

WEST MIDLANDS REGIONAL ASSEMBLY

8 July 2009

Parliamentary Regional Accountability: West Midlands Select Committee

1. Purpose

To provide an update on the current and future activity of the West Midlands Select Committee.

2. Recommendation

2.1 The Assembly is asked to note the report.

3. Background

3.1 The context for Regional Select Committees and membership of the West Midlands Select Committee has been reported in previous reports which are available via the Assembly website - <http://www.wmra.gov.uk/documents/Agenda%20Item%209%20-%20Parliamentary%20Regional%20Accountability%20-%20Select%20Committees.pdf>

In the recent Government reshuffle, David Kidney MP was made a junior minister in Department of Energy and Climate Change and is now ineligible from serving on this Committee.

4. West Midlands Regional Select Committee

4.1 On 19 March 2009, a call for evidence was issued for the Committee's first inquiry into the impact of the current economic and financial situation on businesses in the West Midlands Region. A written response was submitted by the Region's Chief Executives and is available at - http://www.wmlga.gov.uk/Policy_Areas/Recession/Introduction.aspx

4.2 To date, the Committee has held three individual evidence hearings in the West Midlands. The first, in Birmingham, was with senior representatives from the banking sector - Lloyds TSB, Barclays, HSBC and RBS. Questioning was centered on the current state of

the Region's economy, individual bank's response to provision of credit and the effectiveness of Government measures to free up credit, specifically the Enterprise Finance Guarantee (EFG).

- 4.3 The Committee next received evidence from representatives of the West Midlands Federation of Small Businesses, West Midlands Business Council, Herefordshire & Worcestershire Chamber of Commerce and West Midlands Developers Alliance. Areas addressed included an overview of market conditions with specific reference to the automotive and construction industries, financial support and guidance available from AWM, Business Link and the banks, the availability of trade credit insurance and Small Business Rate and the impact of government interventions including the VAT cut and the car scrappage scheme.
- 4.4 The third session, held in Stoke-on-Trent, included evidence from the ceramics industry, Unite the Union and local government representatives:-

Mark Barrow (Newcastle-under-Lyme and Regional Chief Executive lead for the Recession)
Chris Harman (Stoke-on-Trent)
Steve Burrows (Staffordshire)
Tom MacCartney (North Staffordshire Regeneration Partnership).
- 4.5 Areas of questioning included an overview of the Region's economy, availability of Small Business Rate Relief, local government procurement, infrastructure projects and relationship with Advantage West Midlands, pressures on market towns and level of understanding and engagement by regional agencies.
- 4.6 The final evidence session is on 29 June in London and will take evidence from the Regional Minister, Ian Austin MP and Advantage West Midlands. The Committee's report is expected in September.

5. **Future Activity**

- 5.1 The Committee's next inquiry has been announced and will consider "the effects of the economic downturn on the people of the West Midlands Region". Issues that the Committee is particularly interested in receiving evidence on include:
 - the level of indebtedness in the population, and the assistance available to people to cope with it;
 - the level of home repossessions and the adequacy of support available to those facing difficulties with mortgage or rent payments
 - the availability and appropriateness of training, both for new entrants to the labour market and for those seeking retraining in new skills;
 - the adequacy of assistance to help people find new jobs; and social cohesion.

5.2 The deadline for written submissions is midday on **Tuesday 21 July 2009**. Further details are available via the Houses of Parliament website:
http://www.parliament.uk/parliamentary_committees/wmid/wmpn20609.cfm

6. **West Midlands Regional Grand Committee**

6.1 Regional Grand Committees, comprising all Regional MPs, are expected to meet once or twice a year in the Region. They are expected to question the Regional Minister and hold general debates on specified matters. To date, the first meeting has not taken place.

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