

WEST MIDLANDS REGIONAL ASSEMBLY

Board of Directors – 6 October 2006

DECISION NOTES OF THE BOARD OF DIRECTORS MEETING HELD ON 2 JUNE 2006

Present: Cllr David S Smith (Lichfield DC – Chairman); Cllr Keith Austin (Telford & Wrekin), Cllr Bob Badham (Sandwell), Valerie Broom (OSG), Cllr Terry Dix (Staffordshire CC), Cllr Mrs Jo Jones (Shrewsbury & Atcham BC), Roger McKenzie (OSG), Elizabeth Newman (OSG), Cllr Roger Phillips (Herefordshire), Cllr Rex Roberts (Staffordshire CC), Cllr Chris Saint (Stratford-on-Avon DC), Sarindar Singh Sahota (WMBC) and Brian Summers (WMBC).

In attendance: Chris Bonnard (OSG), Liz Charlton (GOWM), Nina Dawes (Lichfield DC – Deputy Secretary), Sharon Doak (WMLGA/WMRA), Steve Hind (WMLGA), Carmel Kerr (WMRA), Sharon Phillips (WMLGA) and Rose Poulter (WMRA).

Apologies: Cllr Claude Bodenham (South Shropshire DC), Cllr Sir Albert Bore (Birmingham), Cllr Steve Eling (Sandwell), John Hart (WMBC), Cllr John Lines (Birmingham), David Littlemore (OSG), and Cllr Paul Tilsley (Birmingham).
Trudi Elliott (GOWM) and Michael Frater (Telford & Wrekin).

Members Disclosures of Interest There were no disclosures of interests declared.

Chairman and Vice Chairs' Report The Chairman and Vice Chairs' did not have any additional items to the agenda to report.

Decision notes of the meeting held on 10 March 2006 The draft decision notes of the Assembly meeting held on 10 March 2006 were noted.

Matters Arising Members enquired as to the position of the Corporate Governance Review arrangements for the WMRA and were advised that there was work in progress. A report would be considered at its next meeting.

CEO Recruitment The Board were informed that the formal Interviews would be held in July preceded by supporting processes. This would include psychometric testing and discussion groups as those were considered beneficial to the process.

The discussion groups would include a partner group, a small Chief Executives group and an internal secretariat group. Feedback from these supporting processes would be given to the Appointments Panel as part of their deliberations.

Interim Management Arrangements

The Board was advised that pending an appointment of a new joint CEO, Steve Hind, Senior Director of WMLGA had deferred his retirement. He and Rose Poulter (Director of Policy) were sharing additional duties relating to Assembly work, principally a division between governance and policy work. The integrated structure would be progressed in the absence of a CEO utilising the existing cross institution Senior Management Team (SMT) of WMLGA, WMRA and WMIÉ Directors.

SMT had been strengthened with the addition of the Director of Improvement Programmes, (Andy Hancox) who, with his Regional Centre of Excellence Team, had recently located to the Regional Partnership Centre in Birmingham. Steve would chair SMT in the interim period.

Steve had agreed to stay on for a period after the new CEO is in post to facilitate a handover and induction process.

The report recommended:

- (a) That the steps in hand for the recruitment of a Regional Partnership Chief Executive be endorsed.
- (b) That the interim management arrangements, including the retention of the Senior Director up to and beyond the appointment of a CEO be noted.

The Board **agreed** the recommendations.

Support for RAF Cosford

Board Members were reminded that any application for the development of Cosford would have to be referred to the Assembly, as the Regional Planning Body for a decision on conformity within the Regional Spatial Strategy. To ensure any suggestion of pre-determination was avoided, Members of the Regional Planning Partnership were requested to withdraw from the meeting for the remainder of this item.

(The Chairman, Vice Chairman of the RPP and the Director of Policy, left the room for the remainder of the item.)

The Board received a report that reminded them that at the WMRA and WMLGA meetings on 5th April there had been agreement to provide more active support for the bid to develop RAF Cosford as a MoD training 'supersite'.

In relation to the Cosford campaign initial activity on behalf of WMRA/WMLGA had focused on contact with AWM to establish how they could both support and enhance their work.

