

Agenda Item No. 5

WEST MIDLANDS REGIONAL ASSEMBLY

Board of Directors Meeting – 16th September 2005

DECISION NOTES OF THE BOARD OF DIRECTORS – WEST MIDLANDS REGIONAL ASSEMBLY LTD HELD ON 24 JUNE 2005

Present

Cllr David S Smith (Chairman for the meeting); Mary Booth (Other Stakeholders), Cllr Pauline Dee (North Shropshire), Ben Reid (Vice-Chair - Business Sector), Cllr Rex Roberts O.B.E (Staffordshire) and Brian Summers (Business Sector).

In attendance

Trudi Elliott (WMRA), Steve Hind (WMLGA), Simon Hodgson (WMRA) Rose Poulter (WMRA) and Daryl Davies (WMLGA).

Observers

Chris Bonnard (RAWM), Elizabeth Charlton (GOWM), Carmel Conefrey (ERN) and James Watkins (WMBC).

Apologies

Apologies had been received from the following Directors; Valerie Broom (Vice-Chair – Other Stakeholders), John Hart (WMBC), Cllr Les Kyles (Solihull) and Cllr Roger Phillips (Herefordshire).

The apologies of Graham Garbutt (GOWM) and Rob Sykes (Honorary Secretary) were also noted.

Simon Hodgson

The Chairman reported that this would be Simon Hodgson's last Board meeting. He offered his thanks for the significant contribution to the development of the Assembly and best wishes for the future.

Declarations of Interests

No declarations were made at this meeting.

Chairman's and Vice-Chairs' Reports

The Chairman made no report.

In Valerie's absence, Mary Booth (Other Stakeholders Group) reported that the Probity training event held recently had been useful. She also advised the board that this would be her last meeting.

The Chairman took the opportunity to thank her for her contribution.

Ben Reid advised that Richard Moxon had been developing links with the MKSM working group. Although early days, he anticipated further reports in due course.

Decision Notes of the Board of Directors Meeting held on 8 April, 2005

Matters Arising

The decision notes of the Board of Directors Meeting held on 8 April, 2005 were agreed as a true record.

Trudi reported that she had been advised that the Assembly would now receive resources for the Black Country Study. Formal confirmation had, however, yet to be received.

Decision Notes of the Assembly Meeting held on 28 April, 2005

The decision notes of the Assembly Meeting held on 28 April, 2005 were noted.

Regional Housing Strategy 2005

A report which updated the Board on the development of, and sought endorsement for the Regional Housing Strategy was considered.

The RHS had a vision of creating a strong regional economy, which, through the provision of 'pathways of housing choice', enabled people to live near their work in pleasant affordable homes to enhance diversity, address social inclusion and community cohesion, protect the vulnerable, whilst encouraging sustainable lifestyles.

The consultation period on the final draft strategy ran from 11th May – 7th June 2005 and final amendments will be made in light of the comments received.

The Regional Assembly and its Partnerships, particularly the Regional Planning Partnership and Regional Housing Partnership had continued to be involved in its development through a series of events and regular verbal and report updates and commented accordingly.

Thorough consultation had also taken place with local authorities and other partners; with the private sector in the form of an English Partnerships / Private Sector event and with Members with a housing portfolio through the Housing Elected Members Forum. Also consulted had been tenants and residents, with the help of TPAS (Tenants Participation Advisory Service).

Initially due to the tight timescales for submitting the Regional Housing Strategy to Ministers, the Chair and Vice Chair of the Regional Assembly were to sign off the Strategy on behalf of the Regional Assembly. However, due to revised timescales as a result of the general election, the Assembly Board was able to consider the Strategy for endorsement.

The Board:

- a) **endorsed** the Regional Housing Strategy 2005.
- b) placed on record their appreciation to the Assembly Housing Team and Sue Griffin from GOWM.

The Evolving Regional Agenda - Overview

A suite of reports which presented three inter-related aspects of the evolving regional agenda was considered.

Merger of Regional Housing Board functions with Regional Planning Body

Last autumn, ODPM published its consultation proposals in 'Housing and Planning in the Regions'. One of the main proposals was the merger of the Regional Housing Board and Regional Planning Body within the Regional Assembly.

