## MINUTES

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| **1.** | **Introductions and Apologies**  | **Action** |
| **1.1** | Emma Hext (EH), David Ralph (DR), Mike Watson (MW) |  |

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| **2.** | **Minutes of Last Meetings and Matters Arising** | **Action** |
| **2.1** | SC queried 3.4 of the last minutes which details the location of the Kiosk and should it not refer to the building further down the road. PB acknowledge that SC is correct and minutes to reflect this change. |  |
| **2.2** | Matters arising will be discussed as they arise on the agenda. |  |

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| **3.** | **Town Deal Highlight report**  | **Action** |
| **3.1** | PB advised of questions raised by SC on the financial summary. The confusion arose due to the difference between the January and March reporting and the inclusion of revenue/capital into the table which made it difficult to understand. PB will for future reports attach an abridged summary table with more detail as an appendix. VF advised this will be useful and to include a key to acronyms.SC confirmed that she and PB discussed her queries, and it was agreed that the figures require more depth. PB advised that although the figures in the table are correct, he will circulate a revision in the new format. SC asked for clarity on Edginswell and PB explained the figures are correct, but the actuals weren’t included as additional funds have come from other sources.VF asked that as no decisions are required from today’s meeting, that the Board discuss the status of the projects and the next steps.  | **PB** |
| **3.2** | PB tabled the financial summary as follows:* The main work has been around how we present the financial allocations of the grant received to-date which was based on the original forecast expenditure set out last year to the Towns Fund team. PB has now been asked to report back on how this forecast has been spent and this gives an opportunity to reprofile the spending.

It became apparent following the review is how Towns Fund look at what can be spent from the grant and how the S151 considers spending which is in accordance with CIPFA rules which has a slightly a different approach to revenue and capital. As such it was apparent that the revenue element of the various phases of the projects that hasn’t reached a defined tender scheme cannot be considered as revenue therefore projects have been adjusted to allow for visibility of spend which has a cap of up to 7%.VF asked if fees are revenue which PB confirmed is correct for example developing Business Cases and early visibility studies.LF queried why this was not part of the project but classed as revenue. PB advised that normally this would be capitalised but CIPFA rules for local governments on what can be capitalised are different and PB has been in several conversations with Council finance on this subject.* Notable reprofile is the allocation of funds from the discontinued coastal corridor scheme to harbour public realm core areas.

SC queried why the 7% cap on revenue wasn’t known from inception. PB responded that as you develop projects more information comes to the fore. There is a programme management schedule for feasibility costs per year but it is now known this is not sufficient for the projects AD clarified that the 7% split has always been known. The project management line included in the delivery tables at inception was to give capacity to recruit a Project Manager and the revenue costs such as development costs would normally be capital from the start and capitalised as part of the project. The team are looking to minimise the programme management costs to enable more funding into individual projects and therefore structured in this way. The team are working with Council finance to allow them to account for this in the right way for reporting. AD confirmed to VF that this is within the assurance framework for reporting.* Union Square revised forecast spend shows how the under-spend will come through particularly with the possibility to acquire the site which will require more forward funding than originally considered over the 3 years.
* Adjustments have been made to those projects benefiting from the discontinued coastal corridor grant.
* Revenue streams will ensure the right cost allocations and re-affirmed that a simplified version of the financials will be issued.
* There has been programme slippage and some of the costs fall within this financial year, for example Edginswell and harbour schemes. The accelerated projects have now been signed off.

VF summarised that the changes reflect the coastal corridor grant re-allocation, latest timeframes also that the table is eligible and all changes from last meeting tie up in the table and all within the assurance framework. PB confirmed that is correct and with reference to SC comment on disappearance of funding from Edginswell. This is due to additional money from the Council’s regenerationbudget.LF asked that the revised report shows the original budget and the re-profiled forecast spend to show the variance in budget which will highlight if projects are over budget and any programme slippage. PB clarified that the budget remains the same as will the overall programme; the only change will be through extra funding. The current figures show that there was slow progress in year 1 but now the projects are ramping up, you will see the spend into year 2.LF advised that the top-level costs show an increase despite same budget and programme slippage and therefore difficult to gauge the risks and timescales. PB advised that the table only represents the Town Deal grant and not contributions from other sources of funding.SC suggested extra funding be highlighted in a different colour to that of the Town Fund allocation with a key. Financially the report needs to be simplified and explicit as currently it is confusing. SC acknowledges that an amount has been removed from Edginswell to that reported in January and for comparison the table needs to show an indication of where and why this money has disappeared from the March report.JB agreed summary needs to be clear, for example the Pavilion costs must be found from somewhere and is a risk.JP agreed the report needs clarity on the original budget to compare with the budget as it currently stands but requested no coloured boxes.* A budget assurance report and statement has been submitted, together with ‘light touch’ reporting around progress risk to the Towns Fund. Another reporting schedule is due to be submitted in May.

