learner number calculation can be further refined in a more detailed business case), but there will be benefits to a much larger group of students through interdisciplinary working on related programmes from Textile Design to Performing Arts.</p> <p>The facilities will support staff to develop their skills and business, many of whom are dual professionals, combining education with professional practice (for example in graphic design). The location of the facility on the College Road Campus will be close to the BBC's new HCA based collaboration office supporting the interconnection between education and the digital creative industries, creating a partnership and centre of expertise to raise.</p> <p>The investment will materially improve one of the city's landmark historic buildings but help it, like Hereford, bridge the gap between celebrating heritage and a future facing ambition.</p> <p>The interconnection of this formal learning facility with the city centre based Digital Cultural Hub with business incubation and support from other partners in the Foundry will help ensure graduates are supported to set up businesses in the city rather than move away.</p> <p>The Foundry collaboration will also support students to expand on the education outreach already delivered by the college through innovative interconnection of digital creativity with growing and sports skills to produce content.</p> | | |
| Funding | <table> <tr> <td>Total Cost: £0.85m</td><td>Towns Fund: £0.65m</td></tr> </table> | Total Cost: £0.85m | Towns Fund: £0.65m |
| Total Cost: £0.85m | Towns Fund: £0.65m | | |

Fairest: Maylord Shopping Centre Redevelopment and Learning Resource Centre

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|-------------|--|-----------------|
| Description | <p>Maylord Shopping Centre is a strategically significant site, with a footprint of 145,000 sq ft in the heart of Hereford's city centre. Herefordshire Council secured control of the site through a £4.0 million acquisition in June 2020 to enable its redevelopment to support the regeneration and the diversification of the city centre as a whole.</p> <p>The Council's intention is to create a vibrant and dynamic new mixed use/ purpose focal point, ensuring the city centre's long-term viability and maximising the social value benefits for local communities (such as establishing a Learning Resource centre).</p> <p>In summary the project will develop:</p> <ul style="list-style-type: none"> • Re-purposed mixed use development at the heart of the city centre, regenerating the city by diversifying reasons to visit and encouraging visitors to spend time and money in Hereford. • Learning Resource Centre - including a new public/ higher education library. The Learning Resource Centre located in a prominent city centre location will provide the whole community with a wide range of services to support the development of their skills, advice and support in seeking new career or personal development opportunities. We are also exploring opportunities for alignment of activity with the other related projects such as Skills Foundry and the Digital Cultural Hub, potentially creating a learning hub. • Community re-use Café - The not-for-profit community enterprise would generate an income to support the Learning Resource Centre and other social value activities. It would provide facilities for those that are visiting and studying in the Learning Resource Centre to be able to socialise. This could for example provide opportunities for young people (such as through the Kickstart scheme) and/or those with learning difficulties to gain work experience working in the café. | |
| Rationale | | |
| Funding | Total Cost: £3m | Towns Fund: £3m |

Fairest: Holmer Extreme Sports hub

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| Description | <p>To create and improve on the current outdoor facilities located just north of the city centre on Holmer Road. The project will include a new traffic free cycle track and expand the existing skate park facility which will create an active area for local residents but also a destination facility for wider visitors.</p> <p>At its heart, the Cycle Track will have a one kilometre tarmac cycle track that can be used by cyclists of any ability. The facility will also include preschool learning areas, more challenging skills areas and can be used for delivery of learn to ride schemes through to regional competitive events. The facility will be suitable for a range of wheeled sports and will be fully inclusive allowing access to all sections of the community including those with disabilities.</p> <p>The current Skate Park has been a huge success and is award winning across a number of different platforms. The Skate Park offers an activity for children and adults from a range of ages and continually attracts visitors from around the country. The facility is now approaching its tenth anniversary and requires additional upgrades and expansion to meet its full potential, to address growing community need and attract new users.</p> <p>Nearly all of the access to the facilities is free of charge and not subject to admission fees which allows it to be a very low cost option to access a family friendly activity which has significant benefits to both physical and mental health and wellbeing.</p> <p>The project will include a new community hub to offer support facilities such as catering and toilets to ensure that visitors and users receive a positive experience in return. The location of the project is within the current cycle network for the city and is part of the wider plans to extend the network across the north of the city.</p> <p>The facilities will develop a focus for a variety of wheeled sports in the county and therefore create economic benefits through employment opportunities and wheeled based businesses in the area.</p> | | |
| Rationale | <p>Since its launch in 2010, the Skate Park has gone from strength to strength and now attracts over 25,000 attendances each year. The park has won a variety of awards and is seen as a model of best practice in terms of management approach and community focus.</p> <p>The time is now right for the facility to develop further so that it can continue to deliver benefits to the wider community. The park is regularly at capacity and restrictions on access are in place to ensure a safe environment.</p> <p>In 2010, a study by the Sports Partnership Herefordshire and Worcestershire found that the future development of cycling in Herefordshire would be supported by the development of a Cycle Track.</p> <p>In order to fully test the idea, Hereford City Council commissioned an independent study (2016) to establish the level of need and the type of facility that could be sustained. The study included extensive consultation and discussions with key stakeholders and found that there is a need for safe access to cycling facilities for both current cyclists but more important new cyclists who require an area to develop basic cycling skills.</p> <p>Cycling is a low cost activity and can be accessed by the whole family including multi generations. The activity itself is low impact allowing a range of people with health conditions to access. The project will also include access to a range of accessibility bikes which have been adapted to suit the needs of disabled users. The 12 bikes are in some cases the only opportunity for some disabled users to take part in activity. Due to the nature of the cycle facility, it is fully inclusive in that there are not specific sessions for some parts of the community. Anyone can access at any time and take part together.</p> <p>The project aims are to:</p> <ul style="list-style-type: none"> - Drive usage of the facility by local schools through the facilitation of specific sessions. - Engage with local community groups included those specifically working with children - Clients from low socio economic backgrounds - People from minority ethnic backgrounds - Individuals with a disability - Work with local cycle clubs / groups to support growth in participation levels - Ensure there are pathways for cyclists to progress from recreational more advanced cycling. - Identify and form partnerships with potential partners around health and wellbeing - Develop through co-design a series of bespoke programmes with partners to ensure that each target group/ area has an intervention that meets the needs of local groups and people. - Deliver, co-ordinate or support the delivery of the interventions: led cycle rides, bicycle maintenance sessions, 1:1 training, confidence building sessions - Support any new, sustainable community cycling activities | | |
| Funding | <table border="1" data-bbox="323 1760 1117 1809"> <tr> <td>Total Cost: £1.959m</td><td>Towns Fund: £1.184m</td></tr> </table> <p>In 2017 the project was at a shovel ready stage with planning permission secured and detailed surveys etc. However, at that time the funding shortfall was significant and the project was unable to move forward. Although planning permission has now expired we have continued discussions with the local planning authority about the plans which are supported.</p> <p>The Skate Park development has also started early discussion around planning although no formal approach has been made.</p> <p>Both projects have a design and planning stage of around 16-20 weeks with an estimated construction phase of six to eight months dependent on contractor availability and time of year.</p> | Total Cost: £1.959m | Towns Fund: £1.184m |
| Total Cost: £1.959m | Towns Fund: £1.184m | | |

Creative: Regeneration of Castle Green Pavilion

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| Description | <p>Friends of Castle Green aims to transform the historic Pavilion building by respecting its Georgian heritage whilst creating a modern, accessible space and iconic riverside visitor attraction in the heart of Hereford. The refurbished Pavilion will provide café facilities, a multifunctional and flexible community meeting space, a gallery celebrating local arts and heritage and a revitalised home for the Youth Canoe Club. The once-forgotten building will become a thriving and sustainable community hub, a defining visitor attraction in the city and a source of pride for residents.</p> <p>The Castle Green Pavilion is a Grade II listed Georgian building on medieval foundations which suffered from unsympathetic renovations and neglect during the last century. This project aims to restore the historic Georgian pediment and façade, remove an inappropriate 20th century extension and replace it with a welcoming and inclusive space, making the most of its unique riverside location.</p> <p>Currently home to Hereford City's Youth Canoe Club and projects including Livewire Hereford, an inclusive music development programme for young people, the Pavilion has the potential to become the heart of creative and innovative youth development in the city. Easily accessible on foot, Castle Green is a short walk into the city centre and a stone's throw to the Victoria footbridge river crossing, which means it easily accessible to residents north and south of the river, and so perceived as a neutral space.</p> <p>Community-led exercise and cooking classes, speech and drama sessions, rehearsals, meetings, workshops and parties take place regularly at the building. The Pavilion is earmarked to become a Talk Community Hub, where residents can access information and activities to support their well-being and independence. The building is currently underused and not fulfilling its potential. The ultimate vision is for the Pavilion to be a vibrant, sustainable community asset, making the most of its riverside location to attract residents and visitors alike. Offering a new café featuring a creative and locally sourced menu, regularly hosting community events and enrichment courses, showcasing an interactive gallery about the historical significance of Castle Green, providing accessible community space in a warm, light-filled building overlooking the river.</p> | | |
| Rationale | <p>Developing the Pavilion brings a "whole day offer" to people visiting Hereford. We will add to commercial developments in the city by balancing the strong retail development on the north-west of the city with art and heritage offer on the south-east side- all in walking distance, giving visitors a chance to enjoy the essence of the city's rural/urban feel.</p> <p>This project will fill a gap in accessible community space provision, as well as having the very real potential to become a thriving community hub, one of the defining visitor attractions of the city, and a source of pride for residents.</p> <p>Castle Green is "the hidden jewel of Hereford". It has been an occupied site since before the city of Hereford was founded. There is no on-site information on the historical significance of Castle Green. Working with our local community, historical societies, artists, creatives, and technology providers, our goal is to uncover the hidden history behind (and underneath!) the ancient historical gem of Castle Green.</p> <p>There is also huge potential for Castle Green to become the Festival Village for Hereford. We have successfully managed large scale events with up to 3500 people on site. The Green is a natural amphitheatre and with the transformed Pavilion as the anchor point, Castle Green can become nationally recognised as a vibrant hub of culture, commerce, and community activity.</p> | | |
| Funding | <table border="1" data-bbox="323 1350 1471 1400"> <tr> <td>Total Cost: £1.56m</td><td>Towns Fund: £1.56m</td></tr> </table> <p>We will:</p> <ul style="list-style-type: none"> • Restore the historic Georgian pediment and façade whilst ensuring that the building is modern, visually pleasing, and porous, with maximum use of space available. • Provide a multifunctional, flexible, and accessible space for evolving community and commercial use (meetings, special events, training, and educational courses). • Improve access to the river and the Pavilion for people with disabilities by the installation of a lift enabling easy access to the riverbank for the first time in the building's history • Provide a complete adaptation of the Hereford Youth Canoe Centre to ensure that the whole facility can be housed on the lower ground floor which gives direct access to the River • Provide a restaurant/café with a terrace overlooking the river. Local independent restaurant entrepreneurs will be offered the opportunity to run the facility. • Install a renewable energy system. Using river source energy, the building will become a beacon of environmental sustainability | Total Cost: £1.56m | Towns Fund: £1.56m |
| Total Cost: £1.56m | Towns Fund: £1.56m | | |

Creative: Museum

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| Description | <p>The project will establish a new, modern visitor attraction at the heart of the city centre. It will build on Herefordshire's significant cultural heritage, supporting the growth of the cultural sector and also boosting the visitor economy in the city. This will be achieved by transforming the existing Museum, Library and Art Gallery, maintaining the existing Victorian Gothic facade of the building while delivering a modern museum experience. The project will showcase the county's extensive heritage collections and will have the potential to host new exhibitions of national significance such as the Herefordshire Hoard and the Magna Carta.</p> <p>The project will deliver a world-class museum, applying EnerPHit design standards where possible to minimise its carbon footprint. It will inspire, delight and innovate while attracting visitors and exhibitors from national and international audiences. The redevelopment will embrace the latest technologies such as virtual reality to enable the delivery of a new, high quality visitor experience. The project will facilitate cultural activity in the creative and educational sectors, attracting additional funding for heritage, culture and the arts, thereby benefiting the city and the county.</p> <p>The project will encourage and deliver community involvement and engagement and the facility will require the creation of new jobs and skills investment through apprenticeships, NVQs in the proposed accompanying cafe as well as an increase in volunteering opportunities.</p> |
| Rationale | <p>Hereford currently significantly underperforms in terms of realising the economic potential of its world class heritage offer. As indicated in Section One above, Hereford's visitor economy was worth an estimated £10 million in 2018 vs Worcester £170 million, Lincoln £210 million and Chester £700 million.</p> <p>The heritage offer of Hereford is a sleeping giant in terms of this strategy. This is why the development of a new landmark museum and its ripple out connections with the Cathedral and its treasures and the river Wye and more widely through the built form of the city to over 300 other listed buildings is a core part of our regeneration vision. We believe that the development of this sector alongside the skills agenda as the other "game changer" for the city will create a sustainable step change in the economy of Hereford.</p> |
| Funding | <p>Total Cost: £10m Towns Fund: £5m</p> <p>The following is an indication of possible project milestones</p> <ul style="list-style-type: none"> • December 2020 – initial building and architectural survey works • January 2021 – Review of initial building and architectural survey works • January 2021 – Final application for Stronger Towns Funding (subject to shortlisting) • February 2021 – Submit pre-application to National Heritage Lottery Fund for project funding • April 2021 – Commence full business case development (subject to selection) • April 2021 – Begin consultation process with public, businesses, partners • May 2021 – Submit application for project funding to National Lottery Heritage Fund • August 2021 – Finalise business case and building designs • September 2021 – Seek match funding approval and receive response to National Lottery Heritage Fund bid • October 2021 – Subject to funding approval, seek planning approval • February 2022 – Tender for contractor • April 2022 – Appoint contractor • May 2022 – Construction/redevelopment works commence • March 2024 – Construction works completed • April 2024 – Building opens |

Creative: Station Approach (Meadow Arts)

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| Description | <p>A new gateway programme of contemporary public art commissions to animate the site of Station Approach's Hereford College of Art's students' accommodation building. This bold new project will act as a vibrant statement of intent, signaling the city's commitment to creativity and innovation. Significant commissioned artworks from high calibre artists will be generated, produced and installed on and around the building, potentially reaching into the town itself. This will be a yearly event, extended over 4 years, that will stimulate the cultural life of the town, involving students and the general population. This original approach to public art will contribute to Hereford's identity as a cultural destination.</p> | |
| Rationale | <p>Station Approach is ideally situated between HCA's 2 sites at the College Road campus and Folly Lane Campus, and the city centre, enabling the community of students and staff to more easily connect with the wider community and social and cultural resources of Hereford.</p> <ul style="list-style-type: none"> • Standing adjacent to Hereford train station on the recently completed Link Road, the building will also act as a beacon and gateway into the city and signal the city's commitment to creativity and innovation. Significant commissioned artworks on the building's exterior will help define its identity as a cultural destination for visitors to the city. • The site and the installation will introduce visitors to Hereford, signpost the college's prominent cultural position in the city and potentially act as the first step to further artistic encounters towards the centre of Hereford. It would be a vibrant statement of intention in a town that is evolving a creative and energised new phase in its development. • The selected artists will carry out residencies in Hereford to create new work in response to the site. • The student population will participate in the elaboration and production of the work, gaining crucial professional practice skills. • The public will be invited to follow the works' realisation through events and multi-media engagement. • Additional art programmes in the town will accompany each commission. • HCA and NMiTE student accommodation building addresses the need to benefit from a growth in student and graduate population for the city's economic and cultural future. | |
| Funding | Total Cost: £160,000 | Towns Fund: £90,000 |
| | <p>City centre showcase of commissioned public art from high level professional artists over a 4-year period.</p> <ul style="list-style-type: none"> • Exhibition opportunities for current FE, BA and MA students at HCA and alumni of art, design, craft, performing arts and media disciplines. • Display of artwork on the exterior of the building, upon sunken plinths, a large scale billboard for print media, through screens and some ground floor public exhibition, raising the profile of HCA and the region's creative community. • HCA teaching and learning activities embedded within the programme of commissions and events, developing new skills in public art projects, curating, and educational and outreach programme. • Capital funding for large-scale screens for outdoor projections and events in the city. • Urban regeneration in the form of strengthening and innovating local cultural assets through the development of the site and a new venue for public art engagement. | |

Creative: Encore Music and Skills Hub

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| Description | <p>To create a Music and Skills Hub as part of the Maylord Shopping Centre redevelopment</p> <p>The community of Hereford needs a music hub - where anyone and everyone can meet, enjoy a drink, and participate in musical activities whilst learning new skills. Other towns and cities have a music hub – why not Hereford? A Music and Skills Hub will consolidate, extensively develop and bring community music provision to the heart of Hereford.</p> <p>A Music and Skills Hub will provide a centre which is not simply accessible, but one which is fully inclusive. Meeting the needs of the whole community, specifically including those with disabilities or those who do not engage with music and the wider arts. Our Music and Skills Hub will deliver a range of musical opportunities - provision of wellbeing services, educational opportunities, qualification opportunities, skills development, rehearsal space, small performances and educational and skills training.</p> <p>There is a key ambition by the Hereford Towns Fund Board to realise the redevelopment of the Maylord Shopping Centre in the heart of the city, which will address the shortage of cultural and skills facilities for the community, whilst supporting the regeneration of the vacant shops/centre. Encore's proposal aligns perfectly with this and synergises with other cultural and skills bids.</p> <p>The Music and Skills Hub will regenerate a large shop in the City Centre, giving opportunities for skills development and qualifications, and creating apprenticeships and jobs. Hereford has no centre for community music and these proposals will fill that void, as well as expand the broader and under-developed cultural offer in the city. The project is low risk, as 60% of the services are already well-established and it offers the opportunity for significant growth. It will bring more people into Hereford where they can enjoy their musical experiences and visit local shops, businesses and generally boost the wider economy. It will significantly add to the Maylord Shopping Centre redevelopment.</p> <p>These new community facilities will be led by Encore Enterprises CIC – a well-established 'Cultural Education' CIC, Herefordshire's largest provider of community music and one of the largest cultural organisations in the county.</p> | | |
| Rationale | <p>Station Approach is ideally situated between HCA's 2 sites at the College Road campus and Folly Lane Campus, Encore delivers an extensive range of services to the community (mostly but not exclusively in music). These include a County Music Service, a wide range of well-established music ensembles and other activities for young people (all genres), and a developing range of adult services. In total, nearly 5,000 people per week receive activities through Encore. This includes all ages and abilities, including services specifically designed for vulnerable people e.g. older people, people with learning disabilities etc.</p> <p>Encore has never had a base to provide these opportunities. It has always hired these.</p> <p>The majority of activities take place in premises which were not designed for these activities and are often not welcoming or overly suitable – especially for our service users with disabilities. There are not enough available spaces to hire and many are also expensive. Problems regularly occur where our bookings are cancelled – resulting in cancelled or rearranged services, which clearly isn't good for those who rely on our services (or good for our business). The cost and time involved with hiring and liaising with so many premises is expensive – as is the cost of continuously moving musical instruments and other equipment around. It also does not allow the ability to provide effective management, business support and quality assurance. In addition, the experience for our service users is not as social as it should be for them. They need to have a place where they can socialise as part of their experience.</p> <p>The cost of the issues above, along with the lack of affordable and available places to hire, means that many new services are unable to start and some current services are unable to expand. Our young people and our adult community clearly both want and need additional services and we are unable to provide these due to the restraints.</p> <p>A successful bid from the Towns Fund would address all of the above needs – both those who deliver and those who use services. It would capitalise on the ability to bring together nearly all of these musical activities, reduce overheads, and provide suitable accommodation for community music activities. Most importantly, it would create a vibrant music scene in Hereford, attracting people from outside the city and outside the county to visit – boosting the wider economy. It would create jobs, volunteering opportunities and the ability to learn skills and qualifications. These are all definitely needed in Hereford – especially post-covid.</p> <p>Overall, we will be addressing the needs of both the social enterprise and the community. Our current established projects equate to around 60% of the offer. The bid will allow additionality of new services to the community (the other 40%).</p> | | |
| Funding | <table> <tr> <td>Total Cost: £300,000</td><td>Towns Fund: £200,000</td></tr> </table> | Total Cost: £300,000 | Towns Fund: £200,000 |
| Total Cost: £300,000 | Towns Fund: £200,000 | | |

Creative: Powerhouse Culture Hub

| | | | |
|----------------------|---|----------------------|----------------------|
| Description | <p>Powerhouse is transforming under-utilised space at Maylord Shopping Centre into a hub for Culture, Community and Creative Learning.</p> <p>Spearheading urban regeneration of the twenty first century high street, it will provide a socially accessible skills hub in the heart of the city, and a venue to showcase and celebrate the very best of Herefordshire's culture.</p> <p>The redeveloped space will stimulate creative, heritage and visitor economies, and connect community through live experiences and cultural programming, contributing to a renewed and reshaped city centre in a way that drives footfall and economic growth, through tourism and community engagement.</p> <p>Our mission is to "reimagine the city" as a bright and vibrant festival destination.</p> <p>It will serve as a go-to space for a new generation of talent, entrepreneurialism and creativity in the region.</p> <p>An increased student population over the coming years, and a renewed agenda to attract and retain cross-sector talent means there is a significant need for a multi-purpose city centre space. A space to meet, eat, drink, socialise, develop ideas, engage in cultural activity, and support local business.</p> <p>We have developed cross-sector partnerships with local independent businesses, Dakin Events, and The Beefy Boys, to generate footfall and economic growth to the area.</p> <p>Our mission is to create a space in Herefordshire that we believe is much-needed - an intersection of culture and commerce.</p> <p>The ground floor will consist of a cafe space, bookshop and social hub. It will have a cinema screen and facilities to showcase local digital and creative projects, and a programme of artists, talks, events and exhibitions.</p> <p>The upper floor will serve as a large multipurpose space, allowing community classes and workshops, rehearsals and creative development resources, including breakaway digital studios and workspace. A new elevator for members of the public will be installed for a fully accessible building.</p> <p>The project aligns with the drive to future-proof the high street through the creation of a space and experience that contributes to town-based tourism. It provides an opportunity for strong partnerships and creative programming to boost the economy, bring people together, increase civic pride, and revitalise the area.</p> | | |
| Rationale | <p>Identified Needs:</p> <ul style="list-style-type: none"> • An improved provision of cultural offer. • Enormous need for culture and commerce to cross-fertilise. • An urgent re-imagining and repurposing of long-abandoned retail-centric assets. • Need for a greater sense of local placemaking and identity. • Absence of city centre multi-purpose space for culture, social, learning and commerce. • A ongoing and pressing need to address the ubiquitous 'nothing to do here' complaint. • Space that brings people into the city centre for cultural experiences, learning and leisure. • Under-developed Tourism offer: with huge opportunity for experiential and cultural programming of national and international status. <p>Opportunity:</p> <ul style="list-style-type: none"> • Urban regeneration - Spearheading a 21st Century renaissance of the High Street through a new model of community, commerce and culture. • Enterprise infrastructure - Integrating the creative, visitor, heritage and retail economies at the heart of the city. • Championing this multi-sector approach to ensure more resilient models of economic sustainability, and broadening the visitor experience. • Skills infrastructure - More visibility and access of learning, with increased cultural interactions with harder-to-reach groups. • City centre festival integrated with, elevating and adding to the current creative and tourism economies. • Year-round programming designed to support and enable cultural sector partners to upskill, connect and collaborate through a cultural focal point and social space designed to champion, produce and source exceptional work. • Sustainability - project developed with long-term resilience and growth in mind. Including growth of revenue through ticketing, F&B, literature and arts, increased audience numbers and per head spend, investment through sponsorship and mixed funding models. • Festival programming as a focus for upskilling a local workforce of both casual, part-time and permanent staff, through extensive experience of all elements of festival production, digital production and creative output. • Monetising space and increasing footfall through experience of both festival development and delivery. • Year-round programme, leading to high potential for permanent and growing employment opportunities at the Powerhouse building and halo-effect for surrounding businesses. | | |
| Funding | <table> <tr> <td>Total Cost: £300,000</td><td>Towns Fund: £300,000</td></tr> </table> | Total Cost: £300,000 | Towns Fund: £300,000 |
| Total Cost: £300,000 | Towns Fund: £300,000 | | |