The merger proposals were welcomed because it helped to address the democratic deficit associated with the RHBs and advantages were evident in bringing Regional Planning and Housing processes closer together.

The recommended arrangement was for;

The Regional Assembly itself to undertake the ultimate combined role of Regional Planning Body and Regional Housing Board.

a new member lead Regional Housing Partnership to sit along side the existing Regional Planning Partnership with an officer and stakeholder support Group comparable with the Planning Regional Advisory Group with details still to be decided.

The appended diagram presents the preferred structural arrangements.

In order to achieve a shared perspective on Regional Housing and Planning issues, it was proposed that there should be a cross over membership of an agreed number of members (e.g. 5) from each Partnership.

The outstanding issues of concern remained the additional resources needed to support the merger and the extent of GOWM's role as a Regional Housing Board member and exercising a role between the Regional Assembly and the Minister.

The Board **noted**:

- 1) the previous brief on the rationale and prospects for a merger of the RPB and RHB under the Regional Assembly and
- 2) the ongoing commitment by Government to give effect to these proposals following an anticipated consultation on detailed arrangements in the summer of 2005.

'Devolving Decision Making' – Implications and scenarios for Local Government

The attached report builds on the issues raised in the Assembly's response to the Government's consultation.

The report started to explore the direction the regional agenda was taking and the context within which local government would be working as part of the Assembly and with partners including the principle partners of AWM and GOWM.

It also sets out for discussion some options for the type of Member led structures/organisational arrangements. Opinion varied on the respective merits of Options 1 – 5, or combinations thereof.

However, initial views from WMLGA on these options suggested that 'Option 6 – AWM Led' would not be acceptable. It was anticipated that AWM would favour a 'leaner and meaner' model, which would have fewer players and by implication fewer links back into regional organisations, local government and local communities. The model is likely to be officer led. It could also be anticipated that AWM would wish to have a leadership role.

As a consequence, a small 'virtual' group had been established to explore issues that included the role of Members, working arrangements with AWM and GOWM, and the merits of the Options.

Ben Reid expressed an interest in the Business Council participating in this group.

WMRA Transport Budget

A report advising the Board of the need to make use of the AWM's Regional Transport Partnership Programme (RTPP) allocation, Work Strand 23, to underwrite part of the cost of a joint WMRA/AWM/GOWM/Department for Transport (DfT) research project to progress the regional work relating to the Government's 'Devolved Decision Making'/Regional Funding Allocations agenda was considered.

The Board **acknowledged**:

- (1) the use of £45,000 of the £150,000 RTPP allocation, from AWM to temporarily underwrite the DfT's contribution to the commission; and **noted**
- (2) that the DfT would provide GOWM with the relevant monies later in the year.

Scrutiny and Strategic Review Protocol

A further revised Scrutiny and Strategic Review Protocol was considered.

On 24 May 2005, following further consideration SRG approved the draft protocol that was attached as an appendix of the report.

The Board recommended the revised Strategic Review and Scrutiny Protocol, attached as an appendix to the report, for approval by the Full Assembly at their meeting on 15 July 2005.

Corporate Governance and Organisational Development Issues

Job descriptions for Members in a leadership role

The Board **approved** the outline job descriptions for the roles of the Chairman and Vice Chairs' as attached at Appendix A of the circulated report.

The development of the Assembly's Probity Framework

As part of the Corporate Governance review, a development session open to all Assembly and WMLGA members and their advisors was held on 8th June to explore these issues. The session was both well attended and very useful in identifying issues for further work. Attached at appendix B is a summary of the issues identified.

The Board **agreed:**

- (3) that the agendas for the Board of Directors, Full Assembly, Planning Executive and Planning Partnership should include an agenda item for 'Declarations of Interest'.
- (4) that all Members of the Regional Assembly (and members of the Regional Planning Partnership) should complete an entry for the register of interests.
- (5) that the Regional Planning Partnership be asked to consider the development of a Regional Planning Code.
- (6) that further consideration be given to the other issues raised in at the Probity training session held on 8 June 2005 and reported back as appropriate.