VF agreed that the financials need clarity and requested PB incorporate suggested changes into the financial summary and re-circulate. | **PB** |
| **3.3** | **Union Square**The site has been valued by JLL to inform delivery options such as joint venture (JV) or site acquisition. Draft heads of terms have been produced for a possible JV however no further discussions can take place with the developer until a commitment has been received from partners.Union Square is in a good position but may require some executive level influence.SC acknowledged the complexities of the project and admires the work thus far, but it is of concern that this is no further forward, and should the Board meetings revert to monthly to provide support to those involved and questioned who would acquire the site, where the money would come from and will this fund Plan B. AD clarified that the Town Board would not acquire the site as it does not have the legal structure required to acquire and hold assets so it would be a JV between the Council and developer and funded through the grant allocation.JB queried that if the smaller scheme does go ahead, are there plans to cover the rest of the space. AD confirmed that Union Square is phase one and as detailed in the TIP. The scheme has been broken down into two phases, with the second phase being the aspiration of acquiring properties on the corner of Union Street and Market Street that could be invested to bring this phase forward. |  |
| **3.4** | **Strand Land Assembly (Debenham’s Site)**Awaiting a formal commentary on the pre-application from HE as a statutory consultee. There have been some positive verbal responses but with reduced height levels which will be re-designed to accommodate this request. Commercial advice for the ground floor is that the site is too small for a food hall and Building Control has made some minor amendments to the plan.Water source heat pumps are being considered as environmentally friendly. The MEP engineer and harbour master in discussion on the the possibility of using harbour water to heat residential units.Despite the pace at which HE is taking to respond to the consultation the programme is on track and overall cost together with the extra grant from the discontinued coastal corridor project, is a viable scheme. PB recommends that risk remains as Amber or reduced to Green.SL advised that in an unrelated meeting, the water heat source pumps were criticised and that air pumps are more efficient. AD advised that this technology is still being explored and that the project will ensure the solution is not only cost effective but sustainable.SC advised that if water is to be taken from the harbour, applications will need to be made to the MMO and if there is no water in the harbour how will this be dealt with. Also, presumably the Strand Land Assembly will be completed before the Debenham’s site and therefore the road will need digging again for the pumps. When considering these pumps and the cost, solar panels will be cost effective as there are is currently no VAT implication. SC acknowledged she is in favour of green options, but this will be costly.KM advised that these are the questions being considered by the technical officers and is in discussion with the harbour master. KM of the opinion that the harbour is unlikely to be used as the water source as too complicated due to the associated risks and reassured the Board that the experts will consider all the options.LF questioned reducing the risk to Green due to the time statutory consultees take to respond. If they refuse to support the scheme, will this derail the project and the fact that the consultation is still ongoing all of which will affect the baseline cost and timeline. AD advised that the financial viability costings show robust cost values in terms of the sales values of residential accommodation and construction costs include a contingency so there is no reason for any concern. HE has been clear and consistent in their views; the project team are working closely with Planning Officers and the Design Review Panel and will look to improve the timescale so is confident on the ability to bring this forward at a quicker pace but agrees should remain as Amber. JB passed on the Community Board concerns on water source heat pumps as opposed to solar panels which has been responded to and on the residential element which looks the same as the rest of the area and is hoping for something more exciting. KM responded that it is difficult to enter into a construction contract for this development until we know if we have pre-lets agreed for those units as the building needs to work financially. The Council are also keen to do something different but it’s understanding what that looks like and what can be achieved through rents. Research undertaken has shown that food and drink pre-lets will not be an issue and therefore other areas such as the Pavilion will be the practical location to look at something more exciting and vibrant.  |  |
| **3.5** | **Harbour Public Realm**Out to tender and the returns are imminent. The winning artist of the Agatha Christie sculpture has been appointed and contracts agreed. PR will include wrapping of the Debenham’s windows, social media, and press releases.SC queried if any tender submissions are from within the Bay and why tenders were so late going out. AD advised that the tender response is only delayed due to contractor queries but will not delay start on site or delivery date. The standing list of approved contractors was used as this is a pre-procured framework. Whoever is selected, the project team will be looking to them to fall in line with Torbay’s Community Wealth Building and Social Values to use local supply chains and apprentices wherever possible. JB asked for confirmation that this scheme will not impact on the Fleet Street closure consultation. KM advised that there will be some impact as this scheme is on track, however the main impact will be on re-routing of buses and that is a discussion for the Community Board to have with the bus company. Currently the scheme allows for buses to turn right at the bottom of Fleet Street assuming they can continue down Fleet Street following the consultation. |  |
| **3.6** | **Pavilion**The revised cost report on the earlier tender is much higher than anticipated due in the main to scaffolding and weather protection. A procurement strategy is being considered to go through a framework to commission a main contractor to oversee the whole project. These deliverability issues need to be worked through, but all concerned are fully committed. VF asked who ultimately makes that decision, will be it the Board. KM advised that the Board will be part of the collaborative process. If we commit Town Deal funds, then we need to understand that potentially, that may be an abortive cost and are exploring with the Town Funds team on how that works. They have responded that you can have abortive costs, but it will have reputational damage. The distribution of the funds will be with the S151 officer, but he will want reassurance from the Board and Administration before he makes that decision.AR queried if the Business Cases are updated regularly to reflect such issues as cost increases that will impact on a project. AD responded that the Business Case for the project will be kept up to date to ensure that the scheme is financially viable and track the costs. What is not possible is to increase the amount of Towns Fund grant into the project, so will continue to work with HS and team to keep them updated on the financial profile. From their perspective they are not concerned on cost increases only on project delivery within the grant, however, to demonstrate match funding will be beneficial as BEIS will see the Government grant has attracted investment.PB advised that the full Business Cases are not reviewed but what is expected is a monthly evaluation of the baseline Business Case which is reported to Towns Fund and the next iteration is due in May.AR clarified that from a commercial point of view a Business Case dictates the viability of a project but does understand the complexities and different processes. |  |
| **3.7** | **Coastal Corridor**PB confirmed this project has been discontinued and the funds re-allocated. The project adjustment report has been submitted to Towns Fund and awaiting agreement that the re-classification is acceptable.  |  |
| **3.8** | **Core Area Public Realm**The increase of budget has enabled a more transformative scheme from the original highway engineering solution to the GPO roundabout. The emphasis will be for a landscape led scheme and to expedite the programme will use the Highways framework of contractors. PB is waiting on Highways fee proposal to client manage, which should be available by the May meeting.Consultation is required and PB is working with EF on how that will be brought forward as this will have an impact on taxis and bus access.SC asked where taxis will be relocated, how many spaces will be provided on each rank, by what route will taxis take toward Babbacombe and by what route will taxis be able to access the harbour towards Paignton and where will private hire be able to pick up and drop off by the harbour area? SC aware that these are questions that may not be known until designs are available. VF confirmed until the next stage of design is available, these questions cannot be answered.PB confirmed that the first wave of consultations with be with stakeholders and asked the Board if there are any consultees they consider should be included. VF asked if there will be any detail available for the next meeting. PB advised that a preferred design team will be known together with the communication programme. |  |
| **3.9** | **Edginswell Station**VAT element has now been resolved and the design can progress. SL asked presumably the Government will not be concerned on any VAT leakage. PB advised that a contract is in place and a solution has been found on the transfer of funds. |  |
| **3.10** | VF asked for an update on the risk register. PB will revise the risks for Union Square and Pavilion. Whole programme deliverability remains within original scope. Funding aspect, there are challenges with individual projects on how some schemes will continue to present growth beyond their budgets and will be factored into the direction of travel. The cost inflations are significant and has been raised at the Levelling Up meetings on whether there is potential for additional grant to cover inflation, however this is unlikely. |  |

