

**Scrutiny and Strategic Review Protocol
Between
West Midlands Regional Assembly, Advantage West Midlands
and Government Office West Midlands**

1. Introduction

1.1 This protocol has been developed jointly by West Midlands Regional Assembly, Advantage West Midlands and Government Office West Midlands. It sets out the aims, objectives and procedure for scrutiny and strategic review and is intended to provide a clear and balanced approach to these processes.

1.2 Scrutiny is the mechanism by which Advantage West Midlands' strategies and policies can be assessed within the framework of the Regional Economic Strategy. Strategic review is the process by which the Assembly, on behalf of the region, can assess how particular issues are being addressed at a regional level.

1.3 Scrutiny of Regional Development Agencies is a core function of all Regional Assemblies. This was established by the RDA Act 1998 which stated that Regional Development Agencies "should have regard...to any views expressed by the chamber" (now Assembly). Regional Assemblies and Development Agencies have worked to develop scrutiny mechanisms for each region that build on this legislative basis. This has been strengthened by recent statutory guidance to Regional Development Agencies in respect of the development of Regional Economic Strategies. This states that "Regional Assemblies have an important scrutiny role in relation to the activities of the RDAs in their regions."

1.4 As the scrutiny process has developed it has become apparent that the Assembly is in an ideal position to examine wider issues of regional importance. Strategic reviews have been developed as a response to this and are held within the framework of the Regional Concordat.

2. Accountability

2.1 Advantage West Midlands is a non-departmental public body sponsored by the Department for Trade and Industry and is accountable through the Chairman to the Secretary of State. The Chief Executive is accountable through the Permanent Secretary to Parliament. It is required to work within government regulations and timetables.

- 2.2 The Regional Director of the Government Office West Midlands sponsors Advantage West Midlands on behalf of Ministers. The Government Office for West Midlands and Advantage West Midlands also work closely as partners in delivering government policy.
- 2.3 The "Strengthening Regional Accountability" document published in March 2001 requires Regional Assemblies to play an enhanced role in ensuring that Regional Development Agencies' plans and strategies meet the needs of their region. This scrutiny role should not be confused with Advantage West Midlands' accountability to Ministers, the role of the Advantage West Midlands' Board in finalising, after regional consultation, the strategic direction of the Agency and the personal responsibility of the Chief Executive as Accounting Officer.
- 2.4 The White Paper "Your Region, Your Choice" identifies government intentions to promote better joint working within the regions. This protocol supports this by developing a tripartite approach to scrutiny and strategic review by bringing together the Assembly, Advantage West Midlands and Government Office West Midlands. In addition there is a commitment to engage partners and stakeholders in the Scrutiny and Strategic Review Process. The White Paper also identifies the need for coherence between regional policies and it is intended that the Scrutiny and Strategic Review Process assists with the integration of these at a regional level.

3. **Aims**

- 3.1 The collective aim of all three organisations in agreeing this protocol is to ensure that the Scrutiny and Strategic Review process adds value and enhances regional working and, that wherever possible, the parties will take steps to avoid duplication of effort. It must however be recognised that there are also individual aims.

Aims of West Midlands Regional Assembly

- 3.2 The Assembly aims to represent the views of the West Midlands region in the two strands of strategic review and scrutiny. Through its scrutiny of Advantage West Midlands, the Assembly will inform the development of policies and initiatives, strengthen Advantage West Midlands' regional accountability and enhance its strategic approach by acting as a "critical friend". The Assembly also aims to present a regional view and to promote open and transparent policies

and decision-making through strategic reviews. These reviews will examine how regional bodies are working collectively to address key issues for the region. Such thematic reviews are carried out under the aegis of the Regional Concordat.

Aims of Advantage West Midlands

- 3.3 Advantage West Midlands intends that this process should provide an insight into aspects of the delivery of the Regional Economic Strategy and support the development of more effective delivery mechanisms. The protocol will allow the Agency to contribute to selection of issues to be considered, and the structure and timing of individual reviews. Advantage West Midlands will also obtain a Regional Assembly perspective in respect of major strategic issues.

Aims of Government Office West Midlands

- 3.4 The aim of the Government Office West Midlands is to ensure effective joint working towards agreed regional and national priorities, and to ensure that performance management resources are in place to support this.