Board and Member development

A training session for members of Planning Partnership on Probity in Regional Planning was being arranged. To maximize attendance, it was likely to be held on the same date as a Planning Partnership or Planning Executive. The Probity Framework Development session on the 8th had identified the need for enhanced training for business and other stakeholder group members who would not have received the same level of training as local authority members.

ARUP, on behalf of ODPM, had undertaken research on the development and effectiveness of regional assemblies and had requested a feedback session with each Assembly on the findings particularly relating to that Assembly.

The Board **noted:**

- (1) the proposed training in probity for Regional Planning Executive/Partnership members.
- (2) that WMBC and OSG would be offered customized training on the Code of Conduct and declarations of interest; and **agreed**
- (3) that all Board members be invited to the Arup feedback session and be permitted to nominate their alternate or another substitute if they are unable to attend.

Potential dual membership of the Assembly and the Regional Development Agency

When the Regional Chamber was first established, its primary activity was scrutiny of Advantage West Midlands (AWM). As a result, it was felt that it would not be appropriate for an elected member to be on the Chamber and on the Board of AWM.

Local Government had continued to adhere to this despite the growing functions and responsibilities of the Assembly. This restriction had not been applied to the other sectors and was not applied by other Regional Assemblies.

Trudi Elliott believed such a restriction should be applied to all sectors or none and felt it would be sufficient if there were a restriction precluding a Member of the AWM Board from being the Chair of the Strategic Review Group.

The Board **agreed**:

- a) that any Advantage West Midlands Board member may also serve as a member of the West Midlands Regional Assembly
- b) that, for the time being, an Assembly member who is also an AWM Board member shall not be permitted to serve as a Director of the West Midlands Regional Assembly
- c) that an Assembly member who is also an AWM Board member shall not be permitted to Chair the Strategic Review Group.

Progress on Revision of the Governance arrangements for Regional Engagement in the European Agenda

At their last meeting, the Board requested that further consideration be given to future European working arrangements. The outcomes including revised proposals would be brought back to the next board meeting.

The Board **noted** the update.

Review of the Regional Concordat

Members were advised that the review of the Concordat was progressing and a revised text was now well advanced.

The Board **noted** the update.

Directors' Indemnity

A report that set out the implications of new legislation relating to the indemnification of Company Directors was considered.

Under the new legislation, companies continue to be prohibited from exempting directors from liability but they will be permitted to take advantage of a specific exemption to indemnify directors against liabilities to third parties. As a result a company (or an associated company as defined in the Act) will be able to provide to its directors so called "qualifying third party indemnity provisions". These were detailed in the report.

The Act allows a company to fund a director's defence costs incurred in civil or criminal cases and which may only need to be repaid in certain specified circumstances (e.g. where the director is convicted in any criminal proceedings or judgment is given against him in civil proceedings).

The Act confirms (and continues) the right of a company to purchase insurance for the benefit of its directors against any liability in connection with any negligence, default, breach of duty or breach of trust by him in relation to such company.

The policy does not extend to directors representing the Assembly on other bodies in a 'decision making' capacity. Confirmation would be sought to ensure that such cover is place. If an organisation cannot provide such cover, the Assembly representatives would attend as 'observers only'.

The Board noted that;

- a) subject to satisfactorily concluding discussions as to the level of Member, Director & Officer insurance cover required by the Assembly, that a policy is taken out with Zurich Municipal who won the tender for all other insurance policies at the April renewal;
- b) confirmation is sought from all those outside bodies that the Assembly nominates members to, that they have appropriate insurance cover for our Assembly members, with the understanding that where an organisation is unable to provide/confirm such cover that the Assembly member/officer will henceforth attend as an observer and not a voting member.

Future Distribution of Assembly Agendas

The Board considered proposals to revise existing arrangements for the distribution of Assembly agenda and accompanying papers to reduce the costs of committee administration and promote the benefits offered by electronic communications.

Collectively the WMLGA and the WMRA spend approximately £60,000 per year on photocopying and postage, including leases for photocopiers.