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| **4.** | **Communications Update**  | **Action** |
| **4.1** | EF shared the activity update with the following highlights. Due to time EF will share the Objectives separately to the Board.* Multi-channel approach has been used for Comms
* PR for the periods 2020 and 2021 includes the TIP and works coming across the Bay.
* Recent PR includes Torquay Road, Harbour View hotel and features investment, jobs and economic growth.
* At the beginning of December looked at a programme of activity to raise awareness of regeneration projects across Torbay and at the end of February switched to more project-based PR. Social media and website for the period beginning of December to March across Torbay showed good engagement levels. Winning artist for Agatha Christie revealed in January.
* Launched Harbour Public Realm PR, wrapped small Debenhams windows and an animation created of concept design and available through social media and website. In April will be introducing the youth reps on the Board with a mix of videos and web content and spent time with GH discussing the Town Deal and where young people can get involved. Also looking at a Google app video which will zoom down into The Strand and could answer where taxis, people and traffic will go, announcing contractor and developing comms for the life span of the scheme.
* Agatha Christie artwork vote concluded and promoted across multi channels. Future comms will be around the development of the sculpture and unveiling event.
* Torbay Road consultation has concluded with the next steps developing design proposal to present to Community Partnership, project works comms and communicate key milestones.
* Coming up for Town Deal is the 12-14 Strand consultation and refresh PR and video content; Pavilion (wrapping of building and key milestones) which will be a joint comms with MDL; will be meeting with Network Rail and GWR in April on the Edginswell Railway Station communications plan; development of Core Public Realm communications and Engagement Plan.
* Also coming up is Crossway demolition, Harbour View hotel key milestones and for the wider Torbay, publishing articles on LinkedIn and refreshing web page content.

