

WEST MIDLANDS REGIONAL ASSEMBLY  
Board of Directors – 5 December 2007

**Report of the Chief Executive and Company Secretary**

---

**1. Purpose**

To provide the Board with an update on general issues.

- (3) 2007-08 Half Year Progress Report
- (4) Member Allowances Scheme
- (5) City Region Company
- (6) 2008-09 Budget Planning
- (7) Members Declarations of Interest
- (8) Outside Bodies – MLA West Midlands

**2. Recommendation**

- 2.1 The Board is asked to **endorse** the 2007-08 Half Year Progress Report (appendix A).
- 2.2 The Board is asked to **approve** a recommendation not to change current practice in respect of Allowances.
- 2.3 The Board is asked to approve a recommendation to take up a share option in the new City Region Company.

**3. 2007-08 Half Year Progress Report**

The Board **delegated authority** to the Chief Executive, in consultation with the Chairman and Vice Chairs, to agree a Half Year Progress Report and Revised Budget for submission to GOWM on 19 October 2007. A copy of this report is included as Appendix A.

A review meeting was held with GOWM on 2 November and they are content with the progress report, the additional activities identified and the related revised budget which follows over the page:-

<b>INCOME</b>	<b>Original Budget</b>	<b>Revised Budget</b>	<b>Reason</b>
DCLG Assembly Funding	2,423,712	2,423,712	
DCLG RHE Funding	93,790	93,790	
DCLG Contingency / Reserve	21,234	21,234	
Partners Support RHE	115,594	115,594	
LSC Support for Scrutiny	20,000	20,000	
Forestry/Rural Partners	65,000	85,856	Additional income
Dept of Health / Big Lottery	19,687	29,427	Additional income
English Regions Network	5,000	5,000	
Other Activities	0	44,561	Partners/Bank Interest
<b>Total</b>	<b>2,764,017</b>	<b>2,839,174</b>	
<b>EXPENDITURE</b>			
<b>Corporate</b>			
Staffing	1,246,311	1,278,346	Extra RSS resource Q4
Staff Training (CPD)	10,000	11,039	corporate training plan
Members Allowance	15,000	7,000	Assuming no change
Operational	137,771	137,771	
Communications	40,000	40,000	
<i>Sub Total</i>	<i>1,449,082</i>	<i>1,474,156</i>	
<b>Planning, Housing &amp; Transport</b>			
Implementation	45,000	85,000	Work on implementation
Monitoring	247,500	241,000	Reduced print costs
Conformity	20,000	20,000	
RSS Revision Phase 1	30,000	0	Not required
RSS Revision Phase 2&3	290,000	354,960	Extra RSS work
Urban & Rural Renaissance	40,000	19,500	Change in delivery
Partnering & Participation	30,000	30,000	
Transport	39,500	39,500	
Housing	148,514	148,514	
Environment	63,500	48,500	Priority changed to RSS
Sustainable Development	75,000	68,700	Reduction in printing cost
Economy	39,000	39,000	
Legal Expenses	48,234	5,000	CLG approved RSS use
<i>Sub Total</i>	<i>1,116,248</i>	<i>1,099,674</i>	
<b>Strategic Review</b>	49,000	49,000	
<b>Policy Integration &amp; Development</b>			
Health	29,687	39,427	Extra partner contribution
Europe & International Policy	15,000	22,500	WMRA match funding EUC
Community Cohesion	10,000	10,000	
Culture & Skills	10,000	0	Now in-kind support
Rural	10,000	10,000	
<i>Sub Total</i>	<i>74,687</i>	<i>81,927</i>	
<b>Other Activities</b>			
Forestry & Rural Accord	75,000	105,856	Increased contributions
Other Activities	0	28,561	Partner funded activity
<i>Sub Total</i>	<i>75,000</i>	<i>134,417</i>	
<b>Total</b>	<b>2,764,017</b>	<b>2,839,174</b>	

A thorough review of progress against the business plan and related budgets was undertaken to draw up the half year report. Full details are contained within the half year report but the key elements of the revised budget were;

- CLG's approval to release Coventry contingency funds to meet other RSS priority work on implementation
- Identification of potential under-spend from work strands to be vired to support key RSS phase 2 and 3 activity
- Inclusion of bank interest in the budget to help meet the broader RSS work priorities
- Adjusted staffing budget to reflect previously approved changes to the establishment
- Additional support from partners across a number of work strands
- No change to the existing arrangement in respect of member allowances

Another detailed review of progress will be undertaken at the end of quarter 3 to enable an estimated outturn report and final virements to be drafted for Board approval.

#### **4. Members Allowances Scheme**

At the September meeting, the Board agreed to postpone a decision on a Members Allowances Scheme until the December meeting. This was to enable the Board to give due consideration to the outcomes of the half year review in terms of work plan priorities and related budget commitments.

In drafting the Half Year Report and Revised Budget our main priority was to secure appropriate progress against RSS and it was evident that to do so, would require all of the budget available to us from CLG. In addition to CLG funding the revised budget now also includes some further £16,000 of assumed net bank interest which will also be required to meet our costs as they stand, without the introduction of a Members Allowances Scheme.

The proposal for a scheme as detailed in the attached report (appendix B) suggests a cost of £30,216 for 2007-08 and the Board would need to identify which elements of the business plan we should not deliver in order to vire funds to allowances. For 2008-09 the estimated cost would be £40,384.

In terms of looking to the future; we are facing the abolition of Assemblies in 2010 and I am expecting to be asked to manage a reduction in the CLG base budget, as we were asked to consider reduction scenarios when we compiled our 2007-2010 plan.

Whilst I would personally endorse the principle of members allowances to recognise the value of personal commitments members make, in view of the pressures on the budget and the harsh reality of the transitional period we face, I do not feel I can recommend a change to the Assembly's current practice for the remaining two years of its life.

## 5. **City Region Company**

At a meeting of the Assembly on 25 October 2006 it was agreed to participate in the City Region. We have now reached a stage in this process where we have been invited to take a share in the new City Region Company, which would be a company limited by guarantee. My understanding is that becoming a shareholder along with other board members will not expose us to any liability. WMBC have already taken a decision to be a shareholder and other partners are, like us now in the process of seeking approval.

Whilst the limited lifespan of the Assembly is acknowledged it is considered that we continue to make a full contribution to the City Region and other sub regional working arrangements until 2010.

## 6. **Budget Planning 2008-09**

At the time of writing we are still awaiting the Business Planning Guidance from CLG which we will circulate electronically to Board Members when it is received.

## 7. **Members Declarations of Interest**

Despite numerous requests over many months I am disappointed that there are still Members who have yet to provide an updated Declaration of Interest form. Currently the position is;

Local Government	41 outstanding of which 21 are Full Members and 20 are Alternate Members
Business	10 outstanding of which 5 are Full Members and 5 are Alternate Members
Other Stakeholders	9 outstanding of which 4 are Full Members and 5 are Alternate Members

I have written to the Chairman and Vice Chairs with a list of their respective members who have yet to file a form.

We are also awaiting completed Membership forms from the following:

Local Government	33	outstanding forms
Business Sector	5	outstanding forms
Other Stakeholders	6	outstanding forms

## 8. **Outside Bodies – MLA West Midlands**

The Assembly has been advised that due to changes in its structure, the MLA will no longer be seeking nominations from member bodies. Nominations to the MLA will now be sought by individual applications, as per the Nolan process.

**Olwen Dutton**

**West Midlands Regional Assembly**

Tel: 0121 678 1031

Email: o.dutton@wmra.gov.uk