4. Strategic Review Group

- 4.1 The Scrutiny and Strategic Review Process will be co-ordinated by the Assembly's Strategic Review Group. This meets quarterly and is comprised of members from the three sectors within the Assembly identified by their nominating bodies as well as representatives from Advantage West Midlands and Government Office West Midlands. It is chaired by the Assembly's Vice Chair (Other Stakeholders Group).
- 4.2 The main responsibility of the Strategic Review Group will be to maintain an overview of the Scrutiny and Strategic Review Process ensuring that issues of overall strategic direction are addressed, specific actions are undertaken (for example review of Advantage West Midlands' Corporate Plan), that the various elements are fully integrated and to advise the Assembly. It does not carry out individual reviews but delegates responsibility for completion of these to review panels.
- 4.3 Regular reports will be provided to the full Assembly by the Strategic Review Group. An Annual Report in respect of the entire Scrutiny and Strategic Review process will also be produced and circulated widely.

4.4 Individual review reports will be submitted to the full Assembly for information with full discussion of issues of specific interest or regional importance.

5. **Process**

5.1 The Assembly is required to be involved with or to comment on a number of documents prepared by Advantage West Midlands including the Regional Economic Strategy and Advantage West Midlands' Corporate Plan. The Strategic Review Group has the responsibility for co-ordinating these activities as and when they are required as agreed between the signatories of this protocol. In addition the following activities will be carried out on an annual basis:

Performance Monitoring

5.2 Government Office for the West Midlands is responsible for monitoring Advantage West Midlands' overall performance against its targets and reports to Ministers bi-annually. These reports to Ministers are informed by qualitative reports by Advantage West Midlands on its own performance. Advantage West Midlands will provide the Assembly with copies of the reports it submits to GOWM. This will help to ensure that the Assembly is kept informed about the full range of activities that Advantage West Midlands delivers through its Corporate Plan and that performance review and scrutiny activities are complementary.

5.3 This arrangement will be reviewed in the light of any changes to the RDA Performance Monitoring and Reporting Framework.

Advantage West Midlands Report

5.4 This is an opportunity for Advantage West Midlands to make a formal report to the full Assembly regarding its progress in the previous year. This will normally take place in October following the publication of its Annual report and Accounts. It should not however merely repeat this document but provide an opportunity for discussion of challenges and opportunities faced by the region.

Reviews

5.5 Reviews are the key activity of the Scrutiny and Strategic Review with two types being undertaken. Scrutiny reviews of Advantage West Midlands examine specific areas of activity within the framework of the Regional Economic Strategy. Advantage West Midlands will be consulted on the selection and timing of these reviews and will be kept informed of the process and issues arising from it. Strategic reviews assess

the regions response to a particular issue and examine the roles of all appropriate regional bodies including the Assembly. Both type of review follow a common approach as described below. The review framework detailing the differences between scrutiny and strategic reviews is shown in Appendix 1.

- 5.6 Normally three scrutiny reviews and one strategic review will be completed annually. It is important that these are used as an opportunity to make constructive recommendations that add value to the region and are learning points for Advantage West Midlands and other partners and stakeholders.

6. **Review Panel**

- 6.1 Reviews will be carried out by a panel made up of Assembly Members (including alternatives) and co-opted members from appropriate regional organisations or partnerships. The Panel Chair should be an Assembly Member or alternative Member and be selected by the other Panel members. Panels will only be quorate when three members are present including at least two Assembly Members (or alternatives). Specialist advisors may also be identified to support the Panel.

- 6.2 When taking part in the review process, Panel members represent the Assembly as a whole rather than their individual sector or organisation. It is important to ensure that relevant experience and knowledge is brought to the process and where appropriate training will be provided. All Panel Members involved in this process must abide by the Assembly Code of Practice and formally declare any potential conflict of interest. Travelling expenses will be paid for attendance at meetings.

7. **Review Stages**

- 7.1 Each review should consist of the following stages but the review process should retain flexibility. In exceptional circumstances the protocol signatories, following discussions with the Strategic Review Group, may agree to vary or to cancel the planned reviews.
- 7.2 Identification of Subject – the Strategic Review Group will identify the broad theme. Discussions with the aim to agree the direction of the review will be held with Advantage West Midlands, or other regional bodies as appropriate. The Strategic Review Group will then approve the rationale and objectives of the review.

