

# ADVANTAGE WEST MIDLANDS

## NON - CONFIDENTIAL

Minutes of the 112<sup>th</sup> Board meeting held on 28<sup>th</sup> April 2009

### Present:

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

### Executive:

Michael Laverty Chief Executive  
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:

David Smith

### In attendance:

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 on 31 March 2009.	
<b>2.</b>	<b>Matters arising</b>	
2.1	<u>Relocation of Government Department</u> It was noted that four cities had been shortlisted as potential hosts for the Ministry of Justice. A range of campus-type sites had been identified in the region and a joint bid would be developed with a strong rationale for the West Midlands' case. The bid should be underpinned by strong data and include the case for continued professional development with links to the region's universities.	

<b>3.</b>	<b>Confidential item</b>	
<b>4.</b>	<b>Declarations of Interest</b>	
<b>4.1</b>	There were no declarations of interest.	
<b>5.</b>	<b>Declarations of items of any other business</b>	
<b>5.1</b>	There was no other business.	
<b>6.</b>	<b>Chairman's Report</b>	
<b>6.1</b>	The Chairman presented his report and the Board noted the following in particular:	
<b>6.2</b>	<u>High Speed Rail 2</u> The development of a high speed rail link would be a regional priority. There were a number of key considerations including the linkages with High Speed 1 (St Pancras) and Heathrow and the location of the terminus in the region. The strong value for money case for locating the terminus in central Birmingham would be stressed and the carbon reduction and road casualty reductions should also be taken into consideration.	
<b>7.</b>	<b>Chief Executive's Report</b>	
<b>7.1</b>	The Chief Executive presented his report and the Board noted the following in particular:	
<b>7.2</b>	<u>G. Park Blue Planet</u> The G. Park Blue Planet scheme at Chatterley Valley, North Staffordshire had become the first development in the world to be awarded the prestigious BREEAM (Building Research establishment Environmental Assessment Method) "Outstanding" rating.	
<b>7.3</b>	<u>Confidential item</u>	
<b>7.4</b>	<u>Bilston Urban Village</u> A developer had been appointed for this priority investment location project.	
<b>7.5</b>	<u>Cluster Quarterly Report</u> A public procurement decision was awaited on which electronic vehicle technology would be supported. A decision would then be made on which city would receive funding to develop the necessary infrastructure.	

7.6	The Board agreed that future Cluster Reports should outline the clusters' contribution to the low carbon economy. It was noted that the low carbon economy would be a topic for consideration at the clusters conference on 19 June.	<b>Richard Hutchins</b>
7.7	The Infection Control Market Focus Group seminar had been a great success and more should be done to highlight such successes. It was noted that a PR agency had been appointed to raise the profile of the clusters.	
7.8	<u>Credit Crunch Update</u> The latest figures, as presented to the Taskforce, showed that the West Midlands was the worst affected region. It was agreed that the presentation delivered to the Taskforce would be provided to the Board. This presentation showed that for the first time, the region's unemployment rate was the highest in the UK (having overtaken the North East); the gap with the UK average was increasing and historically, the region suffered disproportionately during a recession (resulting in deeper troughs and lower peaks in employment).	
7.9	The Board agreed that a report would be presented to a future meeting outlining the state of the region's economy and considering the required action.	<b>Tim Gebbels</b>
7.10	The Taskforce had developed a construction industry action plan and had done some work around the professional services sector. The infrastructure was now in place for the Task Force to deliver and local authority engagement had been stepped-up.	
7.11	The Board noted the information pack that had been produced for partners. The Board also noted that the supportwm website had received 20,000 hits to date and interest was accelerating.	
7.12	Take-up of the national Enterprise Finance Guarantee Fund was increasing from a very low base (and 47 of 156 loans had been made in the West Midlands) but there were still structural problems with the Fund. Efforts to retain the Agency's own scheme, the Advantage Transition Bridge Fund, would continue to be made. This scheme had undergone evaluation and had been proved to provide good value for money. The ability to top-up the Fund or recycle loan payments were being investigated, as were a number of other options to increase liquidity (including the establishment of private schemes underpinned by European funding).	
7.13	<u>Project Endorsement Process</u> There were no projects to report to the Board this month.	