It was proposed that senior people around the region, particularly in local authorities would formally endorse the value of the Cosford proposal outside of the local or sub-regional context. It was further proposed that a number of senior colleagues be sought to act as champions for RAF Cosford including dealings with the Media and MPs etc.

Information packs containing copies of all promotional material relating to the Let's Fly Cosford Campaign were circulated at the meeting and the Board was advised that representatives from AWM's Let's Fly Cosford working group would be available to carry out individual briefings with any local authorities/sectoral interests.

An in depth discussion took place and the following outcomes/decisions were made:-

- The Board fully backed the Let's Fly Cosford campaign and endorsed the need to pursue an active campaign with MPs.
- The Board requested that this item was considered at the AGM for full endorsement from the floor. Arrangements should be made for key speakers to be present and to publicise the Assembly Members support for Cosford.
- The Board considered there was a need to make a strong stance regarding their support for Cosford and felt that if they did not they would lose it to Wales.
- The Board requested that the Chairman write to all West Midlands MPs requesting their support for Cosford as a regional issue.
- TUC representatives of the Board voiced their willingness to join the campaign.
- Staffordshire and Shropshire Members agreed to join forces and work together. A meeting was to be held on 8 June 2006 with Staffordshire MPs and Members agreed to take this item to the meeting and encourage their MPs support.
- West Midlands Business Council requested that it be noted that they offered their full support for the Cosford bid.
- Members requested that the Chairman write an individual letter to Tom Watson MP and specifically invite him to be present at the AGM on 12 July 2006.
- Lastly, Members agreed that there was a need to step up their involvement and activities.

The recommendations outlined in the report and the additional recommendations discussed by the Board were **agreed**.

It was **further agreed** that the Company Secretary should report back on how best to address the Assembly's different roles as Regional Planning Body and Regional Voice, where there was potential conflicts of interest.

Policy Issues

Regional Concordat

The Board was advised of the progress in updating the Regional Concordat. A copy of the third draft was appended to the report. Members were further advised that the Concordat would be launched at the AGM on 12 July 2006.

The Regional TUC Members of the Board advised of their interest to become an additional signatory and Members agreed to their request.

**Regional
Funding
Allocations and
Forward
Planning
Executive**

The report recommended that the Board agree the draft WM Regional Concordat for publication and launch in July 2006.

The Board **approved** the draft Regional Concordat for publication and launch at the Assembly's Annual General Meeting in July 2006.

The Board **agreed** that the Regional TUC become an additional signatory of the Concordat.

The Board received an update report on Regional Funding Allocations (RFA) and the establishment of a Forward Planning Executive.

The report outlined that advice on Regional Funding Allocations from the Assembly and AWM with support from Government Office was submitted to Government on 31 January 2006.

In a letter dated 22 February 2006 Government thanked the region for the Advice and their letter underlined Government's commitment to continue a dialogue with the regions in the context of the Comprehensive Spending Review and thereafter. It also confirmed that Ministers would give consideration to the transport priorities and would reach a decision in the near future.

The Board was advised that, in anticipation of encouragement from Government to pursue the approach set out in the advice; it had been proposed to call the first meeting of the Forward Planning Executive on 12 July after the Annual General Meeting and City Region event.

The first meeting would be an opportunity to explore the issues, rather than a formal meeting. The RFA advice to Government set the membership of a Forward Planning Executive as: WMRA Chairman and Chief Executive, AWM Chair and Chief Executive, GOWM Regional Director, Chair of Transport Partnership and Chair of Regional Housing Executive.

WMBC Members of the Board expressed their interest in becoming a Member of the Executive, or if it were not feasible, requested that there be a process whereby their views could be considered in the process.

The Board **agreed** the establishment of the Forward Planning Executive and **noted** the update report.

**WM Regional
Spatial Strategy
- Phase One**

The Board received an update report the draft RSS Phase One Revision: The Black Country.

The Board was reminded that on 26 April 2006, the Regional Planning Partnership approved the draft RSS Phase One Revision: the Black Country document together with other documents forming the submission to the Secretary of State.

