

WEST MIDLANDS REGIONAL ASSEMBLY
Assembly Annual General Meeting – 18 July 2007

**Scrutiny Review of Advantage West Midlands: Access to Finance –
Final Report**

Report of the Review Panel Chairman

1. Purpose

- 1.1 To present the recommendations arising from this scrutiny review to the full Assembly for consideration. Roger Trotman, the Review Panel Chairman will introduce this item. The complete report can be accessed on the Assembly's website together with Advantage West Midlands formal response – <http://www.wmra.gov.uk/page.asp?id=337>

2. Recommendation

- 2.1 That the Assembly discuss and endorse the recommendations of the scrutiny review report.

3. Background

- 3.1 The review commenced in March 2007 and consisted of a Panel briefing requiring significant input from AWM and four evidence sessions including group discussions with users and providers and in addition a meeting with representatives of the Regional Finance Forum. Following which a formal hearing was held with AWM on 10 May 2007.
- 3.2 We would like to thank AWM for the support provided during the review process. This included the attendance of Patrick Palmer, Head of Access to Finance, at the initial Panel briefing and the provision of supplementary information when requested. In addition, officers from AWM attended all sessions as observers thus enabling the Panel to clarify any issues as they arose and ensuring that their representatives who attended the formal hearing were fully briefed.
- 3.3 Members are asked to note that the Strategic Review Group will consider recommendations 4 and 8 at their next meeting. In addition, implementing of the review recommendations will be assessed by the Strategic Review Group as part of its formal annual monitoring process.

4. Report Recommendations

4.1 We have made nine recommendations that we believe will assist and enhance the future development of Access to Finance activity in the Region. The rationale for each recommendation is discussed in the main body of the report:

- R1 That the Regional Finance Forum, within its current review of governance arrangements, considers directly nominated and appropriate representation from business users. We would request and urge that new members are in place by January 2008.
- R2 That Advantage West Midlands ensures that the delivery of investment readiness activity is an integral part and measurable output of Business Link West Midlands. This should be reflected in the formal contracts with Business Link providers.
- R3 That Advantage West Midlands engages with regional education providers to enable the development of the requisite business skills set necessary to enhance the regional enterprise culture from Primary Schools onwards.
- R4 That the West Midlands Regional Assembly, within the scrutiny review of Advantage West Midlands' support for the skills agenda, should examine how their interventions support the development of core skills for business.
- R5 That AWM, in implementing the Independent Performance Assessment Improvement Plan, seek to secure a greater awareness and understanding of provision of Access to Finance initiatives. The proposed methodology to be presented to the Regional Finance Forum by October 2007.
- R6 That AWM investigate the feasibility of establishing and operating a Regional Development Bank as a pilot project as part of the development of the Action Plan for the revised West Midlands Economic Strategy.
- R7 That the Regional Finance Forum, as a means of securing continued engagement, provide an annual report for the basis of discussion with appropriate interested parties including the Regional Economic Development Officers Group and the West Midlands Business Council commencing in January 2008.

- R8 That the West Midlands Regional Assembly undertake a scrutiny review, commencing in May 2008, of Business Link West Midlands.
- R9 That the Department for Business, Enterprise and Regulatory Reform undertakes an urgent and fundamental review of the Small Firms Loan Guarantee scheme.

Roger Trotman
Panel Chairman

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