

**EAST MIDLANDS REGIONAL ASSEMBLY
REGIONAL SCRUTINY BOARD**

MINUTES OF MEETING HELD ON Wednesday 18th April 2007

<u>Present:</u>	<u>Apologies</u>	<u>In attendance</u>	<u>Secretariat</u>
<p><u>Chair:</u> Martin Traynor</p> <p><u>Vice Chair:</u> Cllr R Begy</p> <p><u>LGA Representatives:</u> Cllr R Mayhew Cllr B Kirby Cllr R Parkinson Cllr P Valentine Cllr R Parker</p> <p><u>ESEP Representatives:</u> Ian Murray Pat Zadora (substitute) Frank Berry (substitute) Tim Roache</p>	<p><u>LGA Representative:</u> Cllr A Grant Cllr D McCrossan Cllr L Neal</p> <p><u>ESEP Representative:</u> Vernon George Gordon Lammie</p>	<p><u>GOEM</u> Marie-Laure Huke</p> <p><u>emda</u> Stan Crawford Abby Johnson-Brennan Andrew Morgan Glenn Harris Steve Mulligan Diana Gilhespy Will Rossiter Michael Carr</p> <p><u>Globe</u> Ivan Annibal (<i>part of meeting</i>)</p>	<p>Stuart Young Matthew Wheatley Jonathon Little Bridget Redwood</p>

1.	Welcome and Apologies	Action
1.1	Apologies were received from Vernon George, Cllr A Grant, Cllr D McCrossan, Cllr Linda Neal and Cllr P Valentine.	
1.2	Martin Traynor welcomed Jonathon Little to RSB as the latest member of EMRA's Regional Scrutiny team.	
2.	Declaration of Interest	
2.1	Cllr Roger Begy declared he was a Board member of the Learning and Skills Council and East Midlands Tourism.	
2.2	Cllr Peter Valentine declared he is a trustee of the National Space Centre	
2.3	Cllr Robert Parker declared that he lectures part-time for the Open University.	
3.	Minutes of the previous meeting held on 18th January 2007	
3.1	The minutes were agreed as a true and accurate record	
4.	Matters Arising	
4.1.	12.9 Stan Crawford reported that the SEEM evaluation report would now be put to <i>emda's</i> Board in July. Martin Traynor requested that RSB be kept apprised of progress.	
4.2	<p>FSB's British Small Business Champions 2007</p> <p>(9.2) Frank Berry reported that he was still awaiting information on the FSB's 'British Small Business Champions 2007' and that this would be sent to members when available. It was agreed that Mike Carr would be sent a copy.</p> <p>A written report on <i>emda's</i> Business Champions branding was provided by Caroline Shutter to update on issues raised at the January meeting. This was attached at page 10.</p>	FB/SY
4.3	<p>(12) Regeneration East Midlands</p> <p>Stan Crawford reported that <i>emda's</i> Board Resources Group would be considering REM's 3-year funding application in April. REM and <i>emda</i> were working together to identify outcome indicators and how to capture the added value of REM. The outcome of both exercises will be reported to the RSB at its next meeting.</p>	AJB
5.	Rural Scrutiny Review – Proposed Remit	
5.1	Matthew Wheatley introduced the proposed approach to a non-panel scrutiny review into <i>emda</i> and partners' implementation of the RES in rural areas. The approach built on the key findings of a previously commissioned Scoping Review, carried out by Globe Regeneration Ltd, which suggested 9 specific areas for the full review to investigate.	
5.2	Ivan Annibal from Globe Regeneration presented the findings of the Scoping Review.	
5.3	Cllr Roger Begy requested a change in the wording in Item 5(a), page 18 under Suggested Approach – should read 'sectors' not 'businesses', as there are many industries like tourism, highly significant but with many of the businesses being quite small.	