7.14	<p><u>Edgbaston Cricket Ground Development</u> A report on this development would be submitted to a future meeting.</p>	<p><b>Karen Yeomans / Board Support</b></p>
7.15	<p><u>Spotlight Awards</u> The team award had been presented to to Darren Cope, Partnerships Manager (Coventry/Warwickshire), Ivan Kite, Development Manager and David Philips, Project and Contract Manager for working in partnership across teams to secure the successful completion of a very complex funding agreement for Spencers Yard, Leamington.</p>	
7.16	<p>The team award had been presented to Steve Holland, Head of Asset Management and Sarah Nyons, Head of Communications for aiming for excellence in their outstanding efforts in arranging the Agency's involvement at MIPIM in March 2009. This year's event was professionally organised and the feedback from partners and contacts about our presence had been extremely positive.</p>	
8.	<p><b>Confidential item</b></p>	
9.	<p><b>Business Plan 2009-2010 – Non-confidential</b></p>	
9.1	<p>The Board considered the submitted report and noted that:</p>	<p><b>Chief Executive / Board Support</b></p>
9.2	<p>The Business Plan was a statement of the Agency's priorities for the year. It was an internally focussed document which complemented the Corporate Plan (which was more akin to a business plan as generally understood). The Plan was supplemented by a series of detailed Directorate Plans.</p>	
9.3	<p>The revised Corporate Plan would be presented to the May Board meeting.</p>	
9.4	<p>The Agency had enjoyed ten years' continuous growth in its budget but it was now at a tipping point. Future budgets would reduce, legal commitments would account for an increasing proportion of the budget and headroom would drastically reduce. The opportunity to increase income through the sale of assets to alleviate this position would be limited by market conditions.</p>	
9.5	<p>The 2009-10 budget was over 85 per cent committed. When approved but not legally contracted projects were also taken into account this figure was almost 100 per cent. The 2010-11 budget, as it stood, was around £250m (c£80m, or 25 per cent, lower than the 2009-10 budget). Legal commitments in 2010-11 accounted for around 65 per cent of the budget.</p>	
9.6	<p>The Agency would contact partners to explain the budgetary position stressing that all the Agency's legal commitments would be honoured but other projects would be reviewed to</p>	

	assess whether they would proceed, whether they could be reduced in scale or put on-hold. Conversations would be held with partners to establish whether projects that had been approved should go ahead or whether they should be stopped in favour of greater priorities.	
<b>9.7</b>	The Board agreed to consider the Human Resources and Remuneration Committee's recommendations on pay awards and bonus payments in closed session following the May Board meeting.	<b>Chairman</b>
<b>9.8</b>	The Board commended the development of the Business Plan as a positive step.	
<b>10</b>	<b>Confidential Item</b>	
<b>11.</b>	<b>Energy Activity Update - Non-confidential</b>	
<b>11.1</b>	The Board considered the submitted report and noted that:	<b>Mark Pearce / Board Support</b>
<b>11.2</b>	The Agency was finalising an Energy Intervention Framework to identify how regional efforts could be concentrated. One strand of this work related to providing regional leadership and governance on energy issues. A draft version of the Framework would be presented to the Board in September.	
<b>11.3</b>	The region had achieved a number of significant "firsts" and more should be done to promote the region's assets and achieve maximum benefits from them.	
<b>12.</b>	<b>Social Enterprise Update - Non-confidential</b>	
<b>12.1</b>	The Board considered the submitted report and noted that:	
<b>12.2</b>	Jas Bains chaired a regional network of social enterprises. The groups had received around £1m revenue support.	
<b>12.3</b>	The sector was likely to grow and there was a policy convergence around the concepts of green and local stockmarkets. There had also been growth in European ethical investment. This was a thriving sector making a significant contribution to the regional economy. The sector could be a significant "engine" in driving the economic recovery and a study was underway to assess the economic contribution of housing associations' house building programmes.	
<b>12.4</b>	Research suggested that the sector was particularly attractive to young people. This attraction may present an opportunity to increase graduate placements within the sector.	
<b>12.5</b>	There were encouraging signs that Business Link was becoming more adept at supporting value-driven enterprises.	

12.6	The Board agreed Mark Pearce would investigate the urban/rural split in the establishment of social enterprises.	Mark Pearce
13.	<b>Sub National Review - Non-Confidential</b>	
13.1	The Board considered the submitted report and noted that:	
13.2	As reported to the Board in March, the Regional Funding Advice had been submitted to Government. The formal response to the submission was expected in June.	
13.3	The Joint Strategy and Investment Board (JS&IB) continued to test progress against projects and traffic light reports were to be issued quarterly.	
13.4	The JS&IB would develop sustainable transport proposals to inform Regional Infrastructure Fund discussions with the Department for Transport. It was noted that it was essential that the region “spoke with one voice” during these negotiations.	
14.	<b>Equality and Diversity Six-monthly update - Non-confidential</b>	
14.1	The Board considered the submitted report outlining progress against the Agency’s Equality and Diversity Action Plan and noted that good progress had been made on the internally focussed actions aimed at ensuring the Agency became a best practice employer. Focus would now shift towards becoming a regional leader, promoting equality and diversity among regional businesses via Business Link.	
15.	<b>Minority Ethnic Business Forum Annual Report - Non-confidential</b>	
15.1	The Board noted the submitted report including the findings of the ECOTEC evaluation and review of the work of the Forum.	
16.	<b>Confidential item</b>	