As agreed by RPP, the Chairman and Vice Chairmen later approved minor editorial and technical changes. Although still being finalised, RPP also recognised the Black Country Study as support and technical substantiation for the Revision.

This would shortly be completed and the Chairman and Vice Chairmen had the delegated authority to approve the final document as supporting work. Following submission on 31 May, a period of consultation would follow from 1 June to 23 August with an Examination in Public of key issues due in January 2007. The Assembly would receive a presentation on the Black Country Study at the AGM on 12 July 2006.

WMBC requested that it be recorded that they still felt that transport issues were not given satisfactory recognition in the Study and advised that WMBC would keep emphasising this and would be highlighting this in their response in the consultation phase.

The report was **noted**.

WM Regional Spatial Strategy - Phase Two

The Board received a report which advised them that the Section 4(4) Advice was returned on 16th May from the Strategic Authorities.

This advice was currently being analysed and the results would be fed into the Options Review. Early indications were that the household projections, recently published by the Government, would present a considerable challenge for the Region. In view of this and other policy issues raised by the Section 4 (4) responses it was intended to set up discussion meetings with the Strategic Authorities.

It was considered important that the RSS revision was policy and not process driven. In light of this, a 10 – 12 week delay to the original timetable set out in the project plan would be required.

The Board were supportive and encouraging of the delay to the original timetable to take full account of s 4 (4) issues and holistic implications of household projections.

The Board **noted** the report.

City Regions

The Board received a brief update and requested support for an Assembly discussion on 12 July (following the AGM) on the City Regions Approach in the West Midlands.

The report advised that at the Assembly's April meeting there was further discussion on the developments being taken by the seven Metropolitan Authorities plus Telford and Stoke-on-Trent to develop City Regions. The Assembly had confirmed its support for a revised statement of support and requested an opportunity for further discussion as the two approaches were developed.

The report requested that the Board confirm arrangements (as detailed in the report) for an Assembly discussion on the City Region approach in the West Midlands.

A Sustainable Region – Contributions of the Assembly’s Partnerships

The Board **confirmed** the arrangements for the discussion on the City Regional Approach as outlined in the report to be held on 12 July 2006.

The Board received a report that advised on progress in establishing a process for reporting by Regional Partnerships to the Assembly AGM on their contribution to sustainable development.

They were reminded that at their last meeting they had approved the proposed process for Partnership reporting to the Assembly AGM on their contribution to sustainable development. Following this, the Assembly Partnership Chairs had been formally invited to submit a response and relevant support officers had been briefed. Non-Assembly partnerships (Culture West Midlands, the Rural Affairs Forum, and the Regional Skills Partnership) and Concordat partners had also been invited to submit a response and had been provided with the reporting template based on the RSDF objectives.

Sustainability West Midlands had agreed to provide an analysis of the reports which would be presented at the Assembly AGM by Bernard Doyle, SWM’s Chair.

The Board were requested to note the report.

The report was **noted**.

Securing the Regions’ Futures; Strengthening delivery of sustainable development in the English regions

The Board received a report that advised them of the Government’s plans to strengthen regional delivery of sustainable development.

The Government had recently published *Securing the Regions’ Futures*, which set out how regional organisations would be expected to contribute to delivery of the UK Sustainable Development strategy. The key elements of *Securing the Region’s Futures* were outlined in the report.

The Board **noted** the report and its implications for regional organisations.

Smart Growth – Midlands Way

The Board received a report that advised them that there had been little activity during 2005 on Smart Growth – Midlands Way. However there was activity on other fronts such as City Regions, Northern Way and Science Cities and, this together with encouragement from ODPM to refocus Smart Growth – Midlands, had led to a rekindling of interest. The two RDAs on behalf of partners have commissioned consultants to move Midlands Way forward.

The report further advised that existing collaboration had helped identify a series of key principles that should assist guiding future joint working:

- Activities should make a demonstrable contribution to closing the Midland’s GVA gap.
- All proposed actions should have a clear rationale for a Midlands wide approach. The concept of added value is a pivotal criterion.

- Activities should not overlook the practicalities of making collaboration happen.

It was expected that consultation on a re-drafted Smart Growth – Midlands Way would take place over the Summer.