5.4	<p>Members suggested that it would be important that the review covered a number of issues, including,</p> <ul style="list-style-type: none"> • the relationships between the SSPs and LAAs in rural areas: • access to housing services and affordable housing • support for the development of Market Towns • the environmental sustainability of rural development • the difficulties caused by late payments from the Rural Payments Agency • the LSC, market town/ town centre partnerships rural businesses and sector organisations and Centres of Vocational Excellence such as Lincoln University and Brooksby College should be added to the suggested stakeholder consultation list 	MW
5.5	<p>Abby Johnson-Brennan stated that <i>emda</i> would like to work closely with EMRA in the course of the review and that Andrew Morgan would be the lead officer</p>	
5.6	<p>Andrew Morgan (<i>emda</i>) welcomed the review stating that;</p> <p>It was important that it has a clear focus from the beginning, given the breadth of issues to be faced.</p> <p>Rural productivity is perhaps the most important issue facing the EM rural economy. Further clarification of what rural meant in the context of the East Midlands</p> <p>Mainstreaming is an important issue, but is duplicated in a number of areas within the draft remit</p>	
5.7	<p>He questioned whether there was a need for greater focus. Some of the links between approach and issues were not clear, particularly issues, 2, 4 and 5.</p> <p>The review should ensure that <i>emda</i> are not judged in areas that are the responsibility of others, e.g. DEFRA & the EU.</p> <p>The Commission for Rural Communities would be issuing a new edition of the Rural Evidence Base summer 2007, which may be helpful.</p> <p>Stuart Young thanked Members and <i>emda</i> for their input into the draft remit and would look to provide greater focus after further consultation with <i>emda</i> and other partners.</p>	
5.8	<p>The Regional Scrutiny Board;</p> <ul style="list-style-type: none"> a) endorsed the remit for a scrutiny panel review into regional rural development as set out in Appendix 5(a) of this report b) endorsed the use of consultancy support for the Panel review c) agreed to the Secretariat supporting the establishment and on-going requirements of this review 	MW/SY
6.	<p>Regional Scrutiny Board Annual Report (2006 – 7)</p>	
6.1	<p>Stuart Young introduced the Scrutiny Annual Report, indicating that whilst producing an Annual Report was not a formal requirement of CLG, it was in line with best practice for regional scrutiny. The Annual Report will support better awareness and understanding of both scrutiny reviews and their subsequent impact.</p>	

6.2	Martin Traynor thanked the secretariat for their work on the Annual Report.	
6.3	The Regional Scrutiny Board considered and endorsed the Scrutiny Board's 2006/2007 Annual Report.	
7.	Regional Skills Scrutiny Action Plan	
7.1	Stuart Young introduced the paper noting that it was in line with the Scrutiny Protocol, where <i>emda</i> have agreed to share a Scrutiny Action Plan as a response to each Scrutiny Review. This was attached as appendix 7.1. As the Skills review included consideration of the role of other partners, e.g. the esp, the LSC and local authorities, the Board welcomed the Scrutiny Action Plan.	
7.2	Michael Carr highlighted that from August 2007 Diana Gilhespy (Executive Director for Regeneration) would lead <i>emda's</i> Skills work (with support from Andrew Morgan) and would be responsible for subsequent reporting on progress.	
7.3	Michael Carr welcomed the scrutiny report and several of its conclusions had mirrored the findings of esp's own review. The recent publication of the Leitch report led to further consideration and discussion. With Recommendation 3c) it was hoped that an independent private sector Chair would be announced shortly.	
7.4	In respect of recommendation 6, Michael Carr stated that the esp does not have a statutory requirement to be incorporated as a formal body, it is a collective group.	
7.5	Stuart Young reported that Gordon Lammie (panel chair) had indicated that he was very supportive of the <i>emda</i> / esp Scrutiny Action Plan.	
7.6	Tim Roache stressed the importance of addressing the impact of migrant workers on skills and the need to involve community groups and trade unions. He stated that there was a significant impact in some rural areas, where there are extra demands on ESOL provision. There was a need to deal with the gang masters who were discouraging migrants' progression through the qualifications ladder. In parts of Central Lincolnshire and the Eastern communities there are also displacement issues and impacts on churn rates in the labour market.	
7.7	<p>The Regional Scrutiny Board:</p> <p>a) Invited <i>emda</i> and the esp to provide a Progress Report and Final Assessment Report as detailed in paragraph 2.3</p> <p>b) On behalf of the Assembly, thanked <i>emda</i>, esp and partners for their constructive contribution to the scrutiny review process.</p>	DG/AM
8.	'Linking it up Locally' – Scrutiny Progress Report	
8.1	Matthew Wheatley introduced the report, noting that this was the first review to which <i>emda</i> and GOEM agreed to respond jointly, which was welcomed by the RSB. The review, completed in July 06, had looked at <i>emda's</i> support for local area urban regeneration.	
8.2	Both Diana Gilhespy and Marie-Laure Huke (GOEM) agreed that many of the key	