The majority of these costs arise from corporate committee administration functions. Officers had investigated how to reduce these costs through a greater use of electronic communications.

The proposed changes would involve making electronic distribution or web access to agenda and accompanying reports 'the norm'. Only Assembly members who had unsatisfactory ICT arrangements or other valid reasons would continue to receive a full hard copy. Otherwise 'electronic access only' would be strictly enforced.

In addition, it was proposed to introduce an 'extended agenda' to be posted to all members in hard copy. This would list the items to be considered and provide a brief summary of the purpose of the reports and the outputs sought. This approach had been adopted by the WMLGA Executive Committee.

Although some concerns were expressed, it was agreed to monitor the revised approach and address any issues where they arose.

The Board;

- a) **supported** the objective of reducing the costs of committee administration through the increased use of electronic communication and information access.
- b) **agreed**, with effect from the first cycle of meetings after the AGM, to introduce the following new arrangements:-
 - (i) the provision of electronic access to the agenda and accompanying reports for all Assembly member and officer meetings except where Assembly members request the continued receipt of a 'hard copy' of the full agenda and accompanying reports;

- (ii) the postal provision of an 'extended agenda' to all Assembly members which lists not only the agenda items but also brief summaries of the purpose and recommendations set out in the reports; this to be electronically available to officers and interested parties, where such access exists.

Proposed changes to the Memorandum and Articles of Association

A report that set out proposed amendments to the Articles of Association was considered.

At the last Board meeting, consideration was given to Board composition, the appointment of alternates and legal advice received on the delegation of powers to Regional Partnerships. It was agreed that the Company Secretary take advice on giving effect to them. This report outlines the steps to be taken to achieve this. In addition, it sets out minor amendments to formally recognise the decision to approve 'Agender for Women' as a nominating body for the gender seat within the Other Stakeholder grouping and certain changes to company law relating to insurance.

The Board

- a) **authorised** the Company Secretary to make all necessary arrangements to enable the second annual general meeting of the Company to take place
- b) **agreed** that a resolution to effect the changes to the Articles of Association of the Company necessary to implement the proposals referred to in the report be put to the annual general meeting of the Company;
- c) **approved** the Notice of the Annual General Meeting Notice, as appended to the report, and authorised the Secretary sign and despatch the notice forthwith to all members entitled to receive it and also to send a copy to the auditors;
- d) That pending the changes to the articles proposed and the creation of the Regional Planning Partnership as a committee of the Board, any current director be generally **authorised** to approve on behalf of the Board all and any actions of the Regional Planning Partnership which was established following approval of the Company at general meeting.

- e) That all previous actions of the Regional Planning Partnership, which was undertaken in the name and on behalf of the Company be hereby **approved** and **ratified** by the Board.

WMLGA / WMRA Meetings – example of a possible typical morning and combined calendar of meetings

A report setting out a possible outline for a meeting of the Full Assembly and of the WMLGA Association Council on the same day was considered.

At their last meeting, the Board considered proposals from the WMLGA that sought an alignment of the WMLGA and WMRA local authority membership. As part of these considerations, it was proposed that the Association Council and Full Assembly meet on the same day.

A possible outline of a typical morning, together with the rationale for the proposals was set out in the report.

Concerns were expressed concerns that the time allocated would not be sufficient time to transact the business of the Assembly. It was considered appropriate to trial these arrangements and report back to a future meeting.

The Board:

- (a) **agreed** to trial the meeting arrangements, and monitor and review them during the course of the year
- (b) **noted** the future dates of the Board and Full Assembly meetings as set out in the calendar appended to the report.

West Midlands Economic Strategy and Action Plan Progress Report 2004 – 2005 - SUPPLEMENTARY ITEM

A commentary on the 2004 -5 Progress Report prepared by Advantage West Midlands was considered.

The attached report had been prepared by Advantage West Midlands (AWM) following input from regional partners identified as leads for each of the actions within Delivering Advantage, the West Midlands Regional Economic Strategy.

The Assembly had commentated on an earlier draft and AWM had made a significant number of suggested amendments.

It was **agreed** to submit the progress report to the Assembly meeting on 15 July 2005 for endorsement.