Digital: Skills Foundry 3 Digital Culture Hub (DCH) - A Beacon of Innovation and Enterprise Where Creativity Meets Technology

| | | | |
|---------------------|---|---------------------|---------------------|
| Description | <p>The Digital Culture Hub (DCH) led by Rural Media in partnership with Hereford College of Arts (HCA) will create an ecosystem of digital creativity and innovation for Hereford and Herefordshire, marking the county out as a cultural leader in rural regeneration and social mobility.</p> <p>The DCH will aggregate in a single, fully accessible, contemporary space the creative technologies, tools and expertise to inspire and raise the skill levels of creative and cultural entrepreneurs, SMEs, students, public, private and VCSE sectors in the county, enabling them to take advantage of the booming, post-Covid digital economy. Studio-based and remote incubator/accelerator programmes will enable young creative talent to establish new cultural enterprises in Herefordshire and strengthen the talent supply chain - both in and out - for the public, private and VCSE sectors. Centralized resources, e.g., broadcast-standard TV, radio and interactive studios and equipment, together with access to experienced industry professional and their networks will underpin and drive Herefordshire's national and international brand and profile, adding momentum and competitive edge to the county's tourism sector, and providing work experience and employment for developing and established talent.</p> <p>Online courses, mentoring, internships, funding and membership services will complement live bootcamp, workshop, and cross-discipline collaboration events, providing a year-round programme to drive new ideas, research and project/production development. The DCH will be structured around five areas 1) Multi-level digital creative skills training (film, TV, audio, animation, immersive, interactive, digital marketing & comms, coding, gaming); 2) Cultural and creative business development and entrepreneurship (incubator space - physical & remote; workshops; mentoring; accelerator programmes; leadership & governance; professional networks; investment & finance models); 3) Broadcast standard film, TV, audio and interactive facilities (production studios, meeting rooms, remote conferencing and live streaming facilities and support, strategic partnerships and access to regional broadcasters and distributors); 4) Outdoor Digital Engagement (ODE - public digital display screens; festival & events kit; outdoor/pop-up cinema equipment; Live2Digital - capture & stream service); 5) Public-facing space for cultural tourism and engagement (connected to ODE, physical access point for cultural and experiential offerings, housing Visit Herefordshire digital team).</p> | | |
| Rationale | <p>The Digital Culture Hub will:</p> <ul style="list-style-type: none"> • Capitalize on the growth (turbocharged by Covid) of creative industry micro-businesses choosing to locate outside urban conurbations • Benefit public, private and VCSE sectors and the county's zero-carbon targets by building digital skills, • Combat rural isolation and challenges stemming from an older age demographic by empowering the community through improved digital literacy • Address the critical issue of ex-migration of young people from Herefordshire and attract talent seeking to establish tech businesses in the area through the combination of skills, business support, ideas exchange, and access to national and international networks. • Draw upon HCA and RM's expertise in inclusion, diversity and social mobility to engage communities traditionally excluded from access to creative and digital skills training and employment. • Raise residents' sense of pride in their city and county through public exhibition (physical and remote) of cutting-edge digital cultural content, distributed via social channels for residents to share and respond to. • Inspire and transform the way residents and visitors experience Herefordshire, and businesses reach out to new markets and investors through DCH's Createch, upskilling and entrepreneurship development services, carrying creativity, and innovation and ambition at its core. • Attract start-ups from further afield to re-locate to Herefordshire and encourage fringe enterprises and collaborative projects to spin-off thanks to high-speed digital connectivity and the growing profile of the CDH as a rural exemplar. | | |
| Funding | <table border="1"> <tr> <td>Total Cost: £1.745m</td> <td>Towns Fund: £1.195m</td> </tr> </table> <p>20-21 - initial renovations of site; 2021-22 - full renovation, purchasing and fitting of bulk of equipment; Rural Media moves sites; 22-23 - updating of key systems and tech; 23-24 - updating of key systems and tech</p> | Total Cost: £1.745m | Towns Fund: £1.195m |
| Total Cost: £1.745m | Towns Fund: £1.195m | | |

Connected: River Wye Infrastructure

| | | | |
|--------------------|--|--------------------|-------------------|
| Description | <p>Enhancement of the river and its surrounding infrastructures in the city centre.</p> <ul style="list-style-type: none"> • Improvement to a wide promenade style pathway that will enhance accessibility for walking and cycling • Lighting and power points for this pathway and improved lighting alongside Bishop's Meadow and King George's playing fields with power points to be used for community events, pop up cafes and markets. • Accent lighting on beauty spots (trees etc) both northside and southside of the river and up lighting for old bridge • A ramp leading onto the Great Western Way for connect the south and northside pathways for cyclists and the disabled • A pontoon sited at the Left Bank Village and Sea Cadets facility to increase utility and access to this portion of the river. Improving interconnectivity of community businesses along the river including Rowing club and Rugby Club. • A crane based at the rowing club/Sea Cadets for disabled access to vessels and boat removal from the river. • Digital signage along this stretch of river, giving directions and information about local amenities and other community based offerings available. These could also be used for the promotion of upcoming events within the city centre • Purchase, clearing and installation of seating along the north and south stretches of river to encourage families to engage in activities like picnics next to the river (x 20) • Infrastructures that will support camping, tourism and "staycation" activities to this stretch of river. <p>All of these measures will be implemented to improve the long-term desirability of Hereford as a tourist destination as well as increase the variety of things to do for local people. This is a project that collaborates with community benefit organisations with existing infrastructures that will give strong ongoing support to the project and will create skills opportunities for young and disadvantaged people. The work undertaken will exponentially increase the aesthetic appeal and usability of this stretch of river and will increase business opportunities for various organisations in the future e.g. more Events potential on Bishops Meadow and more camping based at the Rowing and Rugby Clubs, more footfall into Hereford wanting to use facilities after their river trips for leisure or courses.</p> | | |
| Rationale | <p>The project will truly have a positive impact in the follow areas:</p> <p>A. Contributes towards making Hereford zero-carbon and nature-rich – Better cycleway/walkways loop (proposed additional Beryl Bike site at the Rugby club)</p> <p>B. Contributes towards 'levelling up' i.e. improves opportunities for disadvantaged groups in particular. – Increased disabled access to the proposed loop where improved infrastructure is being placed and facilities for disadvantaged and disabled groups to have better access to the river using equipment, training and facilities.</p> <p>C. Improves quality of life for residents - Enhancement of the beauty of an area of historic significance, increase in access to the river for all age groups and to open up the river to more activities (lunches on the water, wedding receptions, day trippers). Better lighting cycleways for safer towpaths for local people. Increase in long term job prospects for a greater number and training/qualifications in the nautical field for local people.</p> <p>D. Promotes innovation, creativity, & new technology – Digital signage, and web opportunities (working NMITE to create new ways to deliver information about the local area to tourists and residents). The proposed use of hydroelectric energy solutions for the new lighting and power sources. (under investigation Andy Venables)</p> <p>E. Improves physical connectivity and accessibility – Towpath improvements creating better access and connectivity. Pontoon creation to enable a river cruiser to take tourists and local people up and down the river and make a connection between the Sea Cadets and Left Bank to create the best possible offering to trainees for their enjoyment and learning. Making a better connections between north side and south side of the river encouraging social mobility. Encouraging sustainable means of travel using the improved pathways in and around the city centre.</p> <p>F. Promotes learning and skills – New training in specialist fields as mentioned above, new jobs created immediately and ongoing over decades to come from increased activity in areas that had been neglected.</p> <p>G. Attracts visitors and investors, builds on heritage – Enhancing a key site in Hereford and the beauty of the most visually accessible section of the river by the greatest number of people. The new pontoon sites will be a fantastic marketing opportunity to make the iconic site around the Old Bridge even more vibrant for Herefordshire. These works will increase things to do for locals and will create an environment that will draw more people into Hereford. Hereford has the opportunity to offer wonderful "staycation" camping and caravanning near to river sites which this project will mobilise.</p> | | |
| Funding | <table border="1" data-bbox="331 1821 1085 1859"> <tr> <td>Total Cost: £1.61m</td> <td>Towns Fund: £1.5m</td> </tr> </table> <p>Initial works include planning applications, ecological surveys, structural engineers, council authorisations and a full schedule of works produced. The next phase will be the completion of the two pontoons and installation of the river crane so that additional activities on the river can commence in the latter part of 2021. Late 2021, we would aim to begin the works to the towpath and all of the associated lighting and related tourism promotion infrastructures including lighting and power supplies and installation of picnic sites. Completion of designs for digital signage. Mid 2022, the aim would be to instal the accent lighting on the beauty spots along the river and to complete up-lighting of the two bridges. Installation of digital signage.</p> | Total Cost: £1.61m | Towns Fund: £1.5m |
| Total Cost: £1.61m | Towns Fund: £1.5m | | |

Connected: Skills Foundry 4 The Lines Project

| | | | |
|---------------------|---|---------------------|---------------------|
| Description | <p>The Lines Project will provide a vibrant, inspiring and inclusive sports, food and skills community hub for the people of South Wye, the most deprived element of Hereford's population. The core benefit of the project is to facilitate community cohesion, levelling the playing field of opportunity between the north and south of the city. The Lines Project is a collaboration between two highly energised established community organisations Growing Local CIC and Belmont Wanderers CIC and Hereford's new higher education provider NMITE, who all share a common goal to improve the future health, wellbeing, life-chances and employment skill set of the people of South Wye and Hereford. Located adjacent to Newton Farm at the end of the populous pedestrian and cycle route, known locally as 'The Lines', this frequently overlooked and deprived area of the city is the core target demographic of the project.</p> <p>The heart of the project will be the creation of a single physical building - the Lines Hub - which will accommodate all partners. Belmont Wanderers CIC's Sports and Skills Village proposal incorporates a Clubhouse, Sports Skills Centre and 4 and 3G Football and Sports Pitches. Growing Local CIC propose the establishment of a Community Market Garden, a Food and Horticultural Skills Centre and an Educational Garden. NMITE proposes to locate learning and meeting space in the Lines Hub to offer skills training and programmes. All parties envisage the employment of 8 to 10 posts.</p> | | |
| Rationale | <p>The Lines Project will be located in Newton Farm in South Wye, all of which falls in the bottom 10 to 20% most deprived neighbourhoods nationally. There are very few opportunities to engage children, young people, families or adults in this area. The hub, sports pitches and gardens will provide a destination and will be accessible seven days a week.</p> | | |
| Funding | <table border="1" data-bbox="327 965 1129 1010"> <tr> <td>Total Cost: £4.183m</td><td>Towns Fund: £3.644m</td></tr> </table> <p>Phase 1: Prior to Towns Fund Money Release - completion of asset transfer from Herefordshire Council, planning permissions, business planning, architectural, garden and sports facility drawings, path improvement plan, surveys</p> <p>Phase 2: Year 1: Connection of services, road and car parking construction, start of educational garden and community garden builds, establishment of polytunnels, construction of packing area, secure machinery store, toilet block and staff/volunteer shelter in community garden. Sports pitch constructions and improvements, improvements to path and adjoining areas of the skatepark and nearby school.</p> <p>Phase 3: Year 2: Construction of the Lines Hub</p> <p>Phase 4: Years 2 and 3: Landscaping around centre, continued development of the gardens and growing areas, continued sports pitch construction, continued improvements to locality including skate park and play area.</p> <p>End of Year 3: Project completion</p> | Total Cost: £4.183m | Towns Fund: £3.644m |
| Total Cost: £4.183m | Towns Fund: £3.644m | | |

GOVERNANCE

From the outset, Hereford’s Town Investment Plan has been driven by an absolute commitment to inclusivity, diversity and transparency. Hereford has a wide range of communities and constituencies and our engagement process was designed to establish a dialogue with as many different voices as possible.

That process started with the establishment of the Hereford Town Board. During February 2020, Herefordshire Council, as the accountable body, held information meetings at which participants were invited to submit their names for inclusion on the Town Board.

This resulted in the formation of a Board of fourteen members, representing a broad cross-section of interests in Hereford including the community sector, retail, hospitality, commerce, industry, media, the City Council, Hereford Business Board, Hereford City BID, the Marches LEP, the MP for Hereford and South Herefordshire and Herefordshire Council. The gender split of our Board is nine male and five female. All Board members were invited to pool their network of contacts in Hereford for inclusion in the engagement process.

[Insert Board Details Including List of Names and Organisations]

Following the formation of the Board, an election process for the Chair and Vice-Chair was held resulting in the election of Lauren Rogers, Project Manager at Rural Media, as Chair and Julian Vaughan, Managing Director of the Green Dragon Hotel, as Vice Chair.

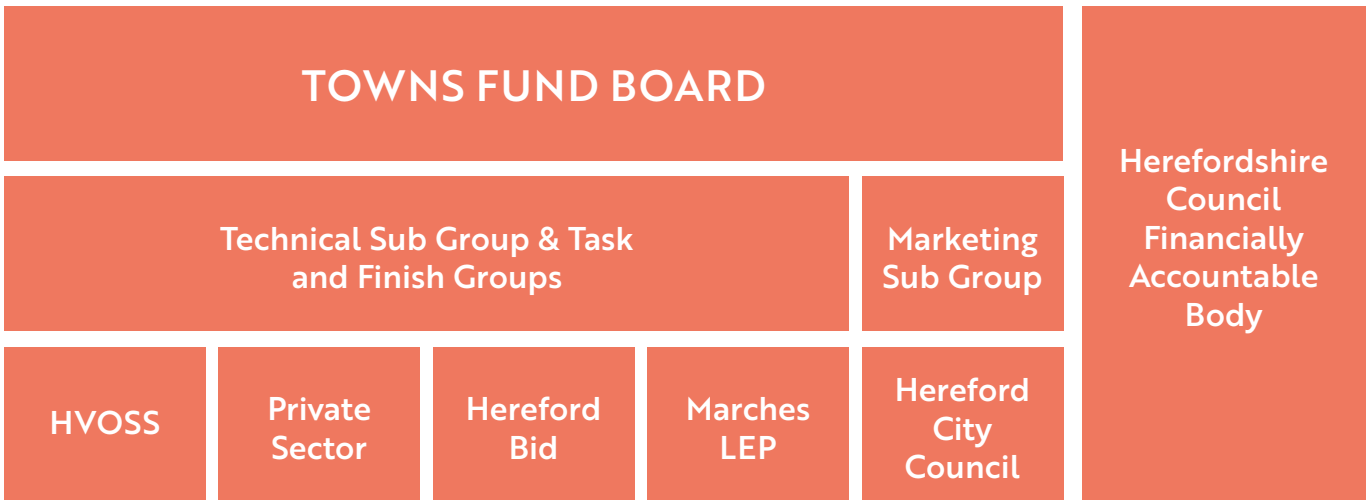
Our full Board has met on xxx separate occasions, observed by Rebecca Collings from the Government Office and representatives from Herefordshire Council.

The Board has also been supported by communications and technical sub-groups, appointed to support engagement and provide a first interface for the appraisal and prioritisation of projects.

Task and finish groups have been formed to work up the detail of the two key pillars of the bid: heritage and skills.

The long-listing of projects identified ideas with similar objectives and project proposers have been encouraged to build synergies and avoid duplication. This has resulted for example in: the City Council and Hereford Green Network being linked around their Electric Bus aspirations, the Lines Project being connected with the Skills Foundry, a cluster of landowners to the north of the River Wye with similar aspirations about its development being forged into a consortium and the Skate Park and Holmer Road Cycle Track proposals being consolidated.

A diagram setting out the governance structure for the Towns Fund is shown below:



PARTNERSHIPS AND STAKEHOLDER ENGAGEMENT

In order to achieve maximum engagement, our Board appointed Rose Regeneration in September 2020 to undertake a consultation programme with stakeholders in Hereford's future and to invite potential investment projects to submit proposals.

During seven weeks of consultation (September–November 2020), Rose engaged with more than 9,000 people in Hereford, generating more than 800 responses or suggestions and establishing a compelling evidence base of need and demand which has informed our investment strategy and the selection of investment projects in our Investment Plan.

The stakeholder engagement programme included:

- 96 face-to-face or online meetings with 141 individual business or community leaders.
- 21 face-to-face or online meetings with organisations and groups including the Ford Foundation, Growing Local, Hereford City BID, Hereford and Worcester Chamber of Commerce, Hereford Women's Equality Group, Hereford Cathedral, Hereford City Council, Hereford Youth Council, Hereford Rowing Club, the 2 Faced Dance Company, Hinton Community Centre, Hereford Green Network, Hereford Rugby Club, Hereford Investment Partnership, the Kindle Centre, NMITE and Wye Valley Trust Hospital. These meetings engaged nearly 250 participants and generated more than 300 online comments.
- 6 online sector forums - Culture and Heritage, Education, Inclusive Growth, Skills, Sustainability and Tourism which attracted nearly 80 participants in total and which generated more than 200 online comments.
- Online survey sent to more than 8,500 recipients - 270 respondents.
- Media campaign - Hereford Times, BBC Hereford and Worcester, Sunshine Radio, Your Herefordshire.
- Website - www.strongerhereford.com.
- mytown portal - 112 comments.

Feedback from the engagement programme focussed on three key areas:

1. Hereford suffers from a profound skills gap, closely aligned to the profound wealth gap between postcodes north of the River Wye and those in South Wye.
2. There is "nothing to do" in Hereford, a local perception which underpins the focus of our investment in the creative, digital, visitor and heritage aspects of the City's offer.
3. Hereford's public realm has real investment potential, building on a pattern of previously modest investments with the river corridor being an area of obvious opportunity.

At each stage of the engagement process, participants and respondents were invited to submit project proposals for potential inclusion in our Investment Plan. In mid-November 2020, forty five investment project proposals were tabled with a combined value of more than £80 million.

At this time, a technical sub group of four Board members was formed to undertake a sifting process of the long list of proposals and to make recommendations to the full Board on those projects which would be included in the TIP.

As the accountable body, Herefordshire Council appointed an independent monitor to ensure that our selection process was compliant and transparent.

During a total of twelve hours of deliberation, the Board's technical sub-group (with up to fifteen observers in each meeting) evaluated each project on the basis of the four Town Fund criteria and seven local criteria and arrived at a short-list of eight stand-alone or consolidated projects with a combined value of £24.85 million. This list was subsequently endorsed by the full Board as a combination of the most necessary and powerful interventions in Hereford's economy. Project development capacity funding was allocated to individual projects and sanctioned by Board approval.

Where possible, these projects have been aligned with existing/future public and private sector initiatives to maximise their impact and return on investment.

FUTURE PLANS

Partnership working will be crucial to the successful delivery of this Plan. The structures and networks which have been established to oversee the work to date will continue to be strengthened during the delivery phase. The Programme Management Function will provide a resource to expand our partnership working, including our links to the community and voluntary sectors. We will continue to encourage participation and maximise funding and investment for our communities, with opportunities for engagement identified below and detailed in full within our Stakeholder Engagement Plan. The Towns Fund Board will continue to meet actively and prepare the ground for the implementation of both the projects within our portfolio and the wider range of projects which we have identified through the towns fund process. It will own the Stakeholder Engagement Plan framed around networks, partnerships and private sector investment.

NETWORKS AND PARTNERSHIPS

We will utilize the mature partnership structure that exists in Hereford to access the skills and expertise we need to deliver specific projects and to reach out to a wider stakeholder network for all of the priority areas. In this regard the BID, City Council, Hereford and Worcester Chamber of Commerce, Hereford Women's Equality Group, Herefordshire Green Network, Herefordshire Business Board and the City's wider business networks will continue to be involved in advising, shaping and leading project delivery.

Wherever possible we will ensure stakeholders and the wider public have the opportunity to engage with and influence project proposals in person through the use of drop-in events, interactive workshops and exhibitions. Where this is not possible, consultation will be carried out by virtual means as we have done successfully in development of the Investment Plan.

Continued engagement with our via our website, will play an active role in the shaping of our plan and in testing, monitoring and evaluation of its constituent projects.

PRIVATE SECTOR INVESTMENT

The City has benefited from substantial private investment in recent years which has delivered strong employment and business growth. Towns Fund will build on this investment, unlock and underpin growth which has stalled, not due to the lack of market demand but rather due to infrastructure constraints and costs (digital, transport, services, site constraints). In this context, our programme will directly secure investment and co-funding from partners such as NMITE, Hereford College of Arts, Herefordshire Council and others.

The benefits of this programme will flow through to enhancing the resilience and diversity of the City's economy, strengthening investor confidence in future development opportunities. We will utilise our Plan to promote Hereford as a place to invest in order to expand and secure private sector interest working with organisations such as Invest Herefordshire and the Herefordshire Investment Partnership. We will also liaise actively with the LEP to link into its FDI portfolio of work.

Our very inclusive bid development process has established both a list of towns fund projects but also a wider portfolio of investment opportunities connected to the pipeline projects which have not been included directly in the TIP and which are listed above. We intend to work with these project sponsors and the chosen towns fund projects to develop and implement an ongoing dialogue about investment and development. Whilst some of this will be themed around relatively closed "project development activities" where possible we will communicate progress with the wider plan for Hereford to the community and more widely through the Town Board's formal Stakeholder Engagement Plan. In addition to our web presence and direct communications to the public about projects networking marketing harnessing the contacts of those involved with our board and their constituent linkages will be a core part of our methodology.

BUSINESS CASE DEVELOPMENT

The development of our Investment Plan has followed Government guidance in accordance with our governance documents and the detailed specifications for the programme.

A long list of proposals was developed for consideration by the Towns Fund Technical Sub-Group as set out above. The projects were the subject of a substantive and inclusive call for proposals.

The Board identified seven local criteria which fitted our local theory of change namely:

- A. Contributes towards making Hereford zero-carbon and nature-rich
- B. Contributes towards 'levelling up' i.e. improves opportunities for disadvantaged groups in particular
- C. Improves quality of life for residents
- D. Promotes innovation, creativity, & new technology
- E. Improves physical connectivity and accessibility
- F. Promotes learning and skills
- G. Attracts visitors and investors, builds on heritage

These local criteria were informed by our first stage consultation activities with the public and derived from our vision. They articulate powerfully the values and character of Hereford as a place and community and differentiate us clearly from other Towns Fund bids. They speak to our commitment to the social economy and the establishment of a net-zero post pandemic Hereford.

These criteria along with the five HMT Green Book criteria within the Towns Hub Project prioritisation tool were used to rank the bids in the long list. Details of each proposal had been previously collected using a comprehensive information gathering exercise. Project applicants were supported where practical in the completion of the paperwork.

Following the initial long listing process all applicants were given a further ten days to respond to the initial ranking of their project and to complete a first draft Towns Fund proforma.