- 7.3 Preparation – this includes organisational activities and research. It will allow the selection and training of Panel Members and the specialist advisor, organisation of meeting dates and identification of case studies and witnesses. Research will include desktop research, informal discussions to identify key issues, and commissioning of independent research where required. This should also identify how the themes of sustainable development and equalities will be addressed within the review. In the case of a scrutiny review, Advantage West Midlands will receive ten working days notice of the start of this stage of the review.
- 7.4 Evidence Gathering – this will allow Panel Members to review evidence to identify priority issues and assess progress towards stated aims and objectives. Both written and verbal evidence will be given to the Panel at formal meetings and discussion sessions. Where appropriate the Panel may request Advantage West Midlands or other regional bodies to provide supplementary information or written answers to questions not fully covered during hearings. In any event this information will be provided within twenty working days in accordance with the requirements of the Freedom of Information Act. All Panel hearings will be held in public with every effort made to involve partner organisations and other stakeholders.
- 7.5 Final Report – the Panel will be responsible for the production of a final report of the outcome of the review process. This should detail issues considered, provide a synthesis of evidence and the considered view of the Panel. It should also detail a number of recommendations for action that are SMART (Specific, Measurable, Achievable, Realistic and Timely). The report should be finalised within ten weeks of completion of the hearings. This period will include a two week consultation with those involved in the process in order to assess the report’s factual accuracy. Where recommendations have been made for regional bodies additional time will be allowed for the development of a detailed response. The final report will be presented to the full Assembly and forwarded to government ministers, GOWM and made publicly available on the Assembly’s website together with the formal response from Advantage West Midlands and other regional bodies as appropriate.
- 7.6 Implementation – it is essential that implementation of recommendations is monitored thus ensuring the review process has “added value”. It is important that this is carried

out in such a way that is effective but is not resource intensive. An appropriate monitoring system is to be developed jointly by the signatories of this protocol and will be put in place no later than December 2005.

8. Complaints/Comments Procedure

8.1 Any complaints or comments received in respect of the Strategic Review and Scrutiny process will be initially referred to the Strategic Review Group Chair and shared with Advantage West Midlands and Government Office West Midlands. All communications will receive an initial response within ten working days. Issues raised will be discussed by the Strategic Review Group and incorporated into the Scrutiny and Strategic Review process as appropriate.

8.2 As the scrutiny role develops, complaints or comments regarding Advantage West Midlands' activities may be forwarded to the Assembly. Where these are directly related to an imminent or current review they will be treated as evidence submitted to the panel. Where this is not the case, or where they are considered to fall outside the remit of this protocol they will be forwarded to Advantage West Midlands for action. These will then be treated in accordance with Advantage West Midlands' complaints procedure.

9. Revision of this Protocol

9.1 This protocol will be reviewed at any time either when material changes occur that impact upon its operation or at the request of any of its signatories.

9.2 The Strategic Review Group will review the operation of this protocol on an annual basis.

Scoping Document

	Scrutiny Reviews of AWM	Strategic Review of Regional Issues
Review Panel – made up of Assembly Members with co-opted individuals as identified by the SRG. Chair selected by Panel	yes	yes
Purpose To examine	AWM activity within the framework of the RES	The regions response or approach to a specific issue
Support Strategic Review Officer Specialist Advisor Independent research	yes yes yes	yes yes yes
Objective/Purpose Agreed by SRG	yes	yes
Issues to be Considered Developed by Panel	yes	yes
Terms of Reference Agreed by Panel	yes	yes
Evidence Sources Agreed by Panel	yes	yes
Cross Cutting Themes - Sustainable Development - Equalities and Diversity	yes yes	yes yes
Methodology Method of evidence gathering to be agreed by Panel - Discussion sessions - Hearings - Formal Hearing with AWM	yes yes yes yes	yes yes yes no
Advantage West Midlands Involvement - Selection of topic - Membership of Panel - Provision of information - Panel Briefing - Provision of evidence - Formal Hearing - Comment on draft report - Formal response to recommendations	yes no yes yes yes yes yes yes	yes as appropriate as appropriate no yes no yes as appropriate