8.3	<p>recommendations were being achieved even though not all of the suggested actions in the original report had been implemented to date. Partners were working closely together through the Regional Co-ordination Forum Steering Group and much work has been undertaken on Local Area Agreements (LAA) and particularly the new LAA Economic Development and Environment block. This supported more effective relationships between the local, sub-regional and regional level.</p> <p>Pat Zadora welcomed the positive progress on the recommendations and also highlighted the good progress made by the Regional Co-ordination Forum Steering Group and asked for this to be formally acknowledged in the minutes. There is now a real sense of leadership coming through this group and it is vital that this develops further as it adds value to the region. Pat also noted that a non-executive group has now met twice and it is also progressing well.</p>	
8.4	<p>The Chairman thanked <i>emda</i> & GOEM and the Regional Scrutiny Board to agreed to:</p>	
	<p>a) Formally record its acknowledgement of <i>emda</i> and GOEM’s progress Report for their implementation of ‘Linking it Up Locally’</p>	DG/MLH
	<p>b) Invite <i>emda</i> and GOEM to share a Final Assessment Report with the Assembly two weeks before the September 2007 meeting of the Regional Scrutiny Board</p>	DG/MLH
9.	<p>Regional Tourism Scrutiny Panel Review – <i>emda</i> Final Assessment Report</p>	
9.1	<p>Stuart Young introduced this item – the joint Final Assessment Report from <i>emda</i> / EMT. This details progress made from the 12 months following submission of the joint Scrutiny Action Plan. He noted that the recommendations had helped promote beneficial changes and thanked <i>emda</i> and EMT for their positive response.</p>	
9.2	<p>Cllr Peter Valentine noted that the exercise had been quite challenging but it was pleasing to note that it had supported improved delivery. Overall he wished to see that as far as possible East Midlands Tourism stuck to the Strategy part, whilst the Delivery was organised through the Destination Management Partnerships.</p>	
9.3	<p>A question was asked about the levered funding targets and if the DMPs failed to achieve all their matched funding partner contributions, what would happen to the £150,000 allocated?</p>	
9.4	<p>Michael Carr acknowledged this point but was pleased to report that the balance of funding had shifted from 50% to DMPs and was now approaching to 70%. It is not possible to say exactly how high it will go as there is no fixed target but <i>emda</i> were aware of the regional scrutiny board’s aspiration that this should be nearer to 80%. Michael Carr emphasised that the residual EMT funding spent at regional level did not reflect EMT back-office overheads but specific activities and projects linked to regional and national campaigns that were important in positioning the East Midlands in a national and international context. Substantial progress has been made in the development of tourism in the East Midlands, the achievement of the £16: £1 ratio exceeds the target of £13:£1 by some way.</p>	

9.5	<i>emda</i> and EMT are soon to start work on revising the Regional Tourism Strategy and whilst the FAR formally ends the review process, <i>emda</i> would welcome the Board's input to the revision of the strategy. <i>emda</i> invited the RSB to work together with them on the strategy consultation process. There will be a Regional Tourism Conference on the 4th October to which the RSB and Panel Members will be invited.	
9.6	In response to a question about the example of the Northamptonshire integrated promotional model as way forwards for DMPs, Michael Carr commented that it is being taken into consideration and it will be an interesting model to track.	
9.7	Cllr Roger Begy commented that the refocusing of the EMT Board into strategic and operational groups has improved the focus and effectiveness of meetings.	
	<p>The Regional Scrutiny Board</p> <p>a) Formally thanked EMT/ <i>emda</i>'s Final Assessment Report for their implementation of "The Way Ahead"</p> <p>b) Formally acknowledged the conclusion the Tourism Scrutiny Review</p>	
10.	<i>emda</i>'s Independent Performance Assessment	
10.1	Stuart Young introduced this item. The National Audit Office have reviewed all the RDA's outside London and <i>emda</i> had recorded the joint highest score 22 out of 24. The RSB were delighted with this score and the Chair congratulated <i>emda</i> on their success and for they way in which they had worked with the RSB on the process. .	
10.2	Abby Johnson-Brennan thanked the RSB for its support and help during the process and the comments made. Initiatives like development of the Index of Sustainable Economic Well-Being and the Shared Resource Centre had contributed to <i>emda</i> receiving a high score.	
10.3	Stuart Young enquired what would now happen to the IPA process? Glenn Harris responded that Jeff Moore (<i>emda</i> 's Chief Executive) will be meeting with other RDA CEOs to consider the IPA process. A report will be available in 6 months time.	
	The Regional Scrutiny Board noted the report and congratulated <i>emda</i> on its performance in the IPA process.	
11	Proposed Scrutiny Review into Regional Energy	
11.1	Jonathon Little introduced this paper that highlighted potential issues to be covered in the remit for the Scrutiny Panel Review into Energy, a remit for which will be brought