

Record of operational decision

Decision title:	To defray the Stronger Towns Fund early 5% release of £1.2m																																				
Date of decision:	13 January 2022																																				
Decision maker:	Director of Resources and Assurance																																				
Authority for delegated decision:	http://councillors.herefordshire.gov.uk/mglIssueHistoryHome.aspx?Id=50035959 Agreeing that that council acts as the accountable body for the Hereford Towns Fund and any Town Deal that is agreed with government																																				
Ward:	Aylestone Hill; Belmont Rural; Bobblestock; Central; College; Dinedor Hill; Eign Hill; Greyfriars; Hinton & Hunderton; Holmer; Kings Acre; Newton Farm; Redhill; Saxon Gate; Tupsley; Whitecross; Widemarsh;																																				
Consultation:	Towns Fund Partnership Board, Herefordshire Council's Chief Finance Officer, Cabinet Member for Finance, Planning and Corporate Services, Council's Chief Executive, Cabinet Member for Environment and Economy																																				
Decision made:	<p>In July 2021 the council in partnership with the Stronger Towns Board submitted the Annex A submission of the Town Deal programme enabling the Department for Levelling Up, Housing and Communities (DLUHC) to formalise the Town Deal programme offer. The decision to submit the Annex A submission is noted in the following link:</p> <p>https://councillors.herefordshire.gov.uk/ieDecisionDetails.aspx?ID=8130</p> <p>Following the submission, the council received a formal offer letter from DLUHC for £22.4m which they accepted. DLUHC announced that there would be an early 5% release of the Town Deal Fund allocation amounting to £1.2m for Hereford. This early funding has been allocated to the projects within the Town Deal Programme to support the completion of their full business cases which are due for submission in June 2022. The early funding grant was received by the council in December 2022.</p> <p>On the 3 December 2021 the Towns Partnership Board recommended to the council's Chief Finance Officer a breakdown of suggested allocations to the projects of the 5% early funding release and it was agreed at the Towns Partnership Board that the following sums would be allocated to the projects under the terms of a grant funding agreement.</p> <table border="1"> <thead> <tr> <th></th><th>Allocation</th></tr> <tr> <th>Project</th><th>5% Advance</th></tr> </thead> <tbody> <tr> <td>Southside</td><td>£180,000</td></tr> <tr> <td>Digital Culture Hub</td><td>£55,000</td></tr> <tr> <td>HCA School of Creative Digital Futures</td><td>£25,000</td></tr> <tr> <td>NMITE Future of Work</td><td>£60,000</td></tr> <tr> <td>River Wye Infrastructure</td><td>£55,000</td></tr> <tr> <td>Greening the City</td><td>£22,500</td></tr> <tr> <td>Meadow Arts</td><td>£18,000</td></tr> <tr> <td>Castle Green Pavilion</td><td>£78,000</td></tr> <tr> <td>Maylords Library and Learning Resource Centre</td><td>£150,000</td></tr> <tr> <td>Powerhouse</td><td>£20,000</td></tr> <tr> <td>Encore Music Hub</td><td>£0</td></tr> <tr> <td>Marches Experience</td><td>£250,000</td></tr> <tr> <td>Electric Buses</td><td>£0</td></tr> <tr> <td>Skate Park</td><td>£15,000</td></tr> <tr> <td>Cycle Track</td><td>£15,000</td></tr> <tr> <td>Total</td><td>£943,500</td></tr> </tbody> </table>		Allocation	Project	5% Advance	Southside	£180,000	Digital Culture Hub	£55,000	HCA School of Creative Digital Futures	£25,000	NMITE Future of Work	£60,000	River Wye Infrastructure	£55,000	Greening the City	£22,500	Meadow Arts	£18,000	Castle Green Pavilion	£78,000	Maylords Library and Learning Resource Centre	£150,000	Powerhouse	£20,000	Encore Music Hub	£0	Marches Experience	£250,000	Electric Buses	£0	Skate Park	£15,000	Cycle Track	£15,000	Total	£943,500
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	<p>Following feedback from the Town Deal project promoters around cashflow and the standard defrayal arrangements of grant funding agreements, the council's Chief Finance Officer and the council's Chief Executive following consultation with the Cabinet Member for Finance, Planning and Corporate Services agreed an enhanced process for the community/charity project promoters to claim the grant prior to paying the invoice. It was agreed that the following projects would benefit from the enhanced claims process.</p> <div> <div>Southside</div> <div>Digital Culture Hub</div> <div>River Wye Infrastructure</div> <div>Meadow Arts</div> <div>Castle Green Pavilion</div> <div>Powerhouse</div> <div>Skate Park</div> </div>
Reasons for decision:	<p>1) To enable the Town Deal projects within the programme to access the early 5% programme release to pay for work to support the development of the final business case.</p> <p>2) The council to enter into funding agreements between the projects that require the funding</p>
Highlight any associated risks/finance/legal/equality considerations:	If this decision is not taken then there is risk that delay will be incurred and the project milestones won't be achieved to complete full business cases by June 2022
Details of any alternative options considered and rejected:	Do nothing: This is not an option for the council, the Town Deal programme need to claim the available funding to complete the final business cases by June 2022. If the council fail to administer the allocations and put in place the funding agreements in place then the projects will not be able to access funding.
Details of any declarations of interest made:	

Signed

Date: 14 January 2022

Andrew Lovegrove
Director of Resources and Assurance