The Board **noted** the report.

**Regional
Economic
Strategy Review**

The Board received an update report on the RES Review.

WMRA/WMLGA and Regional Economic Development Officers Group members were currently involved in the five evidence base development Project Groups as set up by AWM. Those officers provide a conduit to ensure our issues and comments are included in the evidence base development.

Officers were in discussion with AWM regarding shaping policy options development. It would be important to ensure that a strong connection made to the RSS Partial Review options development process.

The Board requested that AWM report to the AGM on 12 July 2006.

The Board **noted** the report.

The Board **agreed** that AWM report to the AGM on 12 July 2006.

**Independent
Performance
Assessment
(IPA) for
Regional
Development
Agencies**

The Board was advised that Regional Development Agencies (RDAs) were now subject to a three yearly assessment led by the National Audit Office (NAO) which was expected to be similar to Local Government Comprehensive Performance Assessment.

AWMs' assessment was due to commence in September 2006 with a final report published in March 2007. The Agency was keen to work closely with the Assembly in preparing for and undergoing its assessment. A further report detailing the Assembly involvement would be submitted to the Board's next meeting.

The Board **noted** the position.

**Regional Health
Strategy**

The Board had, in a previous meeting, approved the process for developing a Regional Health Strategy which was featured in the Assembly's Business Plan.

The Health Strategy would involve working with regional partners to address inequalities in health, ensure health issues were promoted, improve the quality of life of all citizens and ensure NHS Investment contributed to economic, social and physical regeneration. The Strategy would therefore be about the wider issues contributing to people's health and not solely NHS service delivery.

The 'Choosing Health for the West Midlands' report published in March 2006 outlined some of the key health inequalities in the region and it was anticipated that this would form a key evidence base, together with the emerging priorities from the Local Area Agreements, information from the Regional Lifestyle Survey and the State of the Region Reports.

The report recommended:

- (i) That a Regional Strategy for Health was developed under the auspices of the Regional Assembly.
- (ii) That the Regional Health Partnership form the executive body for the Regional Health Strategy and the Regional Health Officer Group form a steering group for strategy development.
- (iii) That the Regional Assembly networks and Partnerships assisted with the development of the strategy with respect to the scoping work and consultation process.

That a Local Authority Chief Executive be nominated to be a Local Authority lead representative with respect to the development of the Regional Health Strategy.

In addition to the recommendations the Board requested that an update report be considered at a future Assembly meeting.

The Board **agreed** the recommendations as outlined above and further **agreed** that an update report be presented at a future meeting.

Regional Strategic Partnership for Equality and Diversity

The Board received a report on activities undertaken by the Partnership. These included hosting an event with the Women & Equality Unit of the DTI, to consult with stakeholders from across the region on the regional presence of the new Commission for Equality and Human Rights, which is due to be set-up in 2007.

The hosting of an event with the Women & Equality Unit of the DTI based on the *Getting Equal: Proposals to Outlaw Sexual Orientation Discrimination in the Provision of Goods & Services* consultation paper.

The Partnership had also worked closely with the Cabinet Office in arranging a consultation event on 1 June on *The Equalities Review: Interim Report for Consultation* and ensured that as many key stakeholders as possible from across the region had been invited.

At the end of April, a trans-national project proposal, in which the Assembly was a partner, was submitted to the European Commission's Gender Equality Fund, with agreement of the Chairman of the Assembly.

The Board **noted** the progress to date and endorsed the reported developments.

2012 Olympic Games and Paralympic Games Update

The Board received an update report on the latest developments around the 2012 Games and WM activity. The report also outlined current key regional issues:-

The Board discussed their concerns regarding the skills drain to the South East particularly of construction workers and was keen to facilitate a means by which WM businesses secured contracts or sub-contracts.

The Board also expressed their concerns regarding the lack of clarity on how/which local authorities had been asked to match fund regional co-ordination and asked that the

Secretariat report to a future meeting on this matter.

The report recommended that the Board note the implications of the regional issues set out in the report.

It was further recommended that a report be made to a future meeting regarding funding.

The Board **noted** the implications and **agreed** that a report be brought to a future meeting clarifying funding arrangements.