EF asked that Board for feedback on how to grow engagement, comms content or what the Board would like to see more of or less of.VF thanked Emma and acknowledged there is a lot going on Torbay wide and not just Torquay.AD advised the key area is around information and asked the Board to be communication champions to share the story and to get businesses and communities involved. Due the complexity, size and scale of this project there will be mistakes and it is therefore important that the Board works collaboratively across all the communities. If you need any material or assistance to do this, please make EF/AD/Council/TDA aware and we will help.JP agreed and reiterated the importance of everyone sharing the stories and liked the Comms Plan which was very informative. JP would be interested to know how much time is spent on the website and on page views as this will show if it is genuine engagement. JP mentioned the Building a Great Torbay Campaign which has a website and could be used as a platform. It might be worth updating the community of where we are with four main projects and perhaps pop-up sites located in key areas but does understand this will be a cost.EF does look at the time spent on a page, for example Agatha Christie consultation where people spent 5 minutes looking at those pages. With regard a pop-up event, there is talk of using the small Debs site for the Strand consultation which PB is aware, but it relies of technology.TC asked if EF would attend the next Community Board as part of the Board’s responsibility is to communicate and it would be helpful if EF could come up with a communications plan to enable them to network. The meeting is 18th May and TC will send on the link.LF commented it was a good plan and any communication must bring the scheme alive to people with visuals but also to highlight how it will change their lives. LF offered the use of the SDC website and suggested EF has a discussion with the College’s head of Comms to link a couple of key sites into curriculum development. EF as part of the consultation process would like more engagement with young people and asked for suggestions. LF suggested EF visit the College and speak to young people.VF will pick with EF/AD/PB offline the key projects and media channels.  | **TC****VF/EF/****AD/PB** |

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| **5.** | **Any Other Business**  | **Action** |
| **5.1** | VF sought the views of those Board members still in attendance (given meeting overrun) on Board meeting frequencies. VF is of the opinion that as the scheme is at a critical phase there was a lot to discuss today, however doesn’t believe a four weekly meeting will have changed this given the timelines being worked to and that more frequent meetings will result in repeated conversations. VF is happy to revert to monthly meetings but cannot see it adds any value given Board members other commitments.LF agreed to every two months; JP agreed but would ask that if needed an Extraordinary Board meeting be called; SL agreed to every two months; CM agreed; TC agreed as it will be difficult to revert Community Boards back to monthly especially as the Board are being encouraged to go out into the community so two monthly will give them an opportunity to do this.VF acknowledged JP point that Extraordinary Board meetings be called when necessary. VF asked that AD/PB be more aggressive with the risk register in terms of those projects showing Amber and should possibly be Red. The Board can then decide if the risk can be reduced.VF thanked all those for attending. | **AD/PB** |

**Date of Next Meetings: Friday 20th May at 9.30**

**Minutes recorded by: Terri Johnson**