The results of this follow-up exercise were then assessed by the Technical Sub-Group and signed off by the Board as a final list of projects. In parallel with this process, Herefordshire Council commissioned external independent advice, in its role as Financially Accountable Body, to assess the risks associated with each project in final scope for inclusion in the plan.

The month of January was then used to work in detail with each individual project to address the issues identified within the risk assessment to ensure that each project is sufficiently robust for final inclusion in the investment strategy.

This process has involved at least two discussions around the long listing and short listing process of standing back and considering the financial and commercial viability of each project from a pragmatic perspective. This has been based on the involvement of successful entrepreneurs within the Towns Fund team such as Frank Myers MBE who Chaired the Technical Sub-Group. Their involvement and this aspect of the process has helped guard against the development of a process which becomes trapped in systems rather than taking a rounded and locally relevant view of the projects in scope.

In making our final choice of projects we have also had regard to three other factors:

1. the ability of projects to work together as part of a cohesive programme, with complementary alignment to other economic activities,
2. the alignment of our focus on the city centre and net-zero imperatives with the Marches LEP's agenda for Hereford and its investments over the last decade
3. the opportunity to bring together a package of investments which links Council and LEP interventions, with the private sector investments to create a base from which to leverage further private sector and other investment.

INVESTMENT PLAN SUMMARY

We have set out below an overview of the final programme, including details of each project's Town Fund financial requirement alongside its overall funding package. We have been mindful that there is only scope for up to 10% of the Towns Fund to contribute to the revenue implementation of these projects in making our final allocations.

| £M | Town Fund | Co-Funding | Total Cost |
|---------------------------------|--------------|-------------|--------------|
| Powerhouse | 0.3 | 0 | 0.3 |
| Encore | 0.2 | 0.1 | 0.3 |
| Skills Foundry | | | |
| Lines Project | 3.64 | 0.54 | 4.18 |
| Digital Culture Hub | 1.19 | 0.55 | 1.74 |
| Digital Futures | 0.65 | 0.2 | 0.85 |
| Future of Work Skills Hub NMITE | 2.33 | 0.74 | 3.07 |
| Maylords | 3 | 0 | 3 |
| Greening the City | 1.5 | 0 | 1.5 |
| Museum | 5 | 5 | 10 |
| Castle Green | 1.56 | 0 | 1.56 |
| Soil from the City | 1 | 0.5 | 1.5 |
| Extreme Sports | 1.18 | 0.78 | 1.96 |
| Meadow Arts | 0.09 | 0.07 | 0.16 |
| Electric Buses | 1.8 | 0 | 1.8 |
| River Wye Infrastructure | 1.5 | 0.11 | 1.61 |
| Total | 24.94 | 8.59 | 33.53 |

IMPLEMENTATION AND DELIVERY PLAN

Herefordshire Council will act as the accountable body for the implementation of the Investment Plan. Acting in this role, the Council will:

- Oversee the Heads of Terms Agreement with government and the Board
- Ensure continued good governance and transparency in decision making
- Manage, monitor and evaluate the Investment Programme, with recourse to independent expertise as required for assurance
- Support lead partners in the development of detailed business cases to secure funding
- Manage contractual arrangements with project partners to ensure delivery
- Carry out the financial management for the programme
- Be responsible for the financial management of the overall programme
- Periodic reporting to government as required

More discussion in the context of implementation is required but we currently envisage the establishment of a Programme Management Office to oversee the programme, utilising a mix of existing staff and resources within the Authority, combined with specialist expertise to add value to the proposals and to ensure independent appraisal and scrutiny as part of our assurance process.

The Office will be led by a Programme Manager, supported by Project Development and Monitoring Officers and a Programme Accountant. Specialist support will be required as follows:

- To develop our local green book assurance process
- To undertake independent project appraisal and due diligence, ensuring objectivity in decision making
- To provide skills and expertise in developing our digital and clean growth proposals, ensuring these can be transformational
- To provide specialist legal advice where required (e.g. state aid) to support contractual arrangements with government and back-to-back funding agreements with partners

Our programme management and assurance process will be prepared and adopted by the Town Board for implementation following our Heads of Terms Agreement. Our management and assurance process will set out:

- Arrangements for the Programme Management Office including its structure, resourcing and reporting
- Business case preparation and approval process, including due diligence and appraisal
- Project monitoring and evaluation templates and reporting procedures
- Preparation of project-specific funding agreements
- Setting out of procurement processes
- Performance management systems and overall programme monitoring and evaluation arrangements
- Partnership/joint-working arrangements where functions or commissioning may be shared

PROVEN ABILITY TO DELIVER

To draft

NOTES

[1] Office for National Statistics 2019

[2] Ibid

[3] Ibid

[4] Office for National Statistics 2016

[5] Business Register and Employment Survey 2015-19

[6] Marches LEP Local Industrial Strategy and Strategic Economic Plan (2018)

[7] Business Register and Employment Survey 2015-19

[8] DWP Benefit claimant statistics April-October 2020.

[9] ONS Business Impact of Coronavirus Survey (BICS) (2020)

[10] English Heritage 2020

[11] Business Register and Employment Survey 2015-19

[12] Ibid

[13] Office for National Statistics and Business Register and Employment Survey 2019

[14] Annual Survey of Hours and Earnings 2020

[15] Office for National Statistics 2016

[16] Annual Population Survey 2020

[17] Hereford City Council Estimate of Visitor Numbers 2019

[18] Business Register and Employment Survey 2018

[19] Annual Population Survey 2020

[20] Annual Survey of Hours and Earnings 2020

[21] English Indices of Deprivation 2019.

[22] Index of Social Mobility 2020.

[23] Towns Hub Data Dashboard

[24] English Heritage 2020

[25] Hereford City Historic Area Assessment April 2018



APPENDIX 1: ADDITIONAL INITIATIVES

| Project | Description | Key Features |
|-----------------------------------|--|--|
| Gate 7 (South Wye) | Open Air (Amphitheatre and winter ice-rink) space | New community focused social space with economic potential in more deprived segment of the city. Visitor attraction potential, developing delivery capacity. |
| Hereford Make/ West St | Maker and Cultural Facility | New portal for community learning, innovative commercial environment, offers good learning and skills and visitor interest, reasonable delivery capacity amongst proposers. |
| Wye Valley Trust Education Centre | Health and Skills/Learning Hub | Regionally important. Will lead to enhanced health outcomes through workforce development/ attraction, new approaches to training, skills base, good capacity of delivery body |
| John Venn visitor hub | Community and Visitor Hub | Well established charity, strong community related and visitor economy outcomes, locally focused initiative an established stakeholder constituency |
| Agri-Food Technology Centre | Based on Rotherwas Industrial Estate | A project which speaks strongly to the overall priorities in the fund locally and green book compliant, high cost and other evidence of potential sources of funding needed. |
| Community Art Hub | Gallery | Strong community focus, good potential to engage the local community in Hereford's story, learning and visitor attraction strengths, good delivery capacity |
| Cathedral | Enhanced Mappa Mundi, Chained Library, & cafe experience | Strong visitor potential, relatively affordable, good organisational capacity, clear stakeholder constituency |
| Hereford City FC | Facilities Enhancement/Stadium Refit | An expensive fit with a clear agenda linked to sport and football in the City, reasonable delivery capacity within an organisation with a clear stakeholder constituency |

| Project | Description | Key Features |
|-------------------------------------|--|--|
| Station Approach Public Realm | Essex Arms Wetlands Reserve | A reasonable match to the local criteria, linkages to a key site within the regeneration area of Hereford, limited evidence of stakeholder engagement, good affordability with Herefordshire Council support. |
| Community Inclusive Growth | St Nicholas. Church, Youth drop in zone, Youth Zone. Library of Things | A cluster of projects which deliver on the social agenda but which do not meet the harder edged objectives of the Towns Fund, potentially significant delivery capacity support required for the organisations involved. |
| Hereford Green Network Projects | Full Circle, New Guildhall, Solar Atrium | Ostensibly strong projects in terms of fit with local criteria, limited information about the delivery capability of the project proposers, as a cluster a relatively expensive set of proposals, some evidence of a stakeholder constituency. |
| Bartonsham Meadows Nature Reserve | Green Space | A limited fit to most of the local criteria and limited impact when vfm and affordability viewed through the lens of the Towns Fund. |
| City walls illumination | Son et lumiere | Strong visitor potential, narrow focus, no evidence at this stage in application of significant local demand |
| Eign Gate to Eign Street overbridge | Public Realm/Bridge | A modest match to the local priorities, more work needed to demonstrate the link with the towns fund key rationale. Limited economic outputs. |
| Urban Tree-planting | Public Realm | A modest fit with the overall local themes, no detailed explanation on which to base the delivery capacity assessment, no significant indicator of a strong stakeholder agenda. |

APPENDIX 2: STAKEHOLDER ENGAGEMENT PLAN

Hereford through the Towns Fund has the potential to secure up to £25m to support proposals which will deliver long-term economic growth.

It has assembled a multi-agency Town Deal Board to develop and approve a Town Investment Plan which identifies a clear vision for the economy and opportunities to drive growth, based on evidence and stakeholder engagement.

We set out here the governance, partnership and wider engagement strategy which has been followed in support of the Investment Plan and the proposals for future engagement post Heads of Terms.

Its purpose is to outline key stakeholders and target audience that we wish to engage with, what we want to know, our approach to engagement and the key stages of engagement and communication in the development of our plan.

The plan takes account of the Covid-19 pandemic which has limited any face-to-face engagement, public meetings and events. The engagement programme will be reviewed on an ongoing basis as we exit the current pandemic and this third lockdown period.

Ownership

As set out in the core text of the TIP this plan will be owned (in the sense of responsibility for delivery and the wider context of accountability) by the Board and its day to day development and monitoring will be delegated to the communications sub-group which we have established.

Stakeholders/Partnerships

We have set out below the key representative groups and interest bodies which align with the key themes in our strategy:

| Theme | Group |
|-----------|--|
| Greenest | Hereford Green Network, Hereford City Council, Herefordshire Council, Herefordshire Wildlife Trust |
| Fairest | Marches LEP Skills Board (Herefordshire Skills Board in Development), Herefordshire Voluntary Organisations Support Service (HVOSS), NMITE, Hereford Diocese |
| Creative | Herefordshire Cultural Partnership, Herefordshire Bid, Herefordshire Business Board |
| Digital | Herefordshire BiD, Marches LEP, Herefordshire Business Board |
| Connected | City Council, Rail and Bus Herefordshire, Herefordshire Council |

Content

The development of the Town Investment Plan has several stages and these are identified in the table below. At each stage, we have set out what it is that we have sought to understand to support our evidence of need and opportunities for growth within the Investment Plan, as well as what we will seek to understand as we move forward with the delivery of the plan.

| Stage | Purpose |
|-------------------------|--|
| Evidence and Data | Pulling issues together and setting the parameters for the soliciting of bid ideas |
| Vision and long listing | Developing a vision for the plan that solidifies its focus and provides a means of testing and engaging with the public. Generation of a long list of projects to support the establishment of the TIP |
| Draft TIP | <p>Following the initial long listing process all applicants were given a further 10 days to respond to the initial ranking of their project and complete a first draft Towns Fund proforma.</p> <p>The results of this follow up exercise were then reapplied by the Technical Group and finally signed off by the Board to give a final list of projects.</p> |
| Final TIP | The month of January was then used to work in detail with each individual project to address the issues identified within the risk assessment to ensure that each project is sufficiently robust for final inclusion in the investment strategy. Working intensively with the Board and Herefordshire Council as the accountable body. |
| Heads of Terms Process | <p>This process will involve</p> <p>Engagement in developing detailed project cases with particular recourse to lead partners and specialist interest groups</p> <p>Communications regarding progress, next steps, timescales</p> <p>Engagement in development of detailed project proposals and Delivery</p> <p>Engagement in evaluating the final outcome/benefits of projects and overall programme</p> |

Approach

The pandemic has significantly restricted our ability to undertake face-to-face consultation and engagement. We have however been able to follow a range of intensive online group and individual stakeholder engagements. These have included:

- 96 face-to-face or online meetings with 141 individual business or community leaders.
- 21 face-to-face or online meetings with organisations and groups including the Ford Foundation, Growing Local, Hereford City BID, Hereford and Worcester Chamber of Commerce, Hereford Women's Equality Group, Hereford Cathedral, Hereford City Council, Hereford Youth Council, Hereford Rowing Club, the 2 Faced Dance Company, Hinton Community Centre, Hereford Green Network, Hereford Rugby Club, Hereford Investment Partnership, the Kindle Centre, NMITE and Wye Valley Trust Hospital. These meetings engaged nearly 250 participants and generated more than 300 online comments.
- 6 online sector forums - Culture and Heritage, Education, Inclusive Growth, Skills, Sustainability and Tourism which attracted nearly 80 participants in total and which generated more than 200 online comments.
- Online survey sent to more than 8,500 recipients - 250 respondents.
- Media campaign - Hereford Times, BBC Hereford and Worcester, Sunshine Radio, Your Herefordshire.
- Website - www.strongerhereford.com.
- mytown portal - 112 comments.

With the new lockdown, we plan to maximise the opportunities to engage with people and key interests' groups including revisiting each of the sector forums identified above to discuss implementation once we have a Heads of Terms agreed.

In the longer term it is hoped that post-submission we will be able to resume face-to-face engagement in order to consult on the overall programme and on individual project proposals.

Our approach which will be kept under review is set out in the table below:

| Media | Approach |
|------------------------|--|
| Digital - text | <p>Dedicated Town Deal Website – Developed as the main hub of online information for engagement, consultation and information sharing: see https://strongerhereford.co.uk/</p> <p>Social Media – Used for key messaging and to provide information and updates, encouraging comments through the website and directing stakeholders to surveys</p> <p>Email Updates and Key Messages - Communicated through existing networks/venues/organisations, facilitated by Town Deal Board</p> <p>E-Survey – to collect resident views shared with 8,500 consultees and still running</p> <p>#Mytown – Utilised to collect feedback and comments to inform Plan in combination with wider survey work and engagement</p> |
| Digital – face to face | <p>Virtual Meetings and Workshops – using platforms such as Zoom and Teams to conduct Board meetings and facilitate virtual workshop sessions with the Board and wider stakeholders</p> <p>1-2-1 Consultations – Facilitated one-to-one consultations and focus group meetings with key groups to develop project ideas</p> <p>Stakeholder Networks – Presenting to various networks at scheduled meetings to gain feedback and share information</p> |
| Physical | <p>Board Meetings and Workshops – Board meetings are currently taking place in a virtual environment but some smaller meetings have and will be possible face-to-face post lockdown</p> <p>Telephone – interviews and engagement with key stakeholders via telephone has supplemented virtual engagement and will continue to offer a means of engaging stakeholders during the next phase of delivery</p> <p>Events and Exhibitions – We are currently considering the development of a Towns Fund seminar series as part of the awareness raising and development of the Heads of Terms</p> |
| Print | <p>Press Releases - Issued to cover key milestones and to reach out to stakeholders to inform/invite them to engage in surveys and consultation exercises. This will continue during the delivery phase. The Hereford Times has been engaged directly to ensure strong local exposure in this context.</p> <p>Published Material – The Investment Plan will be available in digital format; published material will be utilised to support specific consultation events and project-specific engagement (e.g. plans and maps) as relevant</p> |

Key Stages Looking Forward

We have set out below the next stages in the development of the Plan and transition through the Heads of Terms to delivery:

| Stage | Method of Engagement |
|--|---|
| Final Plan end of Jan 2021 | Detailed Liaison with individual projects and accountable body. Board to consider final submission |
| Post Submission Feb -April 2021 | Website and updating of key messages Town/Delivery Board to review Programme Management/assurance processes Publication of Investment Plan (subject to approval) Engagement with project leads to mobilise for business case/project development |
| Heads of Terms April 2021 – March 2022 | Engage with project leads to develop business cases Project specific consultation and engagement Continuation of key messages/portal and engagement through website Continuation of engagement through Delivery Board and partnership networks New baseline survey Reintroduction of face-to-face consultation methods |
| Delivery April 2022 onwards | Continual engagement with networks and project leads to develop, monitor and evaluate schemes Project specific consultation and engagement Continuation of key messages/portal and engagement through website |

The results of the stakeholder engagement carried out to date are included below. Results from this process have been reported to the Town Board as part of the overall evidence base at key stages throughout the development of the Investment Plan.

The proposals for future engagement and findings from this process will continue to be reported to the Town Board and taken into account as part of the development of this programme going forward, as summarised in the table above. Action will be taken to encourage and expand involvement, using different methods as is possible in the future.

Key documents which capture the responses to the consultation are the analysis of the online survey responses and the notes from the workshop meetings.

Survey Responses

A survey has been widely distributed to collect key narratives and views from individuals. 227 responses have been analysed. We present below the grouped responses of those replying to the key priorities they have identified against each of the three core themes for the Towns Fund:

Urban Regeneration

| Issue | Number of Respondents |
|---|-----------------------|
| Museum | 73 |
| Traffic | 23 |
| Retail | 20 |
| Green Agenda (urban fabric and transport) | 18 |
| Parking | 10 |
| Cycling | 10 |
| Housing | 9 |
| University Branding | 6 |
| Library | 5 |
| Connections to the Wider Hinterland | 4 |

Skills and Enterprise

| Issue | Number of Respondents |
|--|-----------------------|
| Business Friendly City – making Hereford attractive to learners and businesses | 22 |
| University (Enhanced Activities and Presence) | 20 |
| Better Prospects for Young People | 18 |
| City as a cultural destination attracting businesses and learners | 13 |
| More Community Learning Opportunities | 11 |
| More support for Small Business | 10 |
| Green Employment Agenda | 7 |
| More Start Up and Business Development Space | 6 |
| More FE Engagement | 6 |
| Workforce Development | 6 |
| Digital Operating Enhancement | 5 |

Connectivity

| Issue | Number of Respondents |
|-------------------------------|-----------------------|
| Better Broadband/Digital | 32 |
| Cycling Enhancements | 31 |
| Better Bus Services | 31 |
| Bypass | 17 |
| More Attention to Pedestrians | 12 |
| Park and Ride | 12 |
| More Rail | 10 |
| Better Public Transport | 9 |
| Tram Development | 7 |
| Road Improvement | 4 |

#STRONGER HEREFORD STAKEHOLDER WORKSHOP NOTES

| Workshop area | Education |
|---|--|
| Attendees | Peter Cooper David Williams Alexia Heath Elise Cummings David Langley Hereford Cathedral School Toby Kinnaid |
| Moderator | Katrina Michel on behalf of Rose Regeneration |
| Can you think of something that has happened in Hereford in the past five years that you feel personally has improved the city? | <ul style="list-style-type: none"> • Broadband connectivity • NMITE • Old Market development • The fact that over 4000 16-18 year olds now choose to come to Hereford for their education is a vote of confidence • Beryl Bikes • Rotherwas development |
| What's wrong with Hereford? (if you are 17) | <ul style="list-style-type: none"> • Nothing to do but maybe more importantly nowhere to go. Colleges are more than a course; they fulfil a really important role in simply being a safe place to go where you can meet people of your own age. They facilitate togetherness for young people. Not sure if that can be replicated in other buildings. Even worse to invest in the wrong things to do. • Reliance on people for transport as trains and taxis are too expensive. People without mum and da transport are disadvantaged. Hereford feels and maybe is an hour and a half from everywhere • Rural broadband is poor and young people outside the city are disadvantaged |
| One thing that you feel could be transformational and additional for Hereford in the next five years? | <ol style="list-style-type: none"> 1. County of Learning and Skills: A holistic approach to learning that aims to lift ambition, address both future skills needs and to specifically tackle the skills disadvantage brought about by rural worklessness. Ideally the approach would in itself be transformational but would also trigger further transformation. Match skills to employer needs e.g. Stansted Airport College which is multidisciplinary but aligned to airport employer needs. Engage SME in a visioning exercise to help them see the future and to educate them about the needs for and value of graduate opportunities www.weforum.org/agenda/2020/10/5-thing-to-know-about-the-future-of-jobs/ 2. The River Quarter/Destination River – food and drink, night-time economy and possibly some culture. Bring the area alive, upgrade the food offer. Turn the city towards the river. Also ensure the young are catered for not just people with money. 3. A specific strategy that runs through every project – get more people living in the city, identify the business you want, encourage the right retail and hospitality – don't assume it will happen automatically |
| Other areas to address/opportunities | |
| What could prevent progress in this area? | <ol style="list-style-type: none"> 1. Rushed timescales 2. Too conservative with a small c, risk and change averse 3. Not thinking enough about the structure that underpin the projects so they can survive beyond the fund 4. Need to understand the future funding and demands on FE |

#STRONGER HEREFORD STAKEHOLDER WORKSHOP NOTES

| Workshop area | Skills/HE/Lifelong Education |
|---|--|
| Attendees | <p>Alexia Heath Herefordshire Council Frank Myers Marches LEP David Langley NMITE Duncan Campbell DWP Stephen Weller Hoople Ltd</p> <p>Brandon ? Numachine Kristo Shivachev SimpledesignWorks Lauren ? Rural Media Nigel Morgan Tony Kinnaird NMITE Christian Dangerfield Rose Regeneration</p> |
| Moderator | Katrina Michel on behalf of Rose Regeneration |
| Can you think of something that has happened in Hereford in the past five years that you feel personally has improved the city? | <ul style="list-style-type: none"> • NMITE • Enterprise Zone • College of Arts • Cattle Market • Skylon Park/Cybersecurity Centre • Old Market Re-Development • Green Dragon "quarter" • No Wrong Door partnership • Beryl Bike scheme • New builds at hospital • New provision for SEN 16+ • Advent of creative businesses such as SimpleDesignWorks • Creation of a CEO group to develop apprenticeships |
| One thing that you feel could be transformational and additional for Hereford in the next five years? | <p>The Skills Foundry</p> <p>Strong because it is both a building and an attitude</p> <ul style="list-style-type: none"> • Could be a newbuild or renovation but needs to be central and accessible for young people. Also located to generate footfall for surrounding businesses • A statement about Hereford (and Herefordshire) as a "county of learning" and a signal to employers that a strong talent pool is being created • Addresses skills gap and skills retention • Focus on the skills of the future and reskilling and upskilling all through life. Giving the right advice not out of date advice • Relevant to the local labour market • Image changing for the area • A focal point/one stop shop for all skills and advice, delivered via relevant channels • Delivering skills and life skills • A cool place to train • Potentially on-site accommodation |
| Other areas to address/opportunities | <ol style="list-style-type: none"> 1. Inward investment strategy – lack of corporate HQs leading to short career paths and few graduate jobs and those that do exist have poor retention 2. Low value perceptions when the reality is that there are actually a number of companies offering high value jobs 3. Lack of attention to the image of Hereford – need better collateral to promote lifestyle and to "recruit the whole family" 4. Cultural strategy for younger people – music, animation. events, festivals, outdoor activities, easy access. Currently a place where there is "nothing to do" 5. Facilitation and encouragement of new small businesses - low red tape, partnerships with landlords, incubators, mentorships, friendly and welcoming vibe 6. Better coordination of the existing business community 7. Expansion of bike scheme into electric vehicles/mopeds to improve accessibility for everyone 8. Improvement and acceleration of fibre internet delivery |
| What could prevent progress in this area? | <ul style="list-style-type: none"> • Needs to be business led • Devoid of local politics • Physically easy to access by everyone especially the most disadvantaged • Needs to feel cool and exciting |