Network Rail Board Membership

The Board received a report that advised them that the Assembly currently had 'Public Member – Organisation' membership status, on the national Network Rail Board. This membership status would cease on 25th November 2006.

The report highlighted that over the last few months the Regional Transport Partnership had enjoyed an improving relationship with Network Rail in the Region and the Board membership status was valued.

In the future Network Rail would accept applications to become Board Members, from individuals under the Nolan principles. Such an individual could act on behalf of organisations like WMRA, but applications had to be made by the 31st May 2006.

The Chairman of the Regional Transport Partnership had written to Network Rail expressing disappointment that WMRA would lose its named seat and sought Network Rail's views on how this may be addressed.

Following discussions the Board gave their full support for a strongly worded letter to be sent to Network Rail if/when required.

The Board **noted** the report.

The Board fully **supported** a strongly worded letter being sent to Network Rail if required.

Commission for Equality and Human Rights: A Presence in the West Midlands

The Board received a report which advised that the Government had stated its commitment to a comprehensive programme of reform that went beyond tackling individual instances of discrimination, to create a new framework to challenge persistent patterns of discrimination and inequality, and promote and protect diversity, good relations (both between and within communities) and human rights. This programme had three elements:

- The new **Commission for Equality and Human Rights** established by the Equality Act 2006;
- **The Equalities Review**, chaired by Trevor Philips, which was to examine the root causes of persistent patterns of inequality and how they could be tackled. The interim report had been published and a consultation event was to be held in Birmingham on 1 June 2006.
- The **Discrimination Law Review**, examining and reviewing the effectiveness of current anti-discrimination legislation with a view to streamlining and simplifying it so

that rights and responsibilities were clearer, and hence more effective – both for business and individuals. The work of the two reviews would lead to a new Single Equality Act in this Parliament bringing together legislation on discrimination into one place to tackle inequality.

Within the Equality Act 2006 provision is made for the establishment of the Commission for Equality and Human Rights (Commission). The Commission would be made up of the Disability Rights Commission (DRC), the Equal Opportunities Commission (EOC) and the Commission for Racial Equality (CRE, and would inherit all the powers of the previous Commissions, as well as acquiring new powers.

The role of the new Commission's regional network would be assisting delivery of the new Commission's strategic priorities in a responsive way being sensitive to local and regional needs.

A report had been prepared by the Equality and Diversity Partnership, which considered the possible options in which the Commission could be set-up and run within the West Midlands.

It was recommended that Board Members agree to the proposal to be submitted to DCLG that the regional presence of the new Commission should:

- a) be a small strategic body working through regional organisations and networks;
- b) work closely with the Equality and Diversity Partnership;
- c) have a member of the Commission sitting on the Partnership;
- d) subject to feasibility, preferably be located with the Regional Assembly; and share corporate services/facilities (all services should be subject to funding being received from the Commission).

The Board discussed the proposal that recommendation d) be reworded to state "should" be located with the Regional Assembly rather than "*preferably*" be located.

The Board **agreed** the recommendations outlined above. The further **agreed** the amendment to recommendation d).

**Scrutiny Review
– Regeneration
Zones Revisited
– Key Issues**

The Board received a report that provided an outline of the key issues identified by the assessment of the implementation of the recommendations made in the Regeneration Zones Review that took place during 2004 and possible areas for further action.

The report reminded the Board that in 2004, the Regional Assembly had carried out a scrutiny review of Regeneration Zones which explored the progress made by Advantage West Midlands (AWM) in developing the regeneration zone concept and the issues faced by those involved in them. The review panel made 17 recommendations.

A Review Panel had met on 25 May to consider progress made and a further report had been produced following this

meeting.

The report recommended that Board Members noted the issues as outlined in the report.

The Board **noted** the report.

Report of the Senior Director and Company Secretary

Establishment of Regional Housing Partnership and Executive

The Board received a report that advised on the progress made around the Housing function arrangements, following the transfer of the Regional Housing Board functions which would be fully operational within the Assembly's structures from September 2006.

The report sought the Board's approvals required to establish the Regional Housing Executive (RHE) as a Committee of the Board and to the membership structures of both the Housing Executive and the Regional Housing Partnership (RHP).

