

Title of report: Strategic Investment Proposal In The Central Ward

Meeting: Cabinet

Meeting date: Thursday 20 July 2023

Report by: Cabinet member economy and growth;

Classification

Open

Decision type

Non-key

Wards affected

Central;

Purpose

To agree the principle of Herefordshire Council investing in a project where the council is in partnership with Wye Valley Trust to enable the development of an Education Centre at Hereford County Hospital and to authorise the Director of Resources and Assurance in consultation with the Portfolio Holder for Economy and Growth to sign heads of Terms for both parties to agree the principles and to further explore options around a strategic investment partnership and bring a business case back to cabinet for approval in the Autumn of 2023.

Recommendation(s)

That:

- a) authority is delegated to the Director of Resources and Assurance in consultation with the Portfolio Holder for Economy and Growth to sign Heads of Terms between Herefordshire Council and Wye Valley Trust for a partnership to enable development of an Education Centre at Hereford County Hospital;**
- b) Cabinet authorises the development of an options appraisal to inform a business case of an investment model most appropriate to allow the project to progress and bring that back to cabinet for further authorisation in autumn 2023; and**

- c) authority is delegated to the Director of Resources and Assurance in consultation with the Portfolio Holder for Economy and Growth to take all operational decisions relating to the above recommendations**

Alternative options

1. To not agree to signing Head of Terms – this is not recommended as the council is committed to partnership working and exploring investment opportunities when they arise. If the Heads of Terms are not signed then this exploration will be delayed thus delaying the opportunity for the Education Centre to be built.

Key considerations

2. Wye Valley Trust have a vision to make the Trust a destination for students and staff for high-quality education, a lasting positive experience and to support the recruitment and retention of staff.
3. With this being a priority for the Trust, they have developed a strategic outline case outlining the development of an integrated education centre for the Trust and local community that will provide:
 - a) Multi-professional education
 - b) Equitable learning for all staff
 - c) Life-long learning for all staff
 - d) An exemplar education facility available to a wide range of local community groups, serving the public, patients and service users
 - e) An education facility that is shared with partners and supports learning far beyond traditional healthcare education
4. One of Herefordshire Council's priorities as set out in the [County Plan 2020-2024](#) is to strengthen partnership working across Herefordshire and to become an enabler for economic growth by considering different ways of working with businesses/partners in Herefordshire. This proposed provision will provide an exemplar facility which will facilitate partnership working across patient and service user groups, charities, the voluntary sector, public service and the education sector. It will provide opportunities to partner with other organisations to create a vibrant learning space in Herefordshire.
5. The council is continuously working with partners to support strength based communities and this facility will become a community hub allowing for a variety of purposes, supporting the Trust's role as an anchor institution in Herefordshire.
6. Wye Valley Trust appointed an architect to undertake site feasibility for the centre and an identified site between the hospital and Hereford County bus station in hospital ownership has proved to be the best location for the centre. The detail of the feasibility can be seen in Appendix A.
7. The cost of the overall project is in the region of £10.5m and there is a funding gap of approximately £6m. The Trust have approached the council to see if a strategic investment partnership could be looked at to enable the project to progress onto a capital build.

8. This report is asking the cabinet to agree the principle of exploring an investment model for this exciting project and to sign Heads of Terms so that a business case can be progressed to look at the viability and options around a potential partnership and investment model to support the vision of the Trust. The business case will be brought back to Cabinet for consideration in due course.

Drivers for Investment

9. The government is committed to supporting the development of the skills needed by an advanced economy by working with employers to widen access to higher skills development. In 2021 the government published a white paper [Skills for Jobs: Lifelong Learning for Opportunity and Growth](#) and the paper reports that there is a significant skills gap at higher technical levels. It explains that there are not enough technicians, engineers or health and social care professionals to meet the many vital challenges the country faces, from building a green economy to meeting the health and care needs of our ageing population.
10. The paper also explains how it is now known that many careers are now accessible through technical and higher technical qualification and higher-level apprenticeships, as well as through traditional degrees. But while these technical qualifications lead to good outcomes for individuals and the economy, colleges and independent training providers do not have enough support and incentive to offer high value training and education.
11. This project to build an education centre presents opportunities to close the gap of a lack of education providers who offer higher level training especially in the health and social care sector.
12. Herefordshire hosts a large County Hospital in Hereford that not only services Herefordshire residents but also services Welsh Border counties such as Powys and Monmouthshire. In recent times it has experienced difficulties in recruiting and retaining staff. By having the opportunity to create an education centre on the premises of the hospital, this is creating a local skills improvement plan, providing a much need opportunity to train staff. This will support the Trust to respond to digitisation and new ways of working and contribute to the success of developing staff and also retaining employees.

Community impact

9. There is substantial positive community impact that will arise from this initiative. By investing in an education centre, Wye Valley Trust will be able to offer advanced staff training, which in turn will retain staff at the hospital with higher skills. This will reduce the need for patients to travel out of the County to specialist hospitals for treatment.
10. If staff can be retained and developed at the hospital more treatments will be available to local residents, resulting in a more efficient offer to patients.
11. If staff are retained at the hospital then the long term viability of the service is maintained.
12. The community will be able to use the centre with training and development on offer to Herefordshire residents, helping retain higher level skills within the County thus growing the economy.
13. The community hub model will strengthen the partnership working across the county resulting in more efficient services being provided to residents.

Environmental Impact

14. At this stage of the initiative there are no anticipated environmental impacts. However, if cabinet authorise the development of the business case then a review of the environmental impact will be completed at this stage.

Equality duty

15. 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.
16. In the business case development stage there will be an equalities impact assessment carried out which will detail information about if any groups of people with protected characteristics are at a disadvantage in the workplace or seeking opportunities in particular industries. If there is any national and local data we will note this in the impact assessment.

Resource implications

16. There are no resource implications at this point in the decision making. However, if cabinet authorise the development of a business case the resource implications will be reviewed as part of the business case development.

Legal implications

17. There are no legal implications at this stage..

Risk management

18. There are no identified risks at this stage. If cabinet authorise the development of a business case then the risks will be reviewed and reported through that process.

Consultees

19. Consultation has taken place with the Portfolio for Economy and Growth and the Portfolio Holder for Finance and Corporate Service on 23 June 2023. Both cabinet members were in support of

the principles around the strategic investment proposal and it was agreed that the Portfolio Holder for Economy and Growth would take the decision to the July 2023 cabinet for decision.

20. The ward member has been communicated to via email on the 4 July 2023

Appendices

Appendix A – Brochure

Background papers

None

Report Reviewers Used for appraising this report:

Please note this section must be completed before the report can be published		
Governance	Sarah Buffrey	Date 29/06/2023
Finance	Wendy Pickering Karen Morris	Date 30/06/2023 30/06/2023
Legal	Emma-Jane Brewerton	Date 29/06/2023
Communications	Luenne featherstone	Date 28/06/2023
Equality Duty	Harriet Yellin	Date 11/07/2023
Procurement	Lee Robertson	Date 26/06/2023
Risk	Kevin Lloyd	Date 30/06/2023
Approved by	Director for Resources and Assurance	Date 04/07/2023