

**WEST MIDLANDS REGIONAL ASSEMBLY
Board of Directors – 8 June 2007**

Scrutiny Review of Access to Finance

Report of the Panel Chair

1. Purpose of Report

- 1.1 To inform the Board of progress with this scrutiny review and of issues that will be addressed by its recommendations.

2. Recommendation

- 2.1 That the Board note this report and that individual members submit responses during the consultation process as appropriate.

3. Background

- 3.1 Access to Finance was identified as a topic for review by the Assembly's Strategic Review Group who agreed that its aim would be to examine Advantage West Midlands' broad approach to financial support for businesses, an assessment of gaps in the market, take up and impact of support packages.

- 3.2 The Review Panel, made up of Assembly is as follows:

	Nominating body
Prof. Gerald Bennett – (Panel Deputy Chair)	West Midlands Higher Education Association
Mike Cherry	Federation of Small Businesses
Dr Sarindar Singh Sahota	Asian Business Forum
Parminder Singh	National Federation of Retail Newsagents
Roger Trotman - (Panel Chair)	Engineering Employers Federation
Bruce Undy	Federation of Small Businesses

- 3.3 Five evidence sessions were held between 12 March and 10 May 2007 including group discussions with users and providers and in addition members of the Regional Finance Forum. The evidence gathering element of the review concluded with the formal hearing with officers from Advantage West Midlands on 10 May 2007.

- 3.4 We are grateful to Advantage West Midlands for their support during the course of the review process. This has included officer attendance at the initial Panel briefing, at all evidence sessions and for the provision of supplementary information throughout.

3.5 At the time of writing, the review report is being drafted with the Panel finalising the report during week commencing 4 June 2007. A further update, including recommendations, will be provided to Board Members at the meeting.

4. **Key Issues**

4.1 It is the Panel's view that whilst good work is currently taking place there is much to achieve. A number of issues have been identified that need to be addressed. These include:

- to secure a greater awareness and understanding of provision
- appropriate business user representation on the Regional Finance Forum
- concerns regarding the administration and use of the Small Firms Loan Guarantee Scheme.
- a scrutiny review of Business Link West Midlands
- the need to continue to engage with banks and local authorities

5. **Next Steps**

5.1 The timetable for the remainder of the review process which fulfils the requirements of the Scrutiny and Strategic Review Protocol is as follows:

w/c 4 June	Panel reviews draft report
11 June	Start of consultation period
22 June	End of consultation period
5 or 6 July	Panel reviews consultation responses
11 July	Final report available
18 July	Final report presented to full Assembly
19 July	Circulation of final report

5.2 Progress reports will be submitted annually to the Strategic Review Group as part of the Assembly's scrutiny and strategic review monitoring arrangements.

Roger Trotman
Panel Chair

Daryl Davies
Regional Scrutiny Support
Officer
0121 678 1046
d.davies@wmra.gov.uk