The report recommended:

- That the Board note and endorse the approach being taken for the Assembly to take on board the Regional Housing functions
- That a resolution be proposed at the Annual General Meeting of the Assembly to amend the Memorandum of Association of the Assembly by the insertion of a new paragraph 3.9 to read " to be the Regional Housing Board for the West Midlands Region and fulfil functions pursuant to such status".
- That a resolution be proposed to the Annual General Meeting of the Assembly to amend the Articles of Association to increase the number of Directors from 21 to 22 and the maximum number of "A" Directors from 13 to 14.
- That the RHE be established as a Committee of the Board and the draft terms of reference for the RHE, and the RHP, as appended be approved.

The Board **agreed** to the recommendations as outlined above.

Regional Planning Partnership – Amendment to Partnership Structure and Establishment of a Conformity Panel

This item was withdrawn from the agenda due to the need for further investigation. A report would be presented to the next meeting of the Board.

**Change of
Company Name**

The Board received a paper seeking its agreement to taking the necessary steps to seek exemption from using the word 'limited' in its name.

The report recommended:

That a resolution be proposed to the Annual General Meeting of the Assembly to amend Article 21.1 of the Articles of Association to read:-

"If the Company and its subsidiaries (if any) are to be wound up, then subject to the discharge of all liabilities of the Company or the retention of sufficient reserves to discharge the same and to pay the costs of winding up of the Company the remaining assets shall be distributed to such organisation, body corporate, unincorporated association, partnership, firm or statutory body as the members by special resolution may select provided that the objects of such organisation, body corporate, unincorporated associated, partnership, firm or statutory body are similar to the objects of the Company or are otherwise for the promotion of charity and anything incidental or conducive thereto".

That resolutions be proposed to the Annual General Meeting of the Assembly to amend the Memorandum of Association:-

- (a) to confirm that paragraphs 3.1 to 3.9 of the Memorandum set out the Company's objects and paragraphs 3.10 to 3.34 set out the powers the Company may exercise to further those objectives.
- (b) to make explicit that the Company's profits or other income are to be applied in promoting its objectives.

The Board **agreed** to the recommendations and for the amendment to the resolutions as outlined above to be proposed to the AGM.

**Financial
Matters**

(i) 2005 – 2006 Outturn Report

The Board was advised of the submission to GOWM of the Assembly's financial and performance report for the year ended 31 March 2006.

The Board **noted** the report.

(ii) Legal Contingency Fund 2006 – 2007

The Board was informed of the progress made in establishing a Legal Contingency Fund for 2006-07.

The Board **noted** the detail of this report and the impact of a Legal Contingency Fund on the Assembly Budget for 2006-07.

(iii) DCLG Funding Agreement for 2006 – 2007

The Board was advised of a reduction in the DCLG Funding Agreement for 2006-07.

- (a) The Board **approved** the revision to the Legal Expenses Budget (WS29) of a reduction of

£19,000 in response to a reduction in funding offered.

- (b) An approach to DCLG for further funds to help meet any additional legal costs that arise during the year over and above the existing legal budget provision for 2006-07 of £56,000.

(iv) DCLG Funding Agreement for RHB 2006 – 2008

The Board was informed of the 2 year Funding Agreement for the Regional Housing Board 2006-08 and to seek approval of the Draft RHB Budget 2006-08

The Board **approved** the Draft RHB Budget 2006-08 and the recruitment of a RHB Senior Advisor.

(v) Audit Services

The Board was informed of the Audit Services provided by Clement Keys under the new International Auditing Standards and seek approval to sign the attached 'Letter of Engagement'. The Board to note the section 'your responsibilities as Directors'

The Board **noted** the contents of the letters from Clement Keys and authorised the Chairman to sign the Letter of Engagement on behalf of the Regional Assembly Board.

Draft Agenda for AGM

The Board **agreed** the draft agenda for the AGM.

Confidential report: Staffing Matters

The Board received a report requesting that they note and support adjustments to the staffing of the Assembly's Planning Team, which were cost neutral to the budget.

The Board **endorsed** the report.