#STRONGER HEREFORD STAKEHOLDER WORKSHOP NOTES

| Workshop area | Sustainability |
|---|--|
| Attendees | Will Vaughan Kate Gathercole Patricia Gordon Nigel Higgs Ellie Chowns |
| Moderator | Katrina Michel on behalf of Rose Regeneration |
| Can you think of something that has happened in Hereford in the past five years that you feel personally has improved the city? | <ul style="list-style-type: none"> • Beryl Bike scheme – 80k journeys, accessed by everyone, great metrics • Installation of cycle pathways • Café culture – food, sociability, business • River Carnival • Poppies – weeping window • h-Art – really good but maybe a bit taken for granted • Things that impact lots of people not just niche audiences |
| One thing that you feel could be transformational and additional for Hereford in the next five years? | <ol style="list-style-type: none"> 1. Soil from The City – a scheme designed to deliver a fully integrated zero emissions food waste disposal service which regenerates into nutrient rich compost and which can make Hereford more flood resilient and provide biomass for a heat network 2. Hereford: Market Garden City – a garden close to the city which connect people back to the land and provide fresh fruit and vegetables to around 200 deprived “cropshare” families. Site would also have an education centre and be in itself an attraction. Ideally scalable to other places across the county 3. A safer cycleway programme to provide safe routes for unconfident riders 4. A Repair Trail – a network of shops and educators who can both repair and instruct people on how to repair things. Might even have some repair art! 5. Power the city: Clever solar power – use latest generation solar to green the City and grow edibles |
| Other areas to address/opportunities | <ol style="list-style-type: none"> 1. An extension of the cycle network to encourage cyclist into new areas of the town – parklets near coffee shops. Cyclists make more trips and spend more on average per trip – so valuable footfall. 2. An extension of footpaths to encourage walking and exploration with interpretation and signage 3. A project that brings the river more into the city and allows more people and businesses to get close to it and enjoy it 4. Subsidised environmentally friendly bus travel |
| What could prevent progress in this area? | <ul style="list-style-type: none"> • Resistance to change – need to engage as many constituencies as possible • A story well told with all aspects linked and joined up • Putting a ceiling on ambition – need to aim high, think big and be world class – your city can be the capital of the world! • Finding the right easily accessible site |

#STRONGER HEREFORD STAKEHOLDER WORKSHOP NOTES

| Workshop area | Culture/Heritage |
|---|--|
| Attendees | <div>Nic Millington</div> <div>Judy Stevenson</div> <div>Clare Purcell</div> <div>Chloe Garner</div> <div>Colin Hamilton</div> <div>Jon Chedgzoy</div> <div>Jo Henshaw</div> <div>Nigel Higgs</div> <div>Richard Curtis</div> <div>Cliff Woollard</div> <div>Tamsin Fitzgerald</div> <div>Paddy Nugent</div> <div>Daniel Pryde-Jarman</div> <div>Delyth Done</div> <div>Estelle vanWarmelo</div> <div>Jane Adams</div> <div>Katie Bott</div> <div>Tim Evans</div> <div>Abigail Dakin</div> |
| Moderator | Katrina Michel on behalf of Rose Regeneration |
| Can you think of something that has happened in Hereford in the past five years that you feel personally has improved the city? | <ul style="list-style-type: none"> • Old Market development • Box of Delights • Lego exhibition • Poppy Weeping Window Exhibition • Yinka Shonibare/Mappa Mundi collaboration • Maylord creative placemaking • The Labyrinth • Ferrous • River Carnival • Foodie Scene/Green dragon quarter/Indie scene and vibe • The return of artists and craftspeople • The Cycle bridge • The advent of a new political leadership that “gets” culture • The Cultural Partnership and new cultural strategy • Events and exhibitions that garnered national and international attention |
| One thing that you feel could be transformational and additional for Hereford in the next five years? | <ol style="list-style-type: none"> 1. The redevelopment of the Museum and Art Gallery to provide better exhibition space (and potentially some workspace and studios) <ul style="list-style-type: none"> • Would extend access to wider audiences • Would drive day visits and tourism • Provide a “cultural hub” • Would allow exhibitions of a bigger scale and with more national and international relevance • (Probably more expensive that fund could contribute, and ongoing costs could be significant) 2. The development of Castle Green <ul style="list-style-type: none"> • A community space for all generations with green space around • Strategically situated between different communities but also very central 3. Skills Foundry #Creative skills and entrepreneurship <ul style="list-style-type: none"> • A build on the Skills Foundry concept but with a focus on developing creative and digital skills and teaching people how to commercialise them into successful creative businesses |
| Other areas to address/opportunities | <ol style="list-style-type: none"> 1. Station Road – a screen based project that with more funding could become a gallery for exhibitions and works by new and young artist and also a space for groups to enjoy big events e.g. watch Wimbledon 2. The amphitheatre – a town centre outdoor performance, exercise and meeting space with small commercial units for artists and crafts people round about NB post Covid outdoor could become very important to engagement 3. A local strategy of making it easy to repurpose unused units for creative businesses 4. A permanent place for people to learn and practice music |
| What could prevent progress in this area? | <ul style="list-style-type: none"> • Duplication - the Courtyard already exists so no point in creating a rival that will effectively make it less viable • Lack of interpretation and joined upness “connect the dots” – new elements need to be joined up to exiting sites, maybe via an actual trail to encourage use of all assets. Ideally everything shouldn’t happen in one space • Focus needs to be on mixed art forms and diversity of offer to minimise risk • Tick off local, regional, national and if possible international |

#STRONGER HEREFORD STAKEHOLDER WORKSHOP NOTES

| Workshop area | Inclusive Growth |
|---|---|
| Attendees | <p>Angela Martin Louisa Foti Robert Thomas Kath Hey Nic Millington Richard Betterton</p> <p>Dave Tristram Angela Martin Lauren Rogers Elise Cummings Christian Dangerfield Rich Nicklin</p> |
| Moderator | Katrina Michel on behalf of Rose Regeneration |
| Can you think of something that has happened in Hereford in the past five years that you feel personally has improved the city? | <p>Ciderlands festival – put Hereford on the map and had international engagement</p> <p>The Skatepark – 3rd best in Britain, hundreds of visitors on a weekend, has unique feature that people will travel to experience. Also managed by young people and increasingly well commercialised.</p> <p>Coffee culture in Hightown – creates a friendly noise</p> <p>The foodie scene – from nowhere to go to an embarrassment of riches</p> <p>Young Entrepreneurs Forum – to fed Create Fuel event. Revealed that young businesses have some simple practical asks: contacts, seed funds, business support, promotion and recognition, access to empty centrally located premises</p> <p>Cyber Security Centre/Shell Store Incubator</p> <p>The Green Network</p> <p>Accessibility projects that remove barriers for certain groups to access places and services</p> <p>Team Hereford – cross sector and includes public, business and faith groups. Puts power on the front line and is action oriented</p> |
| Thinking about inclusive growth who needs most to be included and what sort of growth would deliver the most benefit? | <p>The bottom 2% i.e. 400/500 most disadvantaged families who are trapped and virtually excluded from the employment market even when jobs are available in places like Hightown</p> <p>In work but in poverty – regular food bank users</p> <p>Starter homes for young people – more benefits and opportunities flow when people are properly housed</p> <p>Access to low or rent free workspaces e.g. James Baker project</p> <p>Transport and other infrastructure that can physically facilitate bridging the North Hereford/South Hereford divide</p> <p>Minority communities – Polish, Roma, travellers, Muslim, autism</p> |
| One thing that you feel could be transformational and additional for Hereford in the next five years? | <ol style="list-style-type: none"> 1. A golden thread strategy that deliberately engineers inclusive growth into any project selected for funding, with a target of x inclusive growth jobs per project. No one project will “solve” the issue but if every project addresses it, progress will be made especially among the bottom 2% 2. Hereford: Market Garden City – a garden close to the city which connect people back to the land and provide fresh fruit and vegetables to around 200 deprived “cropshare” families. Site would also have an education centre and be in itself an attraction. Ideally scalable to other places across the county 3. Community Cycle Track – an important addition in an area (Holmer Road) where there are already some successful sport and leisure facilities e.g. the Skatepark – drives health and wellbeing, links with Beryl Bikes 4. The Marches Family Network Hub to bring together their services in one place. (Little detail) 5. City centre Youth Zone – one stop shop of hub for young people to socialise and get support and advice – ideally in a regenerated building |
| Other areas to address/opportunities | <ol style="list-style-type: none"> 1. Should the council be encouraged to hand over certain contracts which require only moderate levels of skills to local organisations committed to ensuring inclusive growth e.g. cutting the grass? It doesn't all have to be about digital although we must not underestimate the potential impact of digital over the next 10 years, especially in access to basic services 2. Should there be a specific attempt to address cheap transport for young people to take away accessibility barriers– electric hoppa? 3. Should the inclusive growth agenda be grafted on to exiting assets and programmes more forcefully |
| What could prevent progress in this area? | <ol style="list-style-type: none"> 1. The structure of some local authority contracts 2. Not speaking to the right people 3. Assuming we know what communities want or need when we aren't like them and neither is our social milieu 4. Not trying to mix things up and get diverse opinions to arrive at new solutions – challenge our processes, culture and behaviours 5. Lack of business acumen by delivery bodies 6. Not addressing sustainability 7. Not aligned across or with other Towns Fund projects 8. Too small or could be funded by other means |

#STRONGER HEREFORD STAKEHOLDER WORKSHOP NOTES

| Workshop area | Entrepreneurs |
|---|--|
| Attendees | <div> Heidi Chamberlain-Jones Helen Bowden Ben Corbet Nic Millington Phil Taylor </div> <div> Frank Myers Christian Dangerfield Edward Kowal Phil Taylor </div> |
| Moderator | Katrina Michel on behalf of Rose Regeneration |
| Can you think of something that has happened in Hereford in the past five years that you feel personally has improved the city? | <p>Old Market development – lends a continental feel to the city</p> <p>Covid – will engender a massive behavioural and attitudinal change</p> <p>Food and artisan scene</p> <p>Development of a number of high quality drinks businesses which in turn offer great experiences – tastings, tours etc</p> <p>More exposure to production companies leading to more awareness via TV programmes</p> <p>Development of Wye Valley NHS and the forging of links between health and business</p> <p>Box of Delights</p> <p>Left Bank – although not at the moment</p> <p>A generally more positive attitude towards culture and creativity – especially with the current administration</p> <p>Digital space development – where will it go?</p> |
| What's wrong with Hereford? | <p>Recurring themes: nothing to do and skills gap</p> <p>Lack of development and imagination around the river – other places e.g. Ross, Worcester and Shrewsbury are doing more</p> <p>Everything far too slow and takes too long</p> <p>Access routes are poor</p> <p>Empty shops – why can't something constructive be done about this – young entrepreneurs need places to bounce ideas e.g. Silicon Valley. Shell store too expensive for young and first time businesses</p> <p>Maybe just a bit too negative (but that is probably true everywhere) but should take more of a just do it even if it isn't perfect stance</p> <p>Not so much is wrong – somethings have really improved</p> <p>The bloody traffic</p> <p>The North/south gap/divide is morally wrong</p> <p>Not a great culture of track record of collaboration</p> <p>Talent leaves – little to keep them.</p> |
| One thing that you feel could be transformational and additional for Hereford in the next five years? | <ul style="list-style-type: none"> • The Skills Foundry both a building and an attitude <ul style="list-style-type: none"> o Could be a newbuild or renovation but needs to be central and accessible for young people. Also located to generate footfall for surrounding businesses o A statement about Hereford (and Herefordshire) as a "county of learning" and a signal to employers that a strong talent pool is being created o Addresses skills gap and skills retention o Focus on the skills of the future and reskilling and upskilling all through life. Giving the right advice not out of date advice o Relevant to the local labour market o Image changing for the area o A focal point/one stop shop for all skills and advice, delivered via relevant channels o Delivering skills and life skills o A cool place to train o Potentially on-site accommodation • The River Quarter/Destination River – food and drink, night-time economy and possibly some culture. Bring the area alive, upgrade the food offer |
| Other areas to address/opportunities | <ol style="list-style-type: none"> 1. Repurpose the Town Hall 2. Move coach drop off so visitors have to experience more of the city 3. Small accessibility and transport improvements that address the N/S divide, open the door for more people and other parts of the city 4. More support for expansion of food and drink 5. Better public realm in side streets so whole of city is attractive – more art, more walkability 6. Renovate the Buttermarket for artisan food producers 7. Take cars out of the city centre by building edge of town car parks 8. Plant many more trees in the city 9. Invest in digital signage for information and as art 10. Attack the plaza in front of the station – trees, art |
| What could prevent progress in this area? | <ol style="list-style-type: none"> 1. Negativity 2. Too much focus on getting it right, not enough on doing it 3. Not having a high enough quality threshold 4. Not cool enough or not enough attention to creating the right vibe |



Ministry of Housing,
Communities &
Local Government

Towns Fund guidance



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June 2020

Ministerial Foreword

In the year since we launched our £3.6 billion Towns Fund, the country has faced a whole new set of challenges that we could not have predicted.

But we have seen towns and their communities, at the forefront of our national response to Covid-19, showing great adaptability and resilience. Our appreciation and pride in the places we call home is greater today than ever before.

I'm clear that towns should be at the heart of our nation's recovery and the Towns Fund has never felt more important. This investment into 100 towns across the country will galvanise local businesses and communities. It will show how government and places can come together to build more prosperous futures.

Our Towns Fund Prospectus, launched in September, set out our vision for the Fund and the first stages of the process. Today's publication of further guidance represents another significant step.

While the funds may take on a further purpose in helping us recover and rebound, the overarching objective of the Towns Funds remains the same: to drive the sustainable economic regeneration of our towns for long-term economic and productivity growth.

That is why I'm so pleased we haven't lost momentum. Since September, our towns have been working hard to establish Town Deal Boards and develop their Town Investment Plans. All towns should be incredibly proud of the progress they have made.

The Towns Fund is at the centre of our ambition to level up this country and make it a better place for everyone to live and work. I look forward to working with our towns and communities to make this a reality.

Simon Clarke MP
Minister for Regional Growth and Local Government

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1. Introduction

- 1.1 On 6 September 2019 the government invited 100 places in England to develop proposals for a Town Deal, forming part of the £3.6 billion Towns Fund announced by the Prime Minister in July 2019.
- 1.2 Towns are home to some of our key businesses and employers, they host some of our world-leading universities and are where the majority of the population live. They serve as important centres to their surrounding areas, with shopping and leisure facilities and other services drawing in people from villages and rural areas.
- 1.3 Struggling towns, however, do not always have the fundamental building blocks of a strong local economy in place. The evidence shows they can face some significant challenges: an ageing population without the skills necessary to attract new firms; fewer people going on to and returning from higher education; fewer economic opportunities in the surrounding region; fewer opportunities for training and retraining; and less foreign direct investment than in cities. Growth is held back where this is compounded with poor transport and digital connectivity.
- 1.4 We know that towns have been working hard since September to establish Town Deal Boards and develop Town Investment Plans (TIPs) – and while many have had to deprioritise this work in the current crisis, all towns are keen to understand the next steps and how they can agree their Town Deal.
- 1.5 This guidance is intended to enable towns to finalise their TIPs and work with MHCLG to agree their Town Deals. It sets out key information about interventions in scope, and the roles of different stakeholders throughout the process, and shows the path towards the implementation of Town Deals.

Town Deals and Covid-19 impacts

- 1.6 At the time of writing, we are facing a set of challenges on an unprecedented scale. We cannot predict exactly what the coming months will bring, and we are concerned that deprived towns may be hit harder by this crisis than elsewhere.
- 1.7 We have not changed the focus of the Towns Fund, nor the types of interventions we expect to support. The effects of Covid-19 have been felt directly by all towns, and the impact has been particularly acute for those with the vulnerabilities and weaknesses that the Towns Fund was set up to address. So this investment in towns is more needed than ever. The government wants to meet the long-term needs of left behind communities, and remains committed to levelling up.
- 1.8 The Town Deal may for some towns take on additional purpose as a key part of the efforts to recover and rebound from this crisis. The Towns Fund will enable the agreement of strategic investments by the end of the financial year, tailored to each

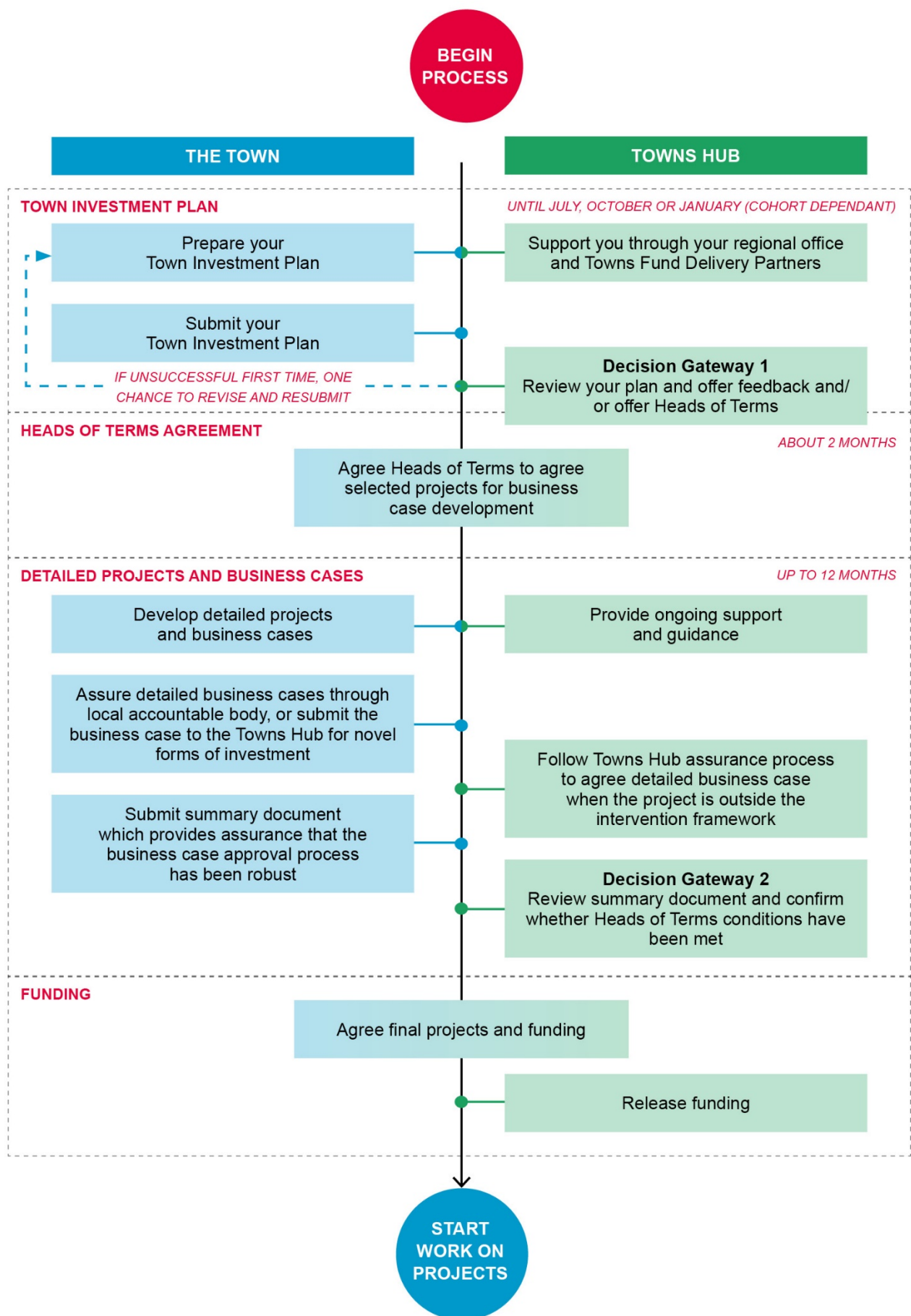
town's circumstances and the localised impacts of Covid-19. This is part of a wider package of support for places to respond to Covid-19, including measures to mitigate the immediate impact, such as the £12.3 billion funding to help small and rural businesses manage their cashflow through this period. Through supporting local economic plans and partnerships, the Towns Fund will help chart a course and lay the groundwork for levelling up over the longer term, as set out in the [UK government's Covid-19 Recovery Strategy](#).

- 1.9 We will be flexible and responsive. We have pushed back the deadlines for submitting Town Investment Plans to reflect the ongoing uncertainty and the pressures on all partners on Town Deal Boards. We will continue to monitor the situation and where needed will provide towns with additional support to complete TIPs.
- 1.10 We would like all towns to outline in their Town Investment Plan how Covid-19 is impacting their local economy, and how this is reflected in their strategy and prioritisation. It may be that some priorities have shifted, or it could be that the same things are still critical – whichever is the case, it is paramount that Covid-19 forms part of the evidence base and is factored into decision-making.
- 1.11 Towns should take advantage of the opportunities presented to chart a sustainable course for their long-term growth. While there may be a case for mitigating the impacts of the crisis on key sectors and parts of town, we will not support measures that are purely short-term. We would like towns to focus on making adaptations which increase resilience and prosperity.
- 1.12 Town centres may be hit hard by the impacts on retail, adding to longer-running trends and pressures. In particular, towns may want to consider how they can reconfigure town centres for mixed uses. There may be other opportunities to make decisive changes for the long term, such as investing in sustainable modes of transport to take advantage of behaviour changes caused by lockdown. TIPs must include a wider spatial strategy, setting out why targeted areas have been chosen, what is being done to support other key areas of their town, and how this will support the town centre.
- 1.13 Towns should flag if they want to use their Town Deal as a key part of their recovery plans and set out how their proposed projects fit with other recovery measures. Towns in this position should highlight projects they believe are 'shovel ready' and the potential to tie in multiple lines of support to one deal.
- 1.14 Given the uncertainties, towns may wish to set out scenarios and hypotheses to underpin plans and ensure plans are flexible to evolving contexts and guidance. We expect to see projects prioritised that will be valuable against a number of possible scenarios, rather than large, risky investments.

- 1.15 Through MHCLG's Towns Hub we will provide resources and advice to help towns understand how Covid-19 will impact them in the future, and lessons about suitable interventions, opportunities and risks. Towns hardest hit by the pandemic and those to whom the deal is an essential part of their recovery planning will receive additional support.

Towns Fund Process

- 1.16 The diagram below summarises the process for agreeing Town Deals and starting implementation. It has been designed to help strengthen the quality of Town Deals, building partnerships and strategies that will help guide investment and development over time. At the same time, it ensures sufficient oversight and assurance of how money is spent at a local and national level.
- 1.17 There are two phases, with a decision gateway at the end of each. First, towns will develop TIPs, which will be assessed by MHCLG to inform a Heads of Terms offer (given the submission is of sufficient quality). Towns will then develop agreed projects and business cases in detail, and government will assess that information before releasing funding for implementation.
- 1.18 We understand from our readiness assessments carried out over the past six months that towns had very different starting points, and towns have had varying ability to continue their work during the recent crisis. Towns will therefore be able to submit their TIPs in three cohorts, depending on when they will be ready.
- 1.19 Should towns fail to submit a TIP of sufficient quality, they will be given one more opportunity to do so. If they fail a second time, they will no longer be eligible for a deal. Through the Towns Hub, we will provide Town Deal Boards with the support they need to successfully complete the process.



