

## ADVANTAGE WEST MIDLANDS

### NON - CONFIDENTIAL

Minutes of the 107<sup>th</sup> Board meeting held on 25 November 2008

#### Present:

Nick Paul Chairman  
Dr David Brown  
Brendan Connor  
Gerard Coyne  
John Crabtree  
Cllr Richard Hyde  
Cllr Roger Lawrence  
Angela Maxwell  
Michael Oakes  
Sue Prince  
Cllr Diane Rayner  
Prof Michael Sterling  
Cllr Ken Taylor

#### Executive:

Michael Laverty Chief Executive  
Michael Crich Corporate Director, Resources  
Tim Gebbels Corporate Director, Strategy and Communications  
Richard Hutchins Corporate Director, Economic Development  
Mark Pearce Corporate Director, Economic Regeneration  
Karen Yeomans Corporate Director, Operations

#### Apologies:

Jas Bains  
David Smith

#### In attendance:

Trudi Elliott Regional Director, Government Office West Midlands  
Sue Marwa Board Support Executive  
Dylan Murphy Head of Board Support

ITEM	DETAILS	ACTION
<b>1.</b>	<b>Minutes of the last meeting</b>	
1.1	The Board approved the minutes of the meeting held on 28th October 2008.	
<b>2.</b>	<b>Matters arising</b>	
2.1	There were no matters arising.	

<b>3.</b>	<b>Item 3 Confidential</b>	
<b>4.</b>	<b>Declarations of Interest</b>	
<b>4.1</b>	Angela Maxwell declared an interest in agenda item 7, Chief Executive's Report, (minute number 7.5) as an advisor to Channel 4.	
<b>4.2</b>	Sue Prince declared an interest in agenda item 9, Review of Progress to Regenerate North Staffordshire, (minute number 10) as a member of Keele University's Governing Council.	
<b>5.</b>	<b>Declarations of items of any other business</b>	
<b>5.1</b>	The Chairman declared an additional item updating on the appointment of a new Board member from December 2008 and agreed that agenda items nine and eleven be taken in sequence.	
<b>6.</b>	<b>Chairman's Report</b>	
<b>6.1</b>	The Chairman reported that he had been asked to stay on for "up to" an additional twelve months. The recruitment process for his successor would continue however and he would remain in post as long as was necessary to ensure an appropriate handover period.	<b>All</b>
<b>6.2</b>	The Chairman presented his Report and drew attention to the following items in particular:	
<b>6.3</b>	<u>Regional Economic Council and Council of Economic Advisers</u> The Regional Economic Council and Council of Economic Advisers had now both met for the first time.	
<b>6.4</b>	<u>Ministers' Regions Summit</u> Professor Edward Glaeser had delivered a presentation on the concept of "spatial equilibrium." This presentation had been based upon a report which was available from the Chairman if members wished to see it. "Spatial equilibrium" was an interesting concept for Regional Development Agencies (RDAs).	
<b>6.5</b>	<u>Low Carbon Vehicles</u> The Agency had forged ahead of national developments and the West Midlands would now proceed with its plans in advance of the national programme. Our £30m investment in research and development was particularly important in the current economic climate.	

6.6	Brendan Connor noted that there were a number of low carbon programmes being developed in parallel. Governance was critical in ensuring that there was no duplication and it would be preferable if the Agency could play a central role in providing this governance.	
6.7	<u>Annual Conference</u> A questionnaire would be circulated to conference attendees to gauge their views on the event. The results of this questionnaire would be reported back to the Board.	Tim Gebbels
6.8	It was noted that the Conference was a success and an improvement on previous years' events.	
6.9	Increased visible diversity on the main stage would be welcome at future events.	
6.10	The workshops enabled greater interaction than in previous years and yet more interaction would be welcome in future.	
6.11	The conference had attracted a wide range of attendees but it was still proving difficult to engage businesses. New methods of engaging businesses would be considered.	Tim Gebbels
6.12	Councillor Hyde was thanked for the excellent job he had done as compere and the Chair thanked Agency staff for their work in making the conference a successful event.	
6.13	<u>Rural Affairs Conference</u> The Rural Affairs Conference had been a successful showcase for the Agency. It had been a business-focussed event and had attracted very positive feedback.	
6.14	<u>BERR Strategic Review Meeting on 17 November and the SNR Transition Group Meeting on 25 November</u> Both of these planned meetings had been cancelled.	
6.15	<u>Pre-Budget Report</u> RDAs' collective comments to the Regional Economic Council had been taken into account in the Pre-Budget Report. The HMRC business payment support service was a welcome development and built upon the Rover Task Force arrangements.	
6.16	RDAs had been asked for a further contribution from their budgets totalling £85m over three years. The phasing of this contribution was as yet unknown as was the Agency's share (though this tended to be around 13 per cent of the national total). This £85m would, in large part, be set aside to cover bad debts.	