2. Towns Fund purpose

- 2.1 Through the Towns Fund we will work with more places to address growth constraints and to ensure we chart a course of recovery from the impact of Covid-19. The overarching aim of the Towns Fund is to **drive the sustainable economic regeneration of towns to deliver long term economic and productivity growth**. This will be done through:

Urban regeneration

Ensuring towns are thriving places for people to live and work, including by:

- Increasing density in town centres;
- Strengthening local economic assets including local cultural assets;
- Site acquisition, preparation, remediation, and/or development; and
- Making full use of planning tools to bring strategic direction and change.

Skills and enterprise infrastructure

- Driving private sector investment and small business development; and
- Ensuring towns have the space to support skills and small business development.

Connectivity

- Developing local transport schemes that complement regional and national networks; and
- Supporting the delivery of improved digital connectivity.

- 2.2 We know town centres and high streets are facing particular challenges. We are leaving the flexibility for towns to prioritise investment across the town – for example, in gateway areas, key education or employment sites. We would like to understand your plan for the town centre, to be included as part of the spatial strategy in your TIP.
- 2.3 Many towns face serious social as well as economic challenges. We suggest that towns incorporate this through a focus on inclusive growth. The Towns Fund investments are not intended to target the social challenges directly; these will be covered by other government policy and departments – although you may wish to include actions and investments in these spheres as part of the wider Town Deal.
- 2.4 TIPs should be guided by sustainability – economic, environmental, and social. The government has committed to a legally binding target to achieve net zero greenhouse gas emissions by 2050; clean growth represents a huge opportunity for the UK economy, and is a core principle of the Towns Fund. The current situation creates an opportunity to speed up the process of restructuring our industry, commerce and communities towards a greener future.
- 2.5 Towns and local authorities are well placed to coordinate clean growth investment in their local area, which can deliver decarbonisation, improved air quality and health, and economic growth.

3. What should be in a Town Deal?

- 3.1 A Town Deal is an agreement in principle between government, the Lead Council and the Town Deal Board, confirmed in a Heads of Terms document. It will set out a vision and strategy for the town, and what each party agrees to do to achieve this vision.
- 3.2 This document will be signed by the Secretary of State for Housing, Communities and Local Government on behalf of government. We expect the other signatories to be the chief executive or leader of the local authority and the chair of the Town Deal Board. Town Deals will cover a period of up to five years.
- 3.3 Each town has been invited to put together proposals for up to £25 million from the Towns Fund – although we will consider more than £25 million in exceptional cases. This core funding component of a Town Deal will be money from the Towns Fund. Towns are not in competition with one another – the amount of funding they are able to access will be based on the quality of their proposals and not related to the proposals brought forwards by others.
- 3.4 The Town Deal should also be a ‘wrapper’ for other investments, whether from other government departments or private investors. We would like the Towns Fund money to provide additionality, and help to bring in other funding, so Town Deals become more than the sum of their parts.

Interventions in scope

- 3.5 The Towns Fund is primarily a capital fund. We want to support projects that are viable and sustainable in the long term, and which build on the town’s assets and strengths. Interventions supported through the Towns Fund should be developed with input from the community, who should feel a genuine sense of ownership. We also want to support towns that are targeting interventions that will play a role in their immediate economic recovery.
- 3.6 All interventions should be designed to help generate local economic growth whilst taking into account the principle of clean growth.
- 3.7 The table below includes the outcomes, by intervention theme, that towns should be targeting through their interventions. These target outcomes should be used as a guide when towns are designing their investment plans. Examples of the types of outputs that might produce such outcomes – and therefore ones that towns should be considering – are also included in the table.

| Intervention Theme | Outputs | Target Outcomes |
|--------------------|--|--|
| Local transport | <i>Increase in the number of bus services; new or upgraded cycle and walking routes; new or upgraded road infrastructure; pedestrianised streets</i> | <ul style="list-style-type: none">• Improved affordability, convenience, reliability, and sustainability of travel options to and from places of work• Improved affordability, convenience, reliability, and sustainability of travel options |

| | | |
|---|--|--|
| | | <p>to and from places of interest (especially shops and amenities)</p> <ul style="list-style-type: none"> • Reduced congestion within the town • Enhanced high street and town centre experience that prioritises the health, safety and mobility of pedestrians |
| Digital connectivity | <i>Provision of full fibre infrastructure with local authority as anchor tenant</i> | <ul style="list-style-type: none"> • Increased utilisation of digital channels, by businesses, to access and/or supply goods and services • Increased ability for individuals to work remotely/flexibly • Encouraging further investment from network operators |
| Urban regeneration, planning and land use | <i>Remediation and/or development of previously abandoned or dilapidated sites</i> | <ul style="list-style-type: none"> • Enhanced townscape that is more attractive and more accessible to residents, businesses and visitors |
| Arts, culture and heritage | <i>New or upgraded museums, theatres, community spaces, etc.</i> | <ul style="list-style-type: none"> • Improved arts, cultural and heritage offer that is more visible and easier for residents/visitors to access |
| Skills infrastructure | <i>Increase in the capacity and accessibility to new or improved skills facilities</i> | <ul style="list-style-type: none"> • Increased share of young people and adults who have relevant skills for employment and entrepreneurship |
| Enterprise infrastructure | <i>Increase in the amount of high-quality and affordable commercial floorspace; increase in the number of shared workspaces or innovation facilities</i> | <ul style="list-style-type: none"> • Increased number of enterprises utilising high-quality, affordable and sustainable commercial spaces • Increased number of start-ups and/or scale-ups utilising business incubation, acceleration and co-working spaces |

3.8 The full intervention framework can be found in Annex A and sets out:

- The spatial focus of interventions;
- A broad set of acceptable outputs which should guide the design of specific interventions;
- Policies and strategies that interventions should align with; and
- The list of outcomes that we would expect interventions to target, along with a set of possible indicators that will be used to measure progress and success.

3.9 The intervention framework has been designed to allow flexibility for a broad range of interventions, so that towns can select those that are most suited to their unique circumstances. Towns should design their interventions so as to lead to the target outcomes. It should be noted that interventions outside of this framework are not automatically precluded, although they are likely to be subject to additional scrutiny in the business case phase.

3.10 For example, where towns face a flooding risk they may propose to address this in their investment plan. We might expect to fund new developments that were flood-proof, and flood defences as part of those developments. However, the focus of the

Towns Fund is on economic growth, and projects will have to be cognisant of this. (Details of specific flooding funding is set out in Annex B).

- 3.11 In all instances, towns will be required to demonstrate how their interventions will lead to the agreed outcomes using a convincing, well-evidenced Theory of Change. Further guidance on producing a Theory of Change can be found within [HM Treasury's Magenta Book](#) (page 24, section 2.2.1).
- 3.12 The fund is 90% capital. As a general rule, towns are asked to ensure that their funding bids concentrate on capital spend on tangible assets. In some towns, there may be a particular need for a small amount of revenue funding – perhaps to support implementation of a capital project. However, this will need to be fully evidenced and will be the exception.
- 3.13 The profile of the overall fund is from 2020 to 2021. We will agree specific funding profiles with each individual town based on their deal and projects.
- 3.14 In exceptional circumstances, an allocation of more than £25 million may be considered¹. This will be limited to the most ambitious and credible investment plans, and towns will face a higher level of scrutiny of their plans:
- TIPs should credibly target not only transformational impacts for the town itself but for the wider region or at the national level.
 - TIPs must be top quality, with all of the Town Investment Plan (TIP) assessment criteria fully demonstrated
 - Towns will face a challenge session before a Heads of Terms is offered
 - For individual projects over £25 million business cases must be approved centrally through MHCLG rather than assured through a local Accountable Body .
- 3.15 Towns should not bid for the full £25 million or more unless there is an objective rationale to do so. It should be noted that the coherence of the Town Investment Plan (i.e. the complementarity of project proposals and their alignment with the town vision and strategic planning) plays a key role in the assessment of TIPs. Should a town bid for the full amount or more without a sound evidential backing, the town risks failing to secure a deal at the first attempt, meaning they have just one more chance to submit.
- 3.16 Towns will need to demonstrate that their proposed interventions have taken account of the following clean growth principle: *Investment from this fund should support clean growth where possible and, as a minimum, must not conflict with the achievement of the UK's legal commitment to cut greenhouse gas emissions to net zero by 2050.*
- 3.17 In practice, cost effective interventions might include:
- Investment in clean public transport
 - 'Gateway' areas around train stations

¹ The maximum available is £50 million

- Other clean transport, including cycling infrastructure and electric vehicle charging points
- Low carbon buildings
- Infrastructure that reduces emissions from industrial areas
- Innovative energy efficiency measures, clean heat and power generation, and energy storage
- Regenerating and retrofitting existing buildings to be as low carbon as possible
- Carbon offsetting, e.g. planting trees
- Skills initiatives which support clean growth industries
- All development should be cognisant of flood risk and coastal erosion where relevant.

Alignment with other initiatives and funding

- 3.18 To maximise the impact of the Towns Fund, we want to help towns align their plans with other existing government funds and initiatives. Towns should consider how the Towns Fund money may help crowd in and leverage other sources of funding. We hope that this will enable synergies, win-wins and multiplier effects, thanks to more place-focused policy.
- 3.19 A Town Deal for some towns might therefore involve agreeing to align Towns Fund monies with those from another government programme, or other public or private sector funding sources. Ideally, a Town Deal will serve as a ‘wrapper’ for a wide range of government interventions, in order to maximise both the impact of funding and the range of projects which can be funded.
- 3.20 Towns should indicate in their TIP where there exists any overlap with other government interventions, or where they plan to align Towns Fund monies with other investment. This could include aligning investment in transport infrastructure with the Department for Transport’s Restoring Your Railway Fund, or wider economic regeneration plans with MHCLG’s Brownfield Housing Fund. There are a range of funds offered by the Department for Education on skills and skills infrastructure, and from the Department for Digital, Culture, Media and Sport for digital connectivity, heritage, culture, sports, and tourism.
- 3.21 A list of funding programmes that align with the objectives of the Towns Fund is at Annex B. There may be other local, regional and national funding opportunities available that are not listed or other opportunities such as estate regeneration schemes. Towns should explore all possible avenues in the development of their investment plans.
- 3.22 For some funding programmes (such as those in the list below), the application process is likely to happen in parallel to the Towns Fund process. If towns are intending to apply for these other funds, we ask that you flag this in your TIP, and set out linkages, synergies and interdependencies between the Towns Fund and those possible investments.

- MHCLG's Future High Streets Fund
 - DfT's Restoring Your Railway (Beeching) Fund
 - HMG's Freeports programme
 - Cabinet Office's One Public Estate programme
 - DfE's Further Education Capital Fund
 - MHCLG's Development Corporations programme
- 3.23 The relevant departments will make their own assessment as to whether the project meets their criteria and should be taken forward through their own processes, in parallel to MHCLG's. We will work to ensure government is joined up in how it assesses and awards these funds. Should this be agreed, alignment of the funds will be included as part of the Town Deal.
- 3.24 Some towns selected for a Town Deal have also been shortlisted for the Future High Streets Fund. As towns develop both proposals, they should ensure that they are fully aligned, building on a clear overall vision and strategy. The two funds cannot be used as match for each other but can fund complementary projects.
- 3.25 We also encourage collaboration and alignment with regional bodies and other levels of government. Where appropriate, towns should work with Local Enterprise Partnerships, Mayoral Combined Authorities and others to ensure coordination and shared learning. Some types of project may require sign-off by certain bodies, for example transport projects must have the full support of the lower and upper tier transport authorities and the local highways authority.

Co-funding and match funding

- 3.26 We would like to see co-funding and match funding where possible. Leveraging additional funding from other sources such as the private sector can be an effective means of widening the scope and ensuring the success of a project.
- 3.27 We know, however, that this may be difficult in some towns, especially in light of Covid-19 impacts. We have not set a minimum for match funding or private sector investment, and we will respect the different opportunities and constraints faced by different towns.
- 3.28 At a minimum we want to see evidence that towns have fully explored investment opportunities and sought to initiate discussions with potential investors as early as possible. Towns should demonstrate the level of buy-in already secured from a range of private sector players – whether this is recent or something built up over a number of years. Towns should set out how the level of co-funding secured is reasonable for their particular context, and make clear the level of commitment behind any match funding. We can provide support to towns on project finance and private sector investment.

Case Example – Stansted Airport College



The Towns Fund prospectus highlighted the significant role colleges play in many local communities and that collaboration between education providers and businesses (large and small) is important to deliver a more highly skilled workforce. This can be achieved through investment in vital skills infrastructure.

Stansted Airport College is the first on-site aviation college at any UK major airport. It is a partnership between Harlow College and London Stansted Airport (part of the Manchester Airport Group). The College was specifically established to address skills shortages in the aviation industry. Construction began in October 2017 and the College opened to its first students in September 2018. Now in its second year of operation the College is at full capacity of 500 trainees.

The airport has between 300-400 live vacancies every week of the year, from entry level positions through to higher level technical positions. The strategic partnership provides a pipeline of talent for airport business partners, as well as providing 'a clear line of sight' to the workplace for young people. The College sits literally at the end of the runway – its location provides an inspiring and motivational environment for young people.

This is a significant and fundamental strategic partnership which included the 'gift' of £3.5 million land to build the new facility, as well as key links with the 220+ airport business partners. Employers were involved in the design of both the building and the curriculum. Their on-going commitment and support to work placements, visits, professional talks, volunteering and curriculum development is a vital part of the College's success. Impact is measured at multiple levels. Now at full capacity the £11 million centre delivers £2.3 million of benefit to the economy in terms of skilled trainees for the workforce.

4. Phase 1: Preparing a Town Investment Plan

- 4.1 Town Deal Boards are responsible for developing a Town Investment Plan that sets out a clear vision and strategy for the town. Plans should reflect local priorities and be co-designed with local businesses and communities. A Town Investment Plan will be used as the basis for agreeing the Town Deal, including the specific projects which will be funded and the agreement in principle/Heads of Terms (before entering into phase 2 where funding may be granted). For towns that are proposing a joint deal, a single Town Investment Plan must be developed with strategic fit for both towns.
- 4.2 TIPs should be long-term, strategic documents. They should provide the strategic case for Town Deals, with the evidential and analytical basis for the selection and design of the projects proposed in it. We would also like them to be broader than this: they should set out a vision for the town with broad ownership and a strategy that can set the direction for the economic turnaround of the town over a decade, including economic recovery from the current crisis.
- 4.3 TIPs should build on and recognise the good work that has already been undertaken in towns. We know many towns already have strong partnerships, and we are happy if these form a key foundation of the Town Deal Board. And in many places there are recent strategies and plans for the town which are highly relevant to Towns Fund objectives: we would hope TIPs align with and build on these.
- 4.4 To help contribute to broader ownership and longevity, the final Town Investment Plan should be published on the Lead Council's website (or a Town Deal specific website).

Running a Town Deal Board

- 4.5 Town Deal Boards are responsible for producing Town Investment Plans, including putting forward suitable projects which align with the objectives of the Towns Fund, and for overseeing compliance with the Heads of Terms Agreement with government.
- 4.6 We hope that they can build on and strengthen existing partnerships in the town. It is also important to be clear how Town Deal Boards align with other place-based initiatives in towns. We would like to see evidence of a shared vision and commitment from a range of stakeholders, however this does not all have to come from Towns Fund-specific engagement.
- 4.7 A Town Deal Board should operate in a transparent and objective way for the benefit of the town it represents. We set out here and at Annex D governance requirements – this should fit within and complement existing arrangements for governance, assurance, audit etc. in the local authority and does not need to be wholly separate.

- 4.8 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:
- A private sector chair
 - All tiers of local government for the geography of the town
 - The MP(s) representing the town
 - The Local Enterprise Partnership
 - Local businesses and investors
 - Community/local voluntary community sector representatives
 - Other relevant local organisations, such as FE colleges or Clinical Commissioning Groups.
- 4.9 It will be important to ensure a balance of views are heard and to create opportunities for fresh perspectives and challenge, so membership could extend to those with other specific expertise, such as clean growth.
- 4.10 All Town Deals will need to have an Accountable Body which will be a council through which funding will flow. The Lead Council for the Town Deal (the Unitary Authority, Metropolitan Council, District Council or Borough Council for the town) will determine the appropriate Council to act as the Accountable Body (the Lead Council may take on this role or nominate an upper tier Authority where more suitable). Lead Councils have a seat on the board and take responsibility for ensuring that decisions are made by the Town Deal Board in accordance with good governance principles.

Roles and responsibilities

Town Deal Board - The Town Deal Board will sign off each stage of a Town Investment Plan and Town Deal. The Board is responsible for:

- Upholding the Seven Principles of Public Life (the Nolan Principles)
- Developing and agreeing an evidence-based Town Investment Plan
- Establishing a clear programme of interventions
- Embedding arrangements in local plans (where appropriate) and undertaking Environmental Impact Assessments and fulfilling duties on public authorities under the Equalities Act, in particular, and the public sector equality duty.
- Coordinating resources and engaging stakeholders
- Ensuring communities' voices are involved in shaping design and decision making at each phase of development
- Ensuring diversity in its engagement with local communities and businesses
- Helping develop detailed business cases
- Overseeing each step of agreeing a Town Deal, and overseeing compliance with the Heads of Terms Agreement with government

Town Deal Board Chair:

- Upholding the Seven Principles of Public Life (the Nolan Principles)
- Leading the Board in achieving its objectives, maintaining an overview of activity, and championing and supporting partnership working

- Ensuring that decisions are made by the Board in accordance with good governance principles
- Signing the Head of Terms Agreement with government

Lead Council (acting as or with the Accountable Body):

- Upholding the Seven Principles of Public Life (the Nolan Principles)
- Developing a delivery team, delivery arrangements and agreements
- Ensuring that decisions are made by the board in accordance with good governance principles
- Ensuring transparency requirements are met – through publication of information on their website or a Town Deal specific website (where further reference is made in this guidance to publication on a Lead Council’s website this includes Town Deal specific websites)
- Developing agreed projects in detail and undertaking any necessary feasibility studies
- Undertaking any required Environmental Impact Assessments or Public Sector Equalities Duties
- Helping develop detailed business cases
- Liaising with potential private investors in identified local projects and schemes
- Signing the Head of Terms Agreement with government
- Monitoring and evaluating the delivery of individual Towns Fund projects
- Submitting regular monitoring reports to Towns Hub
- Receiving and accounting for the Town’s funding allocation

- 4.11 The Town Deal Board should have suitable governance arrangements that allow members to provide robust challenge, hold delivery partners to account and ensure that the benefits of the Town Deal are achieved. The governance arrangements should cover:
- Roles and responsibilities of the Board
 - Transparency of decision making
 - Details of how the Board will engage with the relevant partners and the community
 - How decisions will be scrutinised
 - How the Board intends to follow the local authority best practice for Committee and Board Secretariat and Governance
- 4.12 The membership and governance arrangements (including minutes of meetings and decision logs) of the Town Deal Board should be published on the Lead Council’s website.
- 4.13 Annex D provides further detail on the governance expectations, this includes information on the requirements relating to management of conflicts of interest and the publication of information.
- 4.14 Ahead of agreeing a Town Deal, checks will be undertaken to ensure Town Deal Boards are meeting all the governance expectations set out here and in the Towns Fund Prospectus.

Community Engagement

- 4.15 Interventions supported through the Towns Fund should have the support of the community, through early and ongoing engagement and genuine partnership arrangements. Plans made with the communities that they affect are most likely to be successful, lead to innovation and creativity, and result in less controversy.
- 4.16 Where possible, communities should be part of originating ideas, setting objectives and visions rather than just giving feedback on proposals that are already some way along. If communities feel heard and are invested in the success of the project(s), this should ultimately help develop a sense of pride and connectivity to place and community. And for some towns, the existing sense of pride and identity in their town can be a valuable resource for change.
- 4.17 This is a key part of developing the Town Investment Plan and we want towns to demonstrate the buy-in they have secured with the community. We are not being prescriptive about how this looks, however – and it can and should build on existing partnerships, consultation and mobilisation in the local community. Towns may choose to use the capacity funding, provided December 2019, to support community engagement.
- 4.18 We recognise that engagement with local communities is made more challenging due to the Covid-19 pandemic. The response to Covid-19 has seen an increase in volunteering and community action, and we encourage towns to use this moment as an opportunity to harness this energy and embed community engagement.
- 4.19 We urge Town Deal Boards to be innovative in ensuring that a diverse range of stakeholders are consulted throughout the development of Town Investment Plans, making the most of what digital technology can offer to reach diverse communities and groups while also considering face-to-face engagement when it is possible. The Towns Hub can provide support and advice for community engagement in the Covid-19 context.
- 4.20 Asking the right questions, in the right way and at the right time, can draw out potential pitfalls and unexpected but effective solutions. For example, a new bus lane and bus route can either divide communities and further isolate or become the access route to both physical and social connectivity.
- 4.21 The level and quality of community engagement – what has been done so far and what is planned in the future – will be a key factor when assessing and agreeing the Towns Deals. Every TIP should also include a **stakeholder engagement plan** that demonstrates how the town will:

- Involve: Identify and involve the people/organisations who have an interest in the proposals and developments
- Support: Identify and show how you will overcome any barriers to involvement

- Evidence: Gather evidence of the needs and available resources and use this to agree the purpose, scope and timescale of the engagement and the actions to be taken
- Design: Agree and use methods of engagement that are fit for purpose, and demonstrate engagement throughout the project lifetime/Town Deal Fund
- Work together: Agree and use clear procedures that enable the participants to work with one another effectively and efficiently
- Share information: Ensure necessary information is communicated between the participants and everyone is looped into the information needed to make informed decisions
- Work with others: Work effectively with others who are already or could help with engagement for example the voluntary and community sector, social enterprises or relevant public sector bodies
- Improve: You may need to consider further developing the skills, knowledge and confidence of all participants
- Feedback: How will you feed back the results of engagement to the wider community and agencies affected, and show the impact this engagement has had
- Evaluate engagement: Monitor and evaluate whether the engagement achieves its purposes and adjust as necessary

Content of the Town Investment Plan

- 4.22 As set out in the prospectus, the Town Investment Plans should:
- Set out investment priorities that could drive economic growth, supported by clear evidence, building on the strengths and assets of the town
 - Demonstrate how investment will be targeted into the economic infrastructure listed around the objective of the fund
 - Build on and add to existing partnerships and plans for the town, and complement pre-existing strategies such as Local Industrial Strategies, Skills Advisory Panel analysis, spatial strategies and local transport plans
 - Consider the wider strategic approach, including Northern Powerhouse, Midlands Engine, the Oxford-Cambridge Arc and other pan-regional strategies
 - Align with the government's clean growth objectives
- 4.23 The Town Investment Plan should be in two sections; section 1 setting out the context, strategy and process planning; and section 2 setting out the details of project proposals. The expected content is set out below, and the **templates for sections 1 and 2 of the Town Investment Plan will be provided directly from the Towns Hub.**

| TIP Section 1 | |
|-------------------------|---|
| Context analysis | <ul style="list-style-type: none"> • Map of agreed town boundary and other relevant context • The main challenges facing the town • Evidence of need, relevant to proposed projects • The town's assets and strengths |

| | |
|-------------------------------------|--|
| | <ul style="list-style-type: none"> • Key opportunities for the town |
| Strategy | <ul style="list-style-type: none"> • Town vision, and headline outcomes and/or targets for 2030 or beyond • Strategy, outlining strategic planning, objectives and targets, spatial strategy, underlying evidence, analysis and rationale, and a description of priority areas for the short, medium and long term. • Mapping of all strategies, partnerships, programmes and investments relevant to the vision and strategy, and how they will be aligned |
| Engagement and delivery | <ul style="list-style-type: none"> • Clear evidence of buy-in from local businesses and communities, description of have been engaged throughout the development of this plan, and how this engagement will continue • Demonstration of commitments from private sector players, and ambitions for private-sector investment going forwards • High-level plan of business case development and appraisal for each project including the identification of the Accountable Body • High-level delivery plan with justification of deliverability |
| TIP Section 2 | |
| Prioritised list of projects | <p>Including the following for each project:</p> <ul style="list-style-type: none"> • Project description, rationale and alignment with intervention framework • Theory of Change, projected outputs and outcomes • Estimates of project costs, timescales, spend profile, and estimated BCR • Funding secured from other sources, community and private sector involvement and major interdependencies |

4.24 Towns should set out in their TIP their assessment of the local impacts of Covid-19, and how these have been taken into account in their strategy and project prioritisation. Towns should flag if they want to use the deal as key part of their recovery plans, and set out how their proposed projects fit with other recovery measures. Given the uncertainties you may wish to set out scenarios and hypotheses to underpin plans, and ensure plans are flexible to evolving contexts and guidance.

4.25 Towns should also indicate where projects proposed are already well-developed and could be taken forwards quickly – for example, where a business case already exists, planning permissions secured, or are otherwise ‘shovel ready’. In these instances we would support towns to complete the second stage of the process quickly for those projects, so that funding can be released as soon as possible.

Submitting the Town Investment Plan

- 4.26 We know from our initial engagement that towns will need to work at different speeds in developing proposals. To support this, we have set three deadlines for submitting Town Investment Plans.
- 4.27 **We will ask towns to confirm, within four weeks of the publication of this guidance, which cohort they would like to come forwards in – submitting their TIP by 31st July 2020 for cohort 1, by the end of October 2020 for cohort 2, or by the end of January 2021 for cohort 3.**
- 4.28 All towns must have submitted Town Investment Plans by the end of January 2021. All towns will have a second chance to submit their TIP if they are not successful the first time, no matter which cohort they first come forward in. You should work with your named town lead to determine which is the most appropriate for your town.
- 4.29 **You should submit your Town Investment Plan by email to the Towns Hub by the deadline** you have agreed with your named Town Deal contact.
- 4.30 Whilst we are keen to do deals and start the process of getting much needed investment into towns, we do not want any town to come forward before it is ready. There is **no advantage in coming first**: each Town Investment Plan will be assessed on its own merits.
- 4.31 Should you fail to meet the agreed deadline or submit proposals or projects of insufficient quality which do not meet the criteria and conditions, you will have the opportunity to resubmit at a subsequent deadline. If you do not submit, or submit proposals of insufficient quality by March 2021, then your town is likely to be deemed ineligible for this round of funding from the Towns Fund. You may be eligible to apply for a future competitive round of the Towns Fund.

Case Example – The Lincoln Transport Hub



High quality and well-designed infrastructure is critical to supporting local economies and sustainably improving living standards, with reliable transport connectivity one of the keys to spreading prosperity in towns.

In Lincoln the bus station was recognised as inadequate, with sub-standard facilities, condition and general amenities. Similarly, there was a general acknowledgement that the absence of a central shoppers'/visitors' car park was constraining both retail and visitor activity in the city. Railway station access, parking and services were also generally recognised as being 'out of step' with the expectations of a 21st Century city.

The £30 million Lincoln Transport Hub scheme, led by the City of Lincoln Council, was part-funded by an £11m investment from the Department for Transport and a further £2m Local Growth Fund investment from the Greater Lincolnshire Local Enterprise Partnership. The main purpose of the scheme was to provide an integrated and improved transport hub that enabled both the bus and railway stations to cope with increased passenger numbers and crucially open the possibility of more services in the future.

Completed in 2018 the Hub has transformed the city centre providing a new 14 bay state-of-the-art bus station and a new 1,001 space multi-storey car park. The road network around the Hub has been improved and includes traffic calming measures. New public realm has created better pedestrian connectivity and encourages healthier lifestyles by providing cycle paths and easy to navigate walkways from the railway station into the city centre. Additionally the railway station forecourt has been reconfigured to create a dedicated pedestrian area leading into the city centre.

The Hub has received feedback in local media indicating that it has made a positive impact on life in Lincoln and created an improved first impression and visitor experience to the city. The scheme has also helped unlock development of the wider retail areas of the city, offering further retail, office and residential accommodation including private investment in the Cornhill area adjacent to the station.

5. Decision Gateway One: Reviewing Town Investment Plans

Our consideration of Town Investment Plans

- 5.1 As part of the first decision gateway, Town Investment Plans will be considered in two stages. The first stage will consist of a review of the TIP in its entirety (sections 1 and 2) using the criteria below. Where there is clear evidence of all the standards below being met, TIPs will progress to the second stage of the review where the Towns Hub will then review in more detail the individual project proposals in section 2 of the TIP. Where the standards haven't been met, clear feedback will be given and there will be one more opportunity to resubmit the TIP at a later date, as agreed with the Towns Hub.
- 5.2 This first decision gateway (the TIP review and detailed project assessment) will be coordinated by the Towns Hub, including officials from MHCLG and from other government departments (from both local and national levels), and including individuals covering policy, finance, and management as well as specific sectors or technical areas.
- 5.3 Town Investment Plans must demonstrate how Covid-19 is impacting their local economy, and how this is reflected in their strategy and prioritisation. It may be that some priorities have shifted, or it could be that the same things are still critical – whichever is the case, it is paramount that Covid-19 forms part of the evidence base factored into decision-making. Strategies and priorities should aim for long-term adaptation and transformation, rather than short-term mitigation of impacts.
- 5.4 TIPs must include a wider spatial strategy, setting out why targeted areas have been chosen, what is being done to support other key areas of their town, and how this will support the town centre. We recognise that towns may also serve as crucial parts of interconnected regional economies, and as rural hubs. Investment will only be available within the agreed town boundary. However, we welcome any benefits to the wider economy that the town deal can bring.

TIP review (see Annex C for more details)

| Review of the Town Investment Plan | | |
|------------------------------------|------------------------|---|
| Standard | Criterion | Evidence |
| Impact | Level of need | Details of the major challenges and problems in the town which could be addressed through Towns Fund interventions. |
| | Scale of opportunities | Details of major opportunities and unmet demand which could be capitalised on to boost growth and improve wellbeing |

| | | |
|---------------------|--|---|
| Strategy | Strength of vision, strategy and economic narrative | An evidence-based vision and strategy, aligned to the objectives of the fund and grounded in its context, including a clear demonstration how the strategy responds to local Covid impacts, and with a and a robust prioritisation process has been followed. |
| | Coherence of TIP | A coherent set of proposals forming a broader strategy which clearly addresses the needs and opportunities. Theories of Change developed for each project setting out clearly the assumptions and external factors. |
| | Capacity and alignment of proposals with ongoing initiatives | Details of how proposals would complement existing and planned work while providing additionality, including how it aligns with Covid recovery. Details of co-funding, delivery capacity and accountability. |
| Partnerships | Strength of collaboration with communities and civil society | Level of representation and institutional collaboration both in the production of the TIP and planned for the future. |
| | Strength of collaboration with the private sector and local businesses | Level of representation and institutional collaboration both in the production of the TIP and planned for the future. |

5.5 The best TIPs will:

- Include long-term strategic planning, and be based on sound evidence and analysis, with an understanding of the town's context. It should also include a set of intervention proposals with a clear strategic fit, guided by evidence of 'what works' or by case studies of success from elsewhere.
- Clearly demonstrate how programme- and project-level planning responds to Covid-19 impacts in the short, medium and long term, and how it supports recovery and aligns with the clean growth principle
- Make clear the unique characteristics and assets of your town and set a path towards a realistic and sustainable future for the local economy, bearing in mind your assets, and the efforts and specialisms of other towns, avoiding replication or competition.
- Maximise the contributions from a variety of local stakeholders, demonstrating their buy-in, not just through their inputs to the TIP priorities, but also by setting ambitions for ongoing collaboration e.g. using collective impact or design thinking approaches.
- Take into account all the guidance in this document and the prospectus, including clean growth, community engagement, mitigating against Covid-19 related challenges, etc. You should set out how each aspect is relevant to your context rather than feel you have to take everything on board as a blueprint.
- Make a case for an appropriate amount of Towns Fund investment, rather than simply asking for the maximum £25 million regardless of the value of projects. We expect to see private investment and other sources of funding where this is possible and appropriate.

- A more detailed breakdown of the evidence that should be included in a TIP is included at Annex C.

Project assessment

- 5.6 Where the TIP is of the required standard, government will assess the projects listed in the plan to decide on an initial funding offer. Final decisions will rest with ministers.
- 5.7 All towns will be able to put forward project proposals totalling up to £25 million (or more in exceptional circumstances). The exact amount offered, however, will depend on the total of all the projects that are assessed as viable.
- 5.8 At this stage, full business case development is not required. Towns will progress to developing business cases for agreed projects once Heads of Terms has been agreed. Towns are required, however, to set out the process of business case development and appraisal which they will undertake, including the identification of an appropriate Accountable Body with tried and tested local assurance mechanisms for government investment. We would also like towns to indicate the extent to which business cases have already been developed.
- 5.9 The Towns Hub will consider the in-principle case for and viability of each of the projects set out in the Town Investment Plan. The Towns Hub may:
 - recommend in-principle agreement to projects, which can then be developed into a full business case
 - recommend in-principle agreement but with specific conditions attached which will need to be met before a full business case can be developed, such as progressing the business case through MHCLG
 - recommend that ministers do not agree to projects considered unviable.
- 5.10 The project approval process will take into account:
 - the level of alignment with the intervention framework set out at Annex A
 - the use of evidence on what works and/or good practice
 - indicative benefit cost ratio (BCR) – grounded in sound judgements about additionality
 - technical quality
 - the scale of outputs and outcomes proposed and
 - whether the full potential for match funding has been leveraged
- 5.11 The extent of investigation and research by all selected towns into private sector investment or match funding will be assessed in order to be assured that the town has explored all viable options throughout the development of its Town Investment Plan. In some cases, a condition or action to work to leverage further funding may be set for the detailed project development phase.

- 5.12 Following the review of TIPs and assessment of projects, government will offer a Heads of Terms to be considered by the Town Deal Board. The final decision on Heads of Terms offers rests with Ministers.

Heads of Terms

- 5.13 Where the TIP is of the required standard and contains viable projects, we will offer Heads of Terms. Heads of Terms are an agreement in principle for funding and will be in the form of a Memorandum of Understanding (MOU), signed by the Chair of the Town Deal Board, the Lead Council and by Ministers. The relevant MOU would also be attached to any funding that is allocated to each town.
- 5.14 The Heads of Terms will include:
- Allocated Towns Fund budget and financial profile
 - List of projects to receive funding and recommended assurance route for business cases
 - List of support agreed by other government departments [where applicable]
 - Key conditions and requirements
- 5.15 Examples of conditions which may be attached include target figures for match funding, minimum benefit cost ratios, meeting a spend profile, requirement to engage with government bodies, improved value for money or confirmation of planning approval.
- 5.16 **Once a town has agreed to the Heads of Terms, the Town Deal will be announced.**

Case Example – Cotgrave Town Regeneration (A46 Corridor Regeneration Phase 1 and 2)



The Towns Fund Prospectus highlights that investments in social infrastructure – town centres, community spaces, and libraries – can create spaces for people to meet and build on a town's pride of place.

Since the closure of its pit in 1993 Cotgrave had been in need of regeneration. Facilities in the town centre were old and no longer fit for purpose. Rushcliffe Borough Council worked with partners, including Homes England, on a place-based strategy to ensure that both public services and business opportunities were provided to support the growth of the town.

The resulting £10.5m regeneration project, part funded with a £3.0m investment from D2N2's Local Growth Fund programme, has created 136 jobs to date, providing a significant boost to the local economy and provides a possible model for a Towns Fund intervention.

The project included the construction of a new multi-service centre (the Cotgrave Hub) in the town centre, providing "one door" to public services: housing a GP surgery, police station, library, council contact point and community and voluntary services. The existing police station, library and health centre were demolished and replaced with new open space and landscaping, including a children's play area all to create a welcoming environment for shoppers. Shop units in the town square were improved to provide a fresh new look and improvements made to the appearance of the back of the shops. Flats above the shop units were converted into a new business centre, with nine office suites for local businesses. The works have increased the vibrancy and attractiveness of the area, both aesthetically and in terms of consumers having a greater variety of services and choice.

In addition, 15 new industrial units ranging from 750 to 2,000sq and 463 new homes were constructed on the former Cotgrave Colliery site, on the outskirts of the town centre.

A comprehensive regeneration of the town centre was therefore carried out. This provides a possible model for Towns Fund interventions seeking to create an enhanced townscape, one that is more attractive and more accessible to residents, businesses and visitors.

6. Phase 2: Developing detailed projects and business cases

- 6.1 Following the agreement of Heads of Terms, towns will have up to one year to develop agreed projects in detail, complete and assure comprehensive business cases, and submit a Summary Document to MHCLG to show that this has been completed in line with the agreed conditions and requirements in the Heads of Terms. Where we have agreed in Heads of Terms to fast track a project, this stage of the process can proceed considerably faster.
- 6.2 This phase will build on the strategy in the TIP, taking steps towards its realisation, and getting the agreed projects ready to implement.
- 6.3 This work will include the development and assurance of business cases, and could also include:
- Technical studies and assessments
 - Detailed project design
 - Planning actions, documents and processes
 - Community and stakeholder engagement
 - Discussions with potential private investors, work on funding agreements, etc.
 - Public Sector Equalities Duties and Environmental Impact Assessments
 - Negotiation and agreement with other bodies
 - Setting in place delivery arrangements and plans with clear roles and adequate local capacity
 - Developing monitoring and evaluation frameworks, KPIs etc.
- 6.4 During this phase, Towns will be in close contact with their named Towns Hub lead. They will also be receiving capacity support and guidance from the external supplier which MHCLG appointed in May 2020. The Towns Hub will ensure support is available to towns who need it most.
- 6.5 We will work with relevant partners nationally and regionally to ensure complementarity with other initiatives, and to create opportunities for towns to connect with each other where there are shared interests (e.g. if they are undergoing similar projects).

Business case assurance

- 6.6 Towns with agreed Heads of Terms for a Town Deal will be required to produce a fully costed business case for each of the agreed projects, setting out the details of how each will be delivered. They should be sufficiently detailed and robust to pass through local assurance mechanisms (or that of MHCLG, should they be utilised).
- 6.7 There are two routes for agreeing business cases:
- Using MHCLG financial processes. This will normally be where the project is outside the scope of the intervention framework, it is a novel and unusual investment, or a project has scored amber in its project assessment

- Using the agreed Accountable Body's green book-compliant assurance processes. This will be for the majority of business cases
- 6.8 The most suitable route for a Town's business cases will be agreed at Heads of Terms. At that stage, we will also agree a forward plan with expected timescales for each business case.
- 6.9 Institutions with responsibility for public funds provided by government must observe HM Treasury guidance for assessing how to spend those resources. Lead Councils should refer to The Green Book and associated guidance as the main point of reference and advice on best practice. MHCLG has also produced best practice guidance for the development and appraisal of business cases and this is provided at Annex E.
- 6.10 Once the business case has been through assurance processes of the local Accountable Body, towns should present the Towns Hub with a summary which provides assurance that the business case approval process has been robust, along with details of the delivery arrangements, including financial commitments (more details on this are included in the next section).
- 6.11 Business cases for projects not fully aligned with the intervention framework will be assessed by the Towns Hub and will go through MHCLG assurance processes. The Towns Hub will assess business cases against a set of criteria, including:
- Level of evidenced need for investment
 - Whether the project delivers on the broader objectives of the Towns Fund and aligns with Covid-19 recovery and the clean growth principle
 - Ability to meet spending timetable set out in the heads of terms
 - Demonstration of additionality and ability to deliver on at least one of the expected outcome indicators set out in the intervention framework
 - Demonstration of local support for the project and confirmation of co-funding arrangements

At assessment, business cases must achieve a minimum standard to be approved.

Producing and submitting a Town Deal Summary Document

- 6.12 Once detailed business cases have been developed for each project, towns must submit a Town Deal Summary Document to the Towns Hub. This should include:
- A list of agreed projects (including BCRs)
 - Details of business case assurance processes followed for each project
 - An update on actions taken in relation to the Heads of Terms key conditions and requirements
 - A Delivery Plan (including details of the team, working arrangements and agreements with stakeholders)

- A Monitoring and Evaluation Plan
- Confirmation of funding arrangements and financial profiles for each project
- Confirmation of approval of planning applications
- Letters of approval from the Town Deal Board and Lead Council

6.13 Guidance on producing a Delivery Plan and a Monitoring and Evaluation Plan will be provided in due course.

6.14 **Town Deal Summary Documents can be submitted to the Towns Hub as soon as local timelines permit** and will not be held to cohort deadlines. Towns will have a maximum of 12 months from the agreement of Heads of Terms to develop business cases and submit a Summary Document of sufficient quality to the Towns Hub.

Case Example: LightPool, Blackpool



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The Towns Fund Prospectus highlights that investments in a town's cultural assets, as part of an integrated regeneration strategy, can rejuvenate places, lead to positive economic outcomes at a local level and attract tourists who will bolster local businesses.

One example of doing this comes from the £2.5m Blackpool LightPool project, which provided a radical transformation of Blackpool's iconic Illuminations and acted as a catalyst towards a more sustainable business model. Funding of £1.9m was provided through the Coastal Communities Fund (CCF) which aims to encourage the economic development of UK coastal communities by awarding funding to create sustainable economic growth and jobs.

The project introduced a number of new elements into the existing illuminations offer providing greater levels of interaction for visitors, as well as further integration into the retail centre of the town, providing additional economic benefits for local businesses, beyond the existing Illuminations sites that are seafront-centric.

The headline attraction was digitally mapped projections onto the Blackpool Tower building, accompanied by bespoke audio. Amongst other innovative developments, the Grundy Art Gallery was given over to an artistic "sensory systems" light installation during the Illuminations period, opening the Illuminations to a new demographic group, and providing a daytime attraction

Independent evaluation estimated that the LightPool project generated an additional 487,888 visits to Blackpool in 2016, whilst visitor spend attributable to LightPool in 2016 is estimated to have indirectly created, supported or safeguarded 657 jobs in Blackpool. On average each visitor to Blackpool over the 2016 Illuminations period spent £159 in the town, with those who had experienced LightPool spending £209 in Blackpool.

7. Decision Gateway Two: funding release and implementation

Assessing detailed project submissions

- 7.1 Once towns have developed detailed business cases for their agreed projects and submitted all the required documentation as part of the Summary Document, government will carry out a high-level assessment of the document before releasing funding, including a check of Town Investment Plan stage criteria, confirming whether Heads of Terms criteria have been met.
- 7.2 When business cases have been formally approved, and the Summary Document has been signed off, year 1 of the project funding will be approved by MHCLG and released to the Lead Council. This process will include confirmation of funding decisions from another government department which had previously offered conditional support for the project.
- 7.3 In instances where towns wish to adjust plans subsequent to the agreement of Heads of Terms, towns must be proactive in notifying the Towns Hub of the details of these adjustments, and where substantive adjustments have been made to projects, they will be reassessed using the project assessment criteria set out at decision gateway one.
- 7.4 Once the Town Deal is agreed, funding for the first financial year will be released to the Lead Council. The Heads of Terms and any other conditions will be attached as a MOU, to be signed by the Chair of the Town Deal Board, the Chief Executive of the Lead Council (and the upper-tier authority, if acting as the Accountable Body) and MHCLG Ministers.

Implementation

- 7.5 When the first year of funding is released, implementation of the Town Deal will proceed, with each following year's funding delivered based on progress.
- 7.6 To ensure the successful delivery of their projects, towns – led by the Lead Council – will implement agreed projects and set up internal monitoring and evaluation arrangements. Lead Councils will also need to meet the external monitoring and evaluation conditions and ensure they submit regular reports to timetable.

Monitoring and Evaluation of the Towns Fund

- 7.7 A condition of receiving Towns Fund funding will be providing regular feedback on progress, to allow for monitoring and evaluation of projects.
- 7.8 At least every six months (or more regularly, if agreed with the Towns Hub) Lead Councils will be required to provide government with a comprehensive set of data relating to each Town Deal project, including both total and forecast spend, and

output metrics. These returns will need to be scrutinised and signed off by the Accountable Body's Section 151 Officer or equivalent. However, it is recognised that for periods, Lead Councils may not have a lot to report.

7.9 The precise data requirements will be agreed with towns in due course; however, Key Performance Indicators might include:

- Lead council meeting key project delivery milestones
- Key expenditure milestones being met by the Lead Council
- Expenditure on the project total: forecast and actual
- Match funding, broken down by sector (public/ private/ third sector) – actual and forecast
- Contractual Commitments – actual and forecast
- Key outputs delivered by projects. These may include business start-ups, jobs and skills developed, investment and businesses attracted. Towns will be required to provide monitoring returns of outputs for three years post completion of projects
- Activities and implementation of ongoing community collaboration and partnership working

7.10 The Towns Hub will also conduct an annual review, assessing progress, understanding issues and agreeing any actions to be taken forward by each town. Continued funding is linked to the effective delivery of the deal.

7.11 The Towns Hub will also:

- Run a process for assessing year-end returns, managing annual budgets and recommending payments
- Manage monitoring and evaluation support and capacity support
- Develop any new guidance as appropriate
- Feed lessons from implementation into new policy

7.12 Towns will be required to be involved in the evaluation of both their specific projects and the overall Towns Fund programme. We will provide further details on monitoring and evaluation – including a detailed Monitoring and Evaluation Framework – in due course.

7.13 Support will be provided by the Towns Hub for monitoring and evaluation, including:

- Town- and national-level monitoring and evaluation
- Support for town learning and adaptation
- Support for town delivery capacity

Case Example: Ada Lovelace House, Kirby-in-Ashfield



The Towns Fund Prospectus highlights that each town will have different assets, and a unique path to prosperity. It recognises that in many post-industrial towns office space is affordable but is not always well connected to workers or attractive to business.

A £289k redevelopment project part funded with a £143k investment from D2N2's Local Growth Fund Programme, the redevelopment of Ada Lovelace House has created 11 jobs to date.

Ada Lovelace House in Kirkby-in-Ashfield town centre was constructed in 1933 and is a well-known local landmark. It was originally a health centre and has subsequently been used by County Council Social Services and by Nottinghamshire Police. The project was designed to redevelop 2,000 square feet of commercial floor space within the building and during construction work placements were offered to 14 young people.

When construction was completed in 2017, the new Ada Lovelace house featured 1,623ft net new floorspace, providing high quality offices with shared communal space and open-plan meeting areas for up to 7 creative and digital starter businesses, linked to graduate retention. The project has delivered its outcomes ahead of schedule and the local authority is planning a second phase of delivery due to the success of this scheme.

A successful example of smaller-scale urban regeneration which also provides infrastructure for local enterprises, the Ada Lovelace House redevelopment shows what can be achieved by utilising local assets, even with a relatively small budget.