<p><b>6.17</b></p> <p><b>6.18</b></p>	<p>The cumulative effect of the budget cuts was increasing and was now around £400m collectively (and the Agency's share around £40m). The Agency would accommodate these cuts as it had built in headroom for delegating budgets under SNR. This flexibility would not be possible in future years.</p> <p><u>Joint Strategy and Investment Board</u> The Board had met for the first time to discuss the Regional Funding Advice Briefing Paper. This was an important first step in preparing for the impact of the Sub National Review (SNR). It was noted that an announcement on the future of SNR was expected that afternoon.</p>	
<p><b>7.</b></p>	<p><b>Chief Executive's Report</b></p>	
<p><b>7.1</b></p> <p><b>7.2</b></p> <p><b>7.5</b></p> <p><b>7.6</b></p>	<p>The Chief Executive presented his Report and drew attention to the following items:</p> <p><u>Item 7.2 Confidential</u></p> <p><u>Digital Media</u> The Millennium Point conference had been a success and the Agency was beginning to engage companies it had not previously had contact with. This was a growing sector which provided high value added jobs in which the region would look to lead. It was noted that there was a need to consider the role of the public sector in the overall delivery and governance of developments in this area.</p> <p>There was still much work to do in the ICT area and recent evidence from an Observatory report identified low recognition of the importance of ICT among SMEs in the region. It was agreed that a report on these findings would be presented to the Board.</p>	<p><b>Tim Gebbels</b></p>



<b>9.</b>	<b>Carbon Reduction Target for 2008-2011</b>	
<b>9.1</b>	The Board noted that carbon reduction target had been based on an assessment of the projects and programmes contained within the Corporate Plan.	<b>Mark Pearce</b>
<b>9.2</b>	The Board agreed that the methodology used by the Agency to calculate the reduction targets should be disseminated widely, particularly to businesses.	
<b>9.3</b>	Brendan Connor explained that the 500,000 gross tonnes of CO2e reduction was equivalent to c.40,000 lorries doing 100,000 miles a year being taken off the roads. It was important to exemplify the reductions in terms that were readily understandable when communicating the reduction target.	
<b>9.4</b>	The Board noted the submitted report and approved the overall reduction target of 500,000 gross tonnes of CO2e (carbon dioxide equivalent) from the Agency's investments between 2008-09 and 2010-11. The Board requested that the Agency's own 5 per cent annual reduction target be reconsidered.	
<b>10.</b>	<b>Item 10 Confidential</b>	
<b>11.</b>	<b>Item 11 Confidential</b>	
<b>12.</b>	<b>Item 12 Confidential</b>	
<b>13.</b>	<b>Aiming for Excellence</b>	
<b>13.1</b>	Mick Lavery delivered a presentation on work underway within the Agency under the "Aiming for Excellence" banner. A challenging time lay ahead and the Agency would be required to do more with less. In this context, continuous improvement would be increasingly important	

<p><b>13.2</b></p> <p><b>13.3</b></p> <p><b>13.4</b></p> <p><b>13.5</b></p>	<p>The Agency's Values (<b>A</b>im for Excellence, <b>W</b>ork in Partnership and <b>M</b>ake a Difference) had last year been agreed by the Corporate Management Team following a process of engagement with staff in a series of workshops. A similar process had been employed this year to agree the Agency's Mission and Vision. The agreed Mission was "leading the West Midlands towards greater economic prosperity" and the Vision was "to be recognised as excellent in all we do." Further work was required to settle on Behaviours which would support achievement of the Mission and Vision.</p> <p>The Agency was in a better position than many other RDAs (which were having to make staff redundant) as it had a lower administration budget and had established the Regional Observatory and RegenWM as arms-length organisations. Further efficiencies would be required however and the drive towards excellence would need to become a way of life within the Agency.</p> <p>The Board endorsed the agreed Mission and Vision and commended the work underway under the "Aiming for Excellence" banner.</p> <p>The Board noted that the Agency had entered the Midlands Excellence Awards for a second year as this was a useful exercise in benchmarking the organisation and driving continuous improvement. The Agency had achieved the Investors in Excellence standard at the first attempt (in 2007) and the plan was to increase the Agency's score year-on-year. The Midlands Excellence assessment team would be visiting the Agency to report their findings following the 2008 assessment on Monday 1 December. The Agency had already been informed that it had been shortlisted as a finalist this year and had been invited to the awards ceremony on 29 November. It was noted that the Regional Minister and Trudi Elliott would be attending the ceremony and it was agreed that otherwise, the Agency's tables at the event would be populated by staff (to enable them to celebrate the success of the Agency).</p>	
<p><b>14.</b></p>	<p><b>Item 14 Confidential</b></p>	

<b>15.</b>	<b>Regional Transport Challenge</b>	
<b>15.1</b>	The Board noted that the Transport Priorities Action Plan was to be launched by the Regional Minister on 15 December. The Plan refined themes that had been developed the previous year and it would be refreshed on an annual basis.	
<b>15.2</b>	The Plan would enable a greater focus than had been the case in the past, sequencing projects and highlighting actions around deliverability. It would enable the construction of business cases to attract funding for infrastructure developments. This was the start rather than the finish and more work was required to develop a better understanding of a complex picture but progress was being made.	
<b>16.</b>	<b>Item 16 Confidential</b>	
<b>17.</b>	<b>Any other business</b>	
<b>17.1</b>	<u>Appointment to the Board</u> Councillor Mike Whitby had been announced as a newly appointed Board member that morning.	
<b>17.2</b>	<u>Departure of Richard Hyde</u> On behalf of the Board, the Chairman thanked Councillor Richard Hyde for his very significant contribution to the Agency during his appointment. The Chairman also thanked Councillor Hyde personally for the support he had given him as Deputy Chairman. It was noted that there would be an opportunity to say farewell at the leaving dinner on Monday 15 December.	
<b>17.3</b>	On behalf of the Agency's officers, Mick Lavery also thanked Councillor Hyde for his contribution including his chairing of the Remuneration Committee. It was noted that Councillor Hyde would remain Chairman of the West Midlands Regional Observatory.	
<b>17.4</b>	<u>Business Link</u> Sue Prince recorded her thanks to Business Link for its recent rural activity including the provision of specific sector training.	