8. Support and next steps

The Towns Hub

- 8.1 You should allow sufficient time to develop your Town Investment Plan and take advantage of all the support on offer. The Towns Hub will provide support with the aim that every town is able to submit a high -quality proposal for funding of up to £25 million.
- 8.2 This Towns Hub consists of the central towns team within the Cities and Local Growth Unit (CLGU) in MHCLG, towns-focused colleagues in CLGU's regional teams, and the Towns Fund Delivery Partnership led by Arup.
- 8.3 Each town has a named representative from the Hub in the CLGU regional team, and one in the Towns Fund Delivery Partnership. The named contacts will be towns' first points of contact for guidance and will continue to provide support throughout the development of your Town Investment Plan and beyond.
- 8.4 The Towns Hub will also evaluate the emerging Town Investment Plans, encourage innovation in addressing the needs of towns, share best practice, case studies of successful town regeneration and evidence of what works and build on the Towns Fund investments for potential future support to towns from across government.
- 8.5 The Towns Hub will also provide central coordination and develop shared resources. This includes developing a package of expert support with an external contractor. The support offered will vary according to the needs of the partners on your Town Deal Board, and the timescales you are working to.
- 8.6 The Towns Hub can provide support to towns on preparing Towns Fund plans. This might include advice on:
 - Town boundaries
 - Town Deal Boards
 - Town Investment Plans
 - Guidance on the scope of projects and how they might link with other funds, including their significance in relation to Covid-19 economic recovery if necessary.
 - Putting together business plans
 - Capacity support
 - Engagement with government departments
 - Towns Fund approval process

Capacity support

- 8.7 Following the publication of the prospectus, Section 31 payments were provided to all towns, in order to ensure sufficient organisational capacity was available to engage with key stakeholders and develop proposals.

8.8 The capacity funding is intended to help fund:

- Feasibility studies
- Drafting plans
- Writing business cases
- Identifying of potential private investors
- Engaging and negotiating with investors
- Developing and implementing a stakeholder engagement plan

8.9 The Towns Fund Delivery Partnership will provide towns with consultancy support and advice through a contract with MHCLG. This tender was awarded in May 2020 to a consortium led by Arup that includes Nichols Group, Grant Thornton, FutureGov, Savills and Copper Consultancy.

8.10 Working as part of the Towns Hub, the Towns Fund Delivery Partners will be uniquely placed to work closely with towns in the development of their proposals providing advice across a range of core services and different subject topics:

| Core Services | Topics |
|---|--|
| <ul style="list-style-type: none">• Visioning & strategy• Regeneration, place design and built environment• Project prioritisation and feasibility• Local community engagement, consulting and stakeholder management• Learning, public sector development and transformation• Financial strategy and investment• Planning, social impact and public sector equalities analysis• Environmental monitoring and impact analysis• Digital services | <ul style="list-style-type: none">• Transport and connectivity• Climate change• Social Value• Sustainable energy• Water and flood management• Local infrastructure• Youth and child friendly places• Public realm• Health and wellbeing• Crime and security• Innovation and digital• Housing, homelessness and repurposing buildings• Heritage• Creative, arts, culture and tourism• Education and skills• Fire |

8.11 We are currently working with the Delivery Partners to review the approach to delivering this support in response to the impact of Covid-19 and the implications for towns and the Towns Fund.

8.12 Further details on this support offer and how to access it will be available shortly.

8.13 Additional support will be available from other bodies with an interest in specific types of project. These include the Arts Council, Historic England, Visit Britain, and the Impact Investing Institute. We are working to ensure this is coordinated with the Towns Fund Delivery Partners.

Next steps

- 8.14 Discussions should take place as early as possible to begin developing projects for a Town Investment Plan. This should include:
- Engaging with local communities and local businesses to ascertain their needs
 - Identifying additional sources of funding
 - Ensuring robust Town Deal Board governance arrangements are place
 - Effectively utilising capacity funding
- 8.15 We will be in touch to ask which cohort you would like to come forwards in, and to ask what support you will need from the Towns Fund Delivery Partners.
- 8.16 For further information and support, Lead Councils and Town Deal Boards may contact their local named contact from the Towns Hub.

Glossary

Business Case – Following the agreement of Heads of Terms, towns will have up to one year to develop fully costed business cases for agreed projects and to submit a Summary Document to MHCLG to show that this has been completed in line with the agreed conditions and requirements in the Heads of Terms. These business cases should set out specific details of how each project will be delivered.

Clean Growth – As per the Industrial Strategy, clean growth refers to increasing income while ensuring an affordable energy supply for businesses and consumers, and cutting greenhouse gas emissions. It will increase our productivity, create good jobs, boost earning power for people right across the country, and help protect the climate and environment upon which we and future generations depend.

Heads of Terms (HoT) – Each Town Deal is an agreement in principle between government, the lead council and the Town Deal Board, confirmed in a Heads of Terms document.

Lead Council – Lead Councils (the Unitary Authority, District Council or Borough Council for the town) should, by default, act as are the Accountable Body through which funding will flow. Lead councils have a seat on the board and take responsibility for ensuring that decisions are made by the board in accordance with good governance principles.

Memorandum of Understanding (MOU) – The Heads of Terms for a Town Deal will be in the form of a Memorandum of Understanding, signed by the Chair of the Town Deal Board, the Lead Council and by Ministers. The relevant MOU would also be attached to any subsequent funding that is allocated to each town.

Prospectus – The Towns Fund Prospectus was launched on the 1st of November 2019, and explains how towns could prepare for a Town Deal, and gave details regarding capacity funding allocations for each town.

Stakeholder Engagement Plan - Every Town Investment Plan should include a stakeholder engagement plan that demonstrates how the town will involve key stakeholders, and how they will support and collaborate with them. The level of engagement will be a key factor in agreeing each respective Town Deal.

Town Deal – An agreement of up to £25 million that towns will finalise through their respective Town Investment Plan, which they will work with MHCLG to finalise by signing the Heads of Terms document.

Town Deal Board (TDB) – Town Deal Boards are responsible for producing Town Investment Plans, including putting forward suitable projects which align with the objectives of the Towns Fund, and for overseeing the delivery and monitoring of those projects.

Town Investment Plan (TIP) – A Town Investment Plan will sets out a clear vision and strategy for a town. Plans should reflect local priorities and be co-designed with local businesses and communities. A Town Investment Plan will be used as the basis to which agree the Town Deal, the specific projects and the agreement in principle/Heads of Terms (before entering into phase 2 where funding may be granted).

Towns Fund – The Towns Fund will provide the core public investment in Town Deals – additional funding may come from other sources or parts of government. The objective of the Fund is to drive

the economic regeneration of towns to deliver long term economic and productivity growth through urban regeneration, planning and land use; skills and enterprise infrastructure; and, connectivity.

Towns Fund Delivery Partner – The centrally-tendered supplier consortium that will deliver consultancy support to towns for context assessment, strategy, and project prioritisation. The consortium are led by Arup, and are also made up of Nichols Group, Grant Thornton, FutureGov, Savills and Copper Consultancy.

Towns Hub – The collective group of stakeholders that will be the core support for towns in the development of Town Investment Plans, business cases, and further documentation. The Towns Hub consists of the central team within the Cities and Local Growth Unit in MHCLG, regional colleagues who will be towns' first points of contact for guidance, and the Towns Fund Delivery Partners consortium led by Arup.

Annex A: Intervention framework

The table below outlines the interventions in scope for the Towns Fund. For proposed interventions, towns will need to align with:

- **Outputs:** This sets out the kinds of intervention outputs that will be considered acceptable.
- **Alignment:** We would expect interventions to align with each of the policies and programmes listed, where these apply to your town.
- **Outcomes:** This lists the acceptable outcomes that we would expect to flow from your chosen interventions. Towns will be required to clearly demonstrate, through a Theory of Change (with supporting evidence and assumptions clearly set out), how your proposed projects will deliver one or more of the outcomes in the table below.
- **Outcome indicators:** These are the indicators that will be used to set targets and measure progress and determine whether the outcomes have been delivered.

Spatial targeting:

- Interventions must be physically located within the agreed boundary for each town, even if beneficiaries may be broader (e.g. people living in the travel to work area may benefit from improvements to a town centre or transport connectivity).
- There will be a strong preference for interventions focused in the town centre, gateway areas, or key employment sites. Projects focused on out-of-town sites may be rejected or subjected to increased assurance through MHCLG.
- Towns will be required to undertake and include spatial analysis, setting out why the target areas have been chosen, what is being done to support other key areas of their town, and how their strategy will support their town centre.

| | Outputs | Alignment | Outcomes | Outcome indicators |
|-----------------|---|--|--|--|
| Local transport | <ul style="list-style-type: none"> • New, revived, or upgraded train and tram lines and stations • New or upgraded road infrastructure • More frequent bus services or infrastructure upgrades e.g. digital bus shelters | <ul style="list-style-type: none"> • Beeching reversals and fund for rail improvements • Local Transport Plans • Transforming Cities Fund projects • Policies on low carbon and air quality • Local Industrial Strategy | <ul style="list-style-type: none"> • Improved affordability, convenience, reliability, and sustainability of travel options to and from places of work • Improved affordability, convenience, reliability, and sustainability of travel options to and | <ul style="list-style-type: none"> • Average time taken to travel to work by usual method of travel • Commuter flows • Number of trips by purpose and main mode • Vehicle flow |

| | Outputs | Alignment | Outcomes | Outcome indicators |
|--|--|---|---|--|
| | <ul style="list-style-type: none"> with Real Time information. New or upgraded cycle or walking paths. Wider cycling infrastructure such as cycle parking. | <ul style="list-style-type: none"> Transforming Cities Fund projects National transport plans and associated strategies e.g. HS2 growth plans £250 million emergency active travel fund Local Growth Fund | <ul style="list-style-type: none"> from places of interest (especially shops and amenities) Reduced congestion within the town Enhanced high street and town centre experience that prioritises the health, safety and mobility of pedestrians | |
| Digital connectivity | <ul style="list-style-type: none"> Provision of specialist digital technologies to meet the needs of specific sectors Infrastructure to support 5G or full fibre connectivity, where this is appropriate for the LA role, and with a clear outline of how proposals do not duplicate other national programmes and initiatives | <ul style="list-style-type: none"> 5G testbeds and trials Local Full Fibre Networks Programme Industrial Strategy Challenge Fund | <ul style="list-style-type: none"> Increased utilisation of digital channels, by businesses, to access and/or supply goods and services Increased ability for individuals to work remotely/flexibly | <ul style="list-style-type: none"> Internet access and usage by businesses Perceptions of the place by businesses 5G coverage Number of people who work remotely at least some of the time Broadband speeds |
| Urban regeneration, planning and land use | <ul style="list-style-type: none"> Remediation and/or development of abandoned or dilapidated sites | <ul style="list-style-type: none"> Future High Streets Fund projects or other relevant government regeneration schemes | <ul style="list-style-type: none"> Enhanced townscape that is more attractive and more accessible to | <ul style="list-style-type: none"> Perceptions of the place by residents/businesses/visitors Land values |

| | Outputs | Alignment | Outcomes | Outcome indicators |
|-----------------------------------|--|---|---|---|
| | <ul style="list-style-type: none"> • Delivery of quality residential or commercial space in key locations (town centres, gateway areas, employment sites) • Delivery of new public spaces | <ul style="list-style-type: none"> • Local Industrial Strategy • High Streets Heritage Action Zones via Historic England, Transforming Places Through Heritage via the Architectural Heritage Fund • Youth Investment Fund • Local Growth Fund | residents, businesses and visitors | |
| Arts, culture and heritage | <ul style="list-style-type: none"> • New, upgraded or protected community centres, sports or athletics facilities, museums, arts venues, theatres, libraries, film facilities, prominent landmarks or historical buildings, parks or gardens • New, upgraded or protected community hubs, spaces or assets, where this links to local inclusive growth | <ul style="list-style-type: none"> • Discover England Fund • High Streets Heritage Action Zones via Historic England, Transforming Places Through Heritage via the Architectural Heritage Fund • Cultural Development Fund • Arts Council National Lottery Project Grants • Arts Council Creative People and Places • Local Growth Fund • Coastal Community Fund • Coastal Revival Fund | <ul style="list-style-type: none"> • Improved arts, cultural and heritage offer that is more visible and easier for residents/visitors to access | <ul style="list-style-type: none"> • Number of visitors to arts, cultural and heritage events and venues • Perceptions of the place by residents/visitors |

| | Outputs | Alignment | Outcomes | Outcome indicators |
|------------------------------|--|---|---|--|
| Skills infrastructure | <ul style="list-style-type: none"> • Increase in capacity and accessibility to new or improved skills facilities • Availability of new specialist equipment • Increased and closer collaboration with employers • Increase in the breadth of the local skills offer that responds to local skills needs • Increased benefit for the public education over the long term | <ul style="list-style-type: none"> • Local skills plans. • Skills Advisory Panels • Further Education Capital fund (<i>details to be confirmed</i>) • T Level Capital Fund • Local Growth Fund • The Adult Education Budget (devolved to MCAs/delegated to GLAs) • National Careers Service • Where appropriate, Opportunity Areas and Opportunity North East • Local Digital Skills Partnerships • JCP Network (including the flexible support fund) • ESF investment • Youth Investment Fund • Cultural Development Fund • Civic University Agreements • National DfE policies including T-levels, | <ul style="list-style-type: none"> • Increased share of young people and adults who have relevant skills for employment and entrepreneurship | <ul style="list-style-type: none"> • Number of new learners assisted • % of learners gaining relevant experience/being 'job ready' (as assessed by employers) • % of working-age population with qualifications |

| | Outputs | Alignment | Outcomes | Outcome indicators |
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| | | apprenticeships, and Institutes of Technology | | |
| Enterprise infrastructure | <ul style="list-style-type: none"> • Increase in the amount (and diversity) of high-quality, affordable commercial floor space • Increase in the amount of shared workspace or innovation facilities • Other schemes to support enterprise and business productivity and growth • Programmes of grants to local SMEs or employers in key sectors | <ul style="list-style-type: none"> • Local Industrial Strategy • DIT international trade advisors and associated activity • DIT Capital Investment work • DIT Export Strategy • DIT Foreign Direct Investment support • Enterprise zones, business improvement districts etc | <ul style="list-style-type: none"> • Increased number of enterprises utilising high quality, affordable and sustainable commercial spaces • Increased number of start-ups and/or scale-ups utilising business incubation, acceleration and co-working spaces | <ul style="list-style-type: none"> • Business counts • Number of enterprises utilising high quality, affordable and sustainable commercial spaces • Number of start-ups and/or scale-ups utilising business incubation, acceleration and co-working spaces • Business births, deaths and survival rates |

Annex B: Potential government department interventions to align with the Towns Fund

| Interventions from other government departments | | | |
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| Government department | Fund or scheme | Summary | Possibilities for alignment with the Towns Fund |
| Cabinet Office | One Public Estate https://www.local.gov.uk/topics/housing-and-planning/one-public-estate/about-one-public-estate | The One Public Estate programme provides revenue funding to cross-public sector partnerships for projects which seek to make better use of the public estate. These include service collaboration projects and releasing land for new homes. | Towns can flag in their Investment Plan where releasing or better utilising public sector property could play an important role in revitalising their town centre. |
| Department for Digital, Culture, Media and Sport (DCMS) | Discover England Fund (DEF) | The Discover England Fund supports the development of bookable tourism itineraries and experiences that seek to encourage tourists to explore English regions and destinations, growing visitor spend locally | Where a town has been involved or featured in a Discover England Fund project, they may wish to reference this in their Town Investment Plan, especially if they were interested in developing the local tourism offer. |
| | Arts Council place-based funds | Arts Council National Lottery Project Grants – an open access programme for arts, museums and libraries projects. This funds thousands of individual artists, community and cultural organisations. | If a Towns Fund town seeks to provide cultural opportunities for local people to engage with museums, libraries and the arts, or to develop those sectors within the local area, then Arts Council National Lottery Project Grants are an opportunity to apply for funding to develop and deliver projects. |

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| | | <p>Creative People and Places - a funding programme which focuses on parts of the country where involvement with arts and culture is significantly below the national average. CPP invests in local partnerships and encourage community involvement.</p> | <p>A number of places which will benefit from the Towns Fund are already receiving funding from the Creative People and Places programme, or are eligible to apply to do so. Where a town is benefitting from this programme, there is an opportunity to align this funding and activity with the aims and ambitions of local people and the town, and to embed cultural opportunities in the vision for change.</p> <p>Eligible places - https://www.artscouncil.org.uk/creative-people-and-places/creative-people-and-places-2020-24 Existing beneficiaries - https://www.artscouncil.org.uk/creative-people-and-places/cpp-current-projects</p> |
| | Historic England | <p>High Streets Heritage Action Zones – A multi-million pound fund for Historic England to work with partners to find new ways to champion and revive our historic high streets. Launched in May 2019, 69 high streets across England have been selected to receive a share of the £95 million fund: https://historicengland.org.uk/services-skills/heritage-action-zones/regenerating-historic-high-streets/</p> | <p>If a Towns Fund town has a High Streets Heritage Action Zone, there is an opportunity to align the goals and to enlarge on both the existing community development work and the regeneration goals of the HS HAZ.</p> <p>In other towns, each Conservation Area is likely to have a Council-approved appraisal document including priorities for enhancement.</p> |
| | 5G Testbeds and Trials https://www.gov.uk/government/collect/5g-testbeds-and-trials-programme | <p>The Programme is working to deliver the following objectives:</p> <ul style="list-style-type: none"> • Accelerate the deployment of 5G networks and ensure the UK can take early advantage of the applications those networks can enable. • Maximise the productivity and efficiency benefits to the UK from 5G. | <p>If a Towns Fund town is featured in a 5GTT project, we might expect local councils to be involved in the bid to ease rollout and local stakeholder management. This may be something to bring in out in the Town Investment Plan, and to consider when planning further connectivity interventions.</p> <p>5GTT funding will continue for 2020-22: further grants will be available to projects via competitive bidding in the 5G create competition launched 20th Feb 2020.</p> |

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| | | <ul style="list-style-type: none"> ● Create new opportunities for UK businesses at home and abroad and encourage inward investment. There is clear alignment with Towns Fund aims to drive local growth and improve regional connectivity. | |
| Department for Education | FE Capital | <p>The fund was announced in the Budget on 11th March 2020.</p> <p>The government will provide £1.5 billion over five years (£1.8 billion inclusive of indicative Barnett consequential), supported by funding from further education colleges themselves, to bring the facilities of colleges everywhere in England up to a good level, and to support improvements to colleges to raise the quality and efficiency of vocational education provision.</p> | The fund is currently being developed. The first year of funding is 2021/2022. |
| | T Level Capital https://www.gov.uk/government/publications/t-levels-capital-fund | <p>Department for Education is making available £95 million to ensure T Level providers and students have access to the latest high quality equipment and facilities during their studies.</p> <p>This is the second wave of the T Levels Capital Fund, comprised of two different elements – the Building and Facilities Improvement Grant (BFIG) and Specialist Equipment Allocation (SEA).</p> <p>The T Levels Capital Fund (TLCF) will continue to help those further education providers at the</p> | <p>Applicants for BFIG are expected to provide a minimum funding contribution equivalent to 50% of the project value from own or third party resources.</p> <p>When developing their Town Investment Plans we encourage towns to consider how they can support T Level providers to submit applications for quality, well developed projects which will help to train the skilled young people that local businesses need, and leverage external investment to meet match funding requirements.</p> |

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| | | forefront of delivering these important reforms to be ready to teach T Levels from September 2021. | |
| | Supporting the wider skills system | A skills system that can deliver local and national needs, now and in the future. | Towns should consider how they would engage with their Skills Advisory Panel, skills providers, strategic partners and DfE to develop the skills landscape. Towns may want to consider how they will contribute to analysis, planning and implementing change in order to ensure plans are fit for the future. |
| | Opportunity Areas (OAs) https://www.gov.uk/government/news/18m-extension-to-opportunity-area-programme | <p>The OA programme is working to improve educational outcomes and raise social mobility in 12 of the most deprived areas of the country. It is currently funded up to August 2021.</p> <p>Interventions cover every life stage from pre-school to post-19. They include:</p> <ul style="list-style-type: none"> • work in nurseries and pre-school settings to improve language, literacy and school readiness; • a wide range of school improvement programmes, including CPD for teachers, subject-specific programme like Maths Mastery, and training for senior leaders; • work to improve careers advice, information and guidance, with a focus on engaging local employers; • work to improve FE provision in the area, and to help more pupils from deprived backgrounds to go on to HE. | The 10 towns which are also OAs (or in OAs) should (a) engage with the local OA partnership board when developing their Town Investment Plans; (b) consider whether Towns Fund projects might support the OA objectives – particularly where those relate to FE, HE, skills or employability; and (c) consider how local businesses benefitting from Towns Fund investment can be encouraged to engage more fully in the local community by – for example – providing careers advice for schools, work experience placements, and apprenticeships. |
| | Opportunity North East | Through Opportunity North East (ONE) DfE is investing up to £24 million to improve | The towns from the North East include Bishop Auckland, Blyth, Darlington, Hartlepool, Middlesbrough, Redcar and Thornaby. |

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| | https://www.gov.uk/government/publications/opportunity-north-east-delivery-plan | <p>educational and employment outcomes and boost the aspirations of young people in the North East. £12 million of the investment is targeted toward our five challenges, and up to £12 million of the investment will fund the advance roll out of reforms to the early career framework for teachers.</p> <p>Established in October 2018, the three-year programme (funded until 2022) will address 5 specific challenges for why the NE appears to perform worse than other regions across a range of education measures at KS4 and beyond.</p> <ul style="list-style-type: none"> • Too few children continue to progress well into secondary school (Transitions) • To unlock the potential of key secondary schools in the North East (One Vision) • Some secondary schools struggle to recruit and retain good teachers (Teacher workforce) • Too few young people find a pathway to a great career (Careers) • Too few young people progress to higher education, and particularly the country's most selective institutions (Higher Education) | <p>When developing Town Investment Plans if it involves schools, careers or higher education then please engage with the Opportunity North East team.</p> <p>Local businesses benefitting from Towns Fund investment can be encouraged to engage locally by providing careers advice for schools, work experience placements, and apprenticeships.</p> |
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| | Institutes of Technology (IoTS) | <p>IoTs are collaborations between employers, further education colleges and universities connecting high-quality teaching in science, technology, engineering and maths to business and industry and delivering provision tailored to local skills needs. They are being set up to address shortages of key STEM skills at higher technical levels that constrain growth across England. Employers play a key role in an IoT's governance, leadership as well as the design and delivery of the curriculum.</p> <p>The first 12 IoTs were set up through an open competition and are now coming on stream. The government confirmed at budget that it will increase the number of IoTs from 12 to 20 to address these gaps through a second competition. The prospectus for the Wave Two Competition was published on 19 February, with the Competition to formally launch later in the year.</p> | <p>Town Fund bids should consider existing Institutes of Technology in their Local Enterprise Area and the role that the IoT could play in supporting the successful delivery of parts of their Towns Fund proposal through skills training for local business and people. They might also wish to consider how investment through the Towns Fund could support the successful roll-out of Wave 1 IoTs.</p> <p>Where no IoT exists in a Local Enterprise Area, Towns Investment Plans should consider how a Wave 2 IoT bid could support their objectives in the Town Fund. For example, IoTs could play an important role in providing local towns with the skills businesses need to grow and develop. This could help town economies improve their productivity and growth and thus provide higher wage, higher skilled employment to more local people.</p> |
| Department for Environment , Food and Rural Affairs (Defra) | <p>25Year Environment Plan (25YEP)</p> <p>https://www.gov.uk/government/publications/25-year-environment-plan</p> | <p>The government's 25 Year Environment Plan (25YEP), published in January 2018, makes major new commitments to connect people with the environment to improve health and wellbeing. The 25YEP sets out that spending time in the natural environment can improve mental health and feelings of wellbeing. It can reduce stress,</p> | <p>Towns should include any overlap with Environment Plan initiatives in their Town Investment Plan, and consider how best to align investment with wider plans to connect people with the environment.</p> |

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| | environment-plan | fatigue, anxiety and depression. It can help boost immune systems, encourage physical activity and may reduce the risk of chronic diseases. The Plan also commits to greening our towns and cities and making sure that there are high quality, accessible, natural spaces close to where people live and work, particularly in urban areas. | |
| | Flood and Coastal Erosion Risk Management (FCERM) Grant-in-Aid (GiA) https://www.gov.uk/guidance/partnership-funding | <p>This approach to funding flood and coastal erosion risk management projects shares the costs between national and local sources of funding, enabling greater ownership and choice on how communities are protected.</p> <p>It also encourages more cost-effective solutions. Any project where the benefits are greater than the costs can qualify for a contribution from Flood and Coastal Erosion Risk Management (FCERM) Grant-in-Aid (GiA).</p> | Towns which also seek to improve flood resilience may wish to access Grant-in-Aid partnership funding. Towns should flag this in their investment plans. Towns may be able to align this funding with towns fund monies, provided the proposed plans contribute directly to economic growth. We welcome a conversation with any towns considering this. |
| Department for International Trade | International Trade Advisers (ITAs) and associated activity | DIT's network of International Trade Advisers provide dedicated advice and support to SMEs across England to help them begin their export journey or expand to new markets. They work closely with local partnerships and business support bodies such as Chambers of Commerce and Growth Hubs. They are able to refer businesses to other DIT support, such as the Tradeshow Access Programme (TAP) and UK Export Finance. | Towns should consider where best to access DIT's network of trade advisors and assistance. |

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| | Capital Investment (CI) - Project Promotion & UK regional investment Portfolios | DIT's Capital Investment Team (CI) has a network of specialists across the UK who are experienced built environment advisors working with LA's and LEPs. Through this team working with DIT's Investor Relations Team, CI are able to advise on potential investment from international markets and particular sovereign wealth, pension and other institutional funding mechanisms. This is set out in this guide produced with the LGA in 2019 https://www.local.gov.uk/lga-report-attracting-investment-local-infrastructure-guide-councils | |
| | Foreign Direct Investment-Service Overview | The Department for International Trade is responsible for ensuring the UK remains a leading destination for inward investment. It delivers a range of services to help investors understand specific opportunities in specific places across the UK as well as navigate the processes involved in starting or growing their business in the UK. | There are opportunities to ensure that DIT teams are aware of any internationally competitive proposition offered by towns, to ensure they can be effectively presented to investors where appropriate. |
| | Foreign Direct Investment-High Potential Opportunities | <p>The High Potential Opportunities scheme aims to drive foreign direct investment into specific opportunities across the UK which would benefit from targeted promotion, with a particular focus on opportunities and places which are disadvantaged by a lack of market information.</p> <p>DIT works in collaboration with local partners and central government to identify High Potential Opportunities, develop compelling commercial</p> | <p>LEPs and investment promotion agencies across England, Scotland, Wales and Northern Ireland were invited to submit nominations for the second round of the High Potential Opportunities scheme by 17 April 2020. Nominations must include a clearly defined specific commercial opportunity, capable of attracting sustained investment. DIT aims to select up to 25 HPOs by June 2020.</p> <p>Towns may wish to flag any overlap in their investment plans.</p> |

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| | | propositions, and deploy DIT's global network to promote them to international investors. | |
| Department for Transport (DfT) | The Restoring Your Railway (Beeching) Fund | <p>The Beeching Reversal Fund provides money to reinstate axed local rail services and restore closed stations. It has three components:</p> <ul style="list-style-type: none"> • Ideas Fund: proposals to reinstate axed local services. • Accelerating Existing Proposals: the development of closed lines and stations which are already being considered for restoration. • Proposals for new and restored stations. <p>https://www.gov.uk/government/publications/re-opening-beeching-era-lines-and-stations</p> <p>https://www.networkrail.co.uk/communities/passengers/station-improvements/new-stations-fund</p> | <p>The Department for Transport has begun to consider bids from local areas interested in accessing funds for previously closed railways lines and stations as part of the Ideas Fund. These bids are being considered by the Beeching Assessment Panel; assessments are at an early stage. The third round of the New Stations Fund is also underway.</p> <p>Preliminary findings indicate that 29 towns selected for the Towns Fund have some overlap with proposals put forward for the Ideas Fund. This could be a new station in the town, or the reopening of a line that goes to, from, through, or indirectly serves the town.</p> <p>Towns should be aware where a Beeching Fund bid has been put forward, sponsored by the local MP. BEIS local teams can assist where this is not clear.</p> <p>As Beeching Fund bids are considered, there is scope for relevant towns to align their Town Investment Plans with the proposed Beeching plans. This could involve:</p> <ul style="list-style-type: none"> • Increasing connectivity to and from a new station, or a station served by a reopened line/new service; • Focussing economic regeneration efforts on the areas surrounding new stations. |
| | Transforming Cities Fund | The £2.5 billion Transforming Cities Fund aims to drive up productivity and spread prosperity | 18 city regions are included within the TCF programme – 6 Mayoral Combined Authorities with devolved grants, and 12 |

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| | | <p>through investment in public and sustainable transport in some of the largest English city regions. The Fund is focused on improving intra-urban (rather than inter-urban), making it quicker and easier for people to get around – and access better jobs. In this way, the Fund goes further than supporting just cities but helps their wider conurbation (suburbs, towns) gain improved access to the more productive employment in urban cores. The Fund also aims to address key priorities, including reducing carbon emissions, improving air quality, reducing congestion, unlocking housing, and encouraging innovation.</p> <p>As part of the National Productivity Investment Fund, the Transforming Cities Fund provide additional capital investment for productivity enhancing programmes. It also supports the Industrial Strategy, taking a place-centric approach to delivering investment in English city regions.</p> <p>The applications for the fund closed in 2018, but there is remains scope for overlap and alignment with Towns Fund investment.</p> | <p>shortlisted city regions which were selected in 2018 following a competitive process. Around half of the Fund (£1.08 billion) has been allocated to six Mayoral Combined Authorities (MCAs) on a per capita and devolved basis.</p> <p>For the other half of the Fund, £1.28bn of this has been allocated via a quasi-competitive process in two tranches. Tranche 1 saw an initial £60m announced at Spring Statement 2019 for 30 small local projects such as new bus service improvements, smart ticketing and new active travel routes to be delivered by the end of 2019-20.</p> <p>In Tranche 2, the remaining £1.22bn was allocated at Budget 2020 following a process of co-development in which DfT officials worked closely with the 12 cities to agree packages of investment instead of individual schemes, unlike a traditional bidding contest. (£117m of the £1.22bn has been held back to invest in Stoke-on-Trent, Norwich and Portsmouth subject to further business case approval.)</p> <p>Towns should indicate in their Investment Plans any overlap or planned alignment with the Transforming Cities fund.</p> |
| | Sustainable Travel Access Fund | <p>The Sustainable Travel Access Fund was launched to encourage councils to offer sustainable transport initiatives which can improve access to jobs, skills, training and education.</p> | <p>The overall total is £100 million.</p> <p>Sustainable Travel Transition year (2016/17)- £20 million Access Fund (2017-20) - £60 million Access Fund Extension(2020-21) - £20 million</p> |

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| | | | <p>You can find the latest information about the current status of cycling and walking funds in the recently published report to Parliament:</p> <p>https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/863723/cycling-and-walking-investment-strategy-report-to-parliament.pdf</p> <p>Towns should indicate any overlap in their Investment Plans.</p> |
| | £250 million Emergency active travel fund and £5 billion package for cycling and buses | £250 million emergency active travel fund will be released from a previously announced £5 billion package for cycling and buses to pay for 'pop-up bike lanes with protected space for cycling, wider pavements, safer junctions, and cycle and bus-only corridors. Funding received | |
| Department for Work and Pensions | ESF | The European Social Fund (ESF1420) programme in England is worth £3 billion over six years, and funds preparatory, additional and alternative employment and skills support to mainstream services for disadvantaged groups who face additional barriers and are furthest from the learning and labour market. | Towns may wish to flag any overlap in their investment plans. |
| | JobCentre Plus Network (including | Local presence with strong links to regional business, health care and training stakeholders. | Towns may should wish to consider utilising the JCP network in the development of their investment plans in order to avoid duplicating existing provision/plans. |

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| | Contracted Employment | Key source of local labour market information. Ideal link for design of joint services. | |
| Ministry of Housing, Communities and Local Government | Brownfield Housing Fund | MHCLG have launched a £400m fund to boost the supply of homes in local areas and bring under-utilised brownfield land in to use. | Final decisions about the design including scope, structure, and accountability will be made in the coming months. Once the fund is launched, and if your town is eligible, we would expect any plans to set out very clearly how the town investment plan and BHF aligns. |
| | Free Ports https://www.gov.uk/government/consultations/freeports-consultation | Freeports have three objectives: establish hubs for global trade and investment, promote regeneration and job creation, and create hotbeds for innovation. Government launched a consultation on Freeports in February 2020. The deadline has been extended until 13 July 2020. Up to 10 Freeports will be designated. Specific locations will be chosen in due course according to a fair, transparent and robust allocation process. | If towns would like to be considered as part of a Freeport, we advise they flag this in their TIP and set out how they think the measures proposed in the consultation could support the wider economic strategy for the town. |
| | New Development Corporation Competition https://www.gov.uk/government | MHCLG has £10 million available for up to 10 transformational housing and economic growth opportunities, focusing on regeneration, and are interested in speaking to areas that have innovative, bold and ambitious proposals. Funding will help them to explore delivery models that have been less commonly used in a | Development Corporations could serve as a useful delivery model for Towns Fund projects. Towns may wish to consider this as part of their investment plan. |

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| | ment/publications/new-development-corporation-competition-guidance/new-development-corporation-competition | <p>contemporary context, such as development corporations.</p> <p>The application process is currently open.</p> | |
| | Single Housing Infrastructure Fund (SHIF) | <p>Government is committed to introducing a new Single Housing Infrastructure Fund (SHIF) to provide the infrastructure needed to support new homes. At Budget 2020, the government confirmed it will launch SHIF at the forthcoming Comprehensive Spending Review.</p> | |

Annex C: Town Investment Plan Stage 1 Review Detailed Evidence

This table provides more detail on the kinds of evidence we will look for in TIP at stage 1 (across sections 1 and 2)

| Town Investment Plan Evidence | | |
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| Section | Criteria | Examples of evidence |
| 1. Impact | 1.1. Level of need. | <ul style="list-style-type: none"> • Details of (un)employment, income levels, deprivation and wellbeing. • Low-level employment. • Details of town transport challenges (e.g. insufficient links to existing assets, congestion and air quality issues). • Town centre vacancy rate and footfall. • Business growth challenges. • Land and development challenges. • Skills shortage and low educational attainment. • Crime and anti-social behaviour. |
| | 1.2. Scale of opportunities. | <ul style="list-style-type: none"> • Likely to benefit from capital funding towards: urban regeneration, planning and land use; skills and enterprise infrastructure; and connectivity. • Demonstration that project proposals address/ capitalise on the major challenges/opportunities in the town. • Details of local commercial/industrial demand. • Level of private-sector co-funding. • Evidence that the differential impacts of proposed interventions have been considered. • Potential impact e.g. jobs created, GVA increase. |
| 2. Strategy | 2.1. Strength of vision, strategy and realism of economic narrative. | <ul style="list-style-type: none"> • A compelling vision for the future that is built around the town's unique circumstances with alignment to the objectives of the fund. • A clear strategy, built on sound evidence and analysis, balancing realism and ambition, overcoming key challenges to address needs and harness opportunities • Clear use of local knowledge to produce an investment plan grounded in its context. • Clear indication that the vision is aligned with Covid-19 recovery and the clean growth principle. |

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| | | <ul style="list-style-type: none"> • An indication that the process followed to prioritise interventions has included an element of spatial analysis, with a clear explanation of how the strategy will benefit the town centre. • Reference to wider strategic plans including (but not limited to) housing, transport, local growth and the Local Industrial Strategies. • Evidence of learning from best practice i.e. TIP is clearly informed by sound knowledge of local growth investment, formed through a process of clear and rigorous prioritisation and backed by sophisticated analysis. |
| | 2.2. Coherence of TIP – strength of linkages and rationale between need/opportunity, vision, strengths and projects. | <ul style="list-style-type: none"> • A clear rationale for the vision in its context. • Coherent set of proposals forming a broader strategy which clearly addresses the challenges identified in section 1.1. (e.g. local housing shortage and high rate of empty retail units that could be addressed by mixed-use developments). • Theories of Change developed for each project proposal, including a comprehensive set of inputs/resources, outputs and outcomes/impacts, setting out clearly the assumptions and external factors (context). • Wider strategy that is geared towards alleviating private-sector-investment bottlenecks and/or targeting the most disadvantaged groups. |
| | 2.3. Capacity and alignment of proposed projects with existing and ongoing initiatives and match funding. | <ul style="list-style-type: none"> • Details of existing and planned work in the town and wider region and the links to the TIP strategy and proposals • Alignment with Covid recovery needs and plans • Demonstration of the additionality • Details of co-funding for intervention proposals. • Delivery capacity and accountability arrangements |
| 3. Partnerships | 3.1. Strength of past and planned collaboration with local communities and civil society. | <ul style="list-style-type: none"> • Level of past and ongoing engagement/consultation and evidence it has been acted upon • Evidence of buy-in, support and/or ownership of the top priorities in the TIP |

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| | | <ul style="list-style-type: none"> • Level of collaboration in the production of the TIP (e.g. joint projects). • Level of representation and institutional collaboration both in the production of the TIP and planned for the future. |
| | 3.2 Strength of past and planned collaboration with the private sector. | <ul style="list-style-type: none"> • Level of past and ongoing engagement, consultation and collaboration with business in the town • Level of collaboration in the production of the TIP (e.g. joint projects) or otherwise demonstrable support for TIP priority areas • Level of representation and institutional collaboration both in the production of the TIP and planned for the future. |

Annex D: Town Deal Board governance guidance

We expect the Town Deal Board to align with the governance standards and policies of the Lead Council including around whistle blowing, conflicts of interest, complaints, and compliance with the General Data Protection Regulation (GDPR).

Roles and Responsibilities

It is important that there are clear roles and responsibilities for oversight of the Town Deal.

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. This should include:

- Remit of the Board including terms of reference
- Board membership and roles
- Chair/vice-chair term and responsibilities
- Board structure including sub-committees and reporting arrangements
- Accountable Body arrangements

Code of Conduct & Conflicts of Interest

All Town Deal Board members should sign up to a code of conduct based on the Seven Principles of Public Life (the Nolan Principles; see below). An example code of conduct can be provided to Town Deal Boards by the Town Hub named contact on request.

There should be clear processes in place for managing conflicts of interests (both commercial, actual, and potential) in decision making, and this must apply to all involved with the work of the Town Deal Board.

The Lead Council should provide guidance on the pecuniary and non-pecuniary interests individuals must declare, outline the process that Board members must follow for declaring interests and explain the process for requesting an exemption.

Town Deal Board members should then complete a declaration of interests which will then be held by the Lead Council. This can be in a format already used by the Lead Council or a template can be requested from the Towns Hub named contact.

All Board Members should take personal responsibility for declaring their interests before any decision is considered. The Lead Council must record action taken in response to any declared interest.

Additionally a register of gifts and/or hospitality provided to individual Town Deal Board members or the Town Deal Board as a whole should be maintained by the Lead Council.

Transparency

In line with the principles of public life, it is important that there is transparency around the operation of the Town Deal Board. 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:

- A documented decision-making process outlining the voting rights of the Board to be published
- Profiles of Board Members to be published
- All Board papers to be published on the Lead Council's website in advance of the meeting (within 5 clear working days)
- To promptly publish draft minutes of meetings on the Lead Council's website following the meeting (within 10 clear working days)
- To publish final minutes on the Lead Council's website, once approved by the Board (within 10 clear working days)
- Any conflicts of interest reported to be formally noted within the published minutes

It is important that the Town Deal Board abides by Lead Council governance and finance arrangements when considering private reports, with the default position being that all papers are open to the public

Nolan Principles: The Seven Principles of Public Life

Through the Town Deal, the Town Deal Board will be responsible for oversight of a significant amount of public funding. As such, members of the Town Deal Board should fulfil their role as public-private partnerships whilst ensuring robust stewardship of public resources.

Members of the Town Deal Board and those supporting the activities of the Town Deal should adhere to the [Seven Principles of Public Life](#) (the Nolan Principles). The Lead Council will be responsible for ensuring that all Town Deal Board members understand these principles and how they apply:

- **Selflessness:** Holders of public office should act solely in terms of the public interest;
- **Integrity:** Holders of public office must avoid placing themselves under any obligation to people or organisations that might try inappropriately to influence them in their work. They should not act or take decisions in order to gain financial or other material benefits for themselves, their family, or their friends. They must declare and resolve any interests and relationships;

- **Objectivity:** Holders of public office must act and take decisions impartially, fairly and on merit, using the best evidence and without discrimination or bias;
- **Accountability:** Holders of public office are accountable to the public for their decisions and actions and must submit themselves to the scrutiny necessary to ensure this;
- **Openness:** Holders of public office should act and take decisions in an open and transparent manner. Information should not be withheld from the public unless there are clear and lawful reasons for so doing;
- **Honesty:** Holders of public office should be truthful; and
- **Leadership:** Holders of public office should exhibit these principles in their own behaviour. They should actively promote and robustly support the principles and be willing to challenge poor behaviour wherever it occurs.

Annex E: Business Cases and Value for Money

This annex does not replace or supersede the official guidance, rather it is intended as an accessible summary. Full guidance from HM Treasury can be found here:

<https://www.gov.uk/government/publications/the-green-book-appraisal-and-evaluation-in-central-government>

Towns must have a clear and transparent basis against which projects and programmes are initially identified, prioritised and appraised relative to a set of credible options, assessed for value for money, commissioned and then delivered. This should all be set out clearly in the Summary Document.

Any proportionate business case must cover all elements of HM Treasury's 5-case model:

1. **Strategic case** – must show the rationale, background, policy context and strategic fit of the public expenditure or public intervention;
2. **Economic case** – with evidence of why a privately provided solution would fall short of what is optimal (market failure) and a list of options to achieve a better outcome. “Do nothing” should always be an option. There is no one size fits all for how many options or what makes a good economic case: some need distributional analysis, others evidence of unmet demand for a service. The case must build on robust verifiable evidence, consider additionality, and displacement of activity, and include a sensitivity analysis and a correction for optimism bias if risk is a factor for success. Value for Money is ideally demonstrated in a credible Benefit Cost Ratio, but where some of the costs and/or benefits cannot be monetised at the present time, the economic case should proportionally capture these impacts and specify a partial Value for Money measure. Wider benefits/costs should be considered and specified where these are sizeable, compared with the direct impacts;
3. **Commercial case** – demonstrate commercial viability or contractual structure for the project, including procurement where applicable;
4. **Financial case** – standard appraisal of financial implications of the project, including where applicable budgets, cash flow, and contingencies;
5. **Management case** – of how the project is going to be delivered referring to the Green Book to verify if there are mandatory methodologies applicable to the investment.

In addition to the Green Book, other appraisal guidance should be followed for specific thematic interventions where available.

Towns must ensure that the commercial, financial and management arrangements are appropriate for effective delivery. Where applicable, appropriate resources should be consulted for situation specific project appraisals. To assist with this, Infrastructure UK (now part of the Infrastructure and Projects Authority) has produced a [Project Initiation Routemap Handbook](#) and associated modules which provide a framework to support public and private sector infrastructure providers improve the delivery of their projects and programmes. Towns may find this helpful when reviewing these aspects of business cases.

Towns must have robust processes in place that ensure all funding decisions are based on impartial advice, where possible. There must be clear distinction between those acting as scheme promoters and those appraising programmes and projects and advising decision makers, so that the town is acting on impartial advice on the merits of (potentially competing) business cases. Named individuals responsible for ensuring value for money as well as scrutiny and recommendations for business cases (not necessarily the same person) should ideally be independent of the promoting organisation or where this is impractical, should sit outside the management unit responsible for developing and promoting the business case.

Town Investment Plan template

Town Investment Plans should be clear, concise and accessible documents. The content is split into two sections. Section 1 outlines the context, strategy and process, and Section 2 provides details of prioritised project proposals.

TIP section 1: Section 1 of the Town Investment Plan should be no longer than a total of 10,000 words and a file size of no more than 20MB, exclusive of any annexes. It should be provided as a pdf document. Annexes may be included if required, as a separate document (with all annexes in one document), however it is advised that any key messages from annexes are distilled and included in the main text to aid assessment.

The document must be structured according to the three main sections (Context analysis, Strategy, Engagement and delivery). These sections should cover the content set out in the guidance (and again below), however, it is not compulsory that this content be set out under the subheadings listed below, so long as it is clearly marked where each aspect is being covered.

Past that, you have flexibility in how to structure, present and format your TIP. You are encouraged to make use of diagrams, maps, and charts, and to include summaries and signposts to help guide the reader. Once heads of terms have been agreed, a public-facing version of the document should be made available online. You may wish to flag which information in your TIP is considered sensitive.

Context analysis

- Map of agreed town boundary and related context
- The main challenges facing the town
- Evidence of need, relevant to proposed projects
- The town's assets and strengths
- Key opportunities for the town

Strategy

- Town vision, and headline outcomes and/or targets for 2030 or beyond
- Short summary of all projects, including the total Towns Fund funding requested
- Strategic plan, including:
 - Underlying evidence
 - Analysis and rationale
 - Objectives, targets, and priority areas for the short, medium and long term
 - Spatial strategy, including the recognition of the distribution of impact across town geography and demographics. If the total bid is for over £25 million, impact at a regional and/or national scale must also be analysed and demonstrated.

- Mapping of all strategies, partnerships, programmes and investments relevant to the vision and strategy, and how they will be aligned (including the accelerated capital funding, Covid-19 recovery and clean growth).

Engagement and delivery

- Clear evidence of buy-in from local businesses and communities, description of have been engaged throughout the development of this plan, and how this engagement will continue
- Demonstration of commitments from private-sector players, and ambitions for private-sector investment going forwards (clearly showing the total private-sector funding leveraged to date)
- High-level plan of business case development and appraisal for each project including the identification of the Accountable Body
- High-level delivery plan with justification of deliverability

TIP section 2: Section 2 of the TIP should contain key details of the projects you are proposing to receive Towns Fund funding for. The attached excel sheet sets out the details to include, and all cells in the template should be filled in. You should submit just one excel file with different worksheets within it for each project. To add more projects into the workbook, copy and paste the template into a new worksheet for each additional project.

Since the publication of the further guidance, adjustments have been made to the way projects will be assessed. Benefit-cost ratio and the level of match-funding secured will no longer be included in the criteria for project assessment. The project assessment criteria will be:

- Alignment with intervention framework
- Strategic, evidence-based, place-focused rationale
- Scale of outputs and outcomes, realism of theory of change
- Deliverability, risks and match funding
- Cost comparison

Submission: To submit your completed TIP (both section 1 and 2) you should email the files to towns.fund@communities.gov.uk by the deadline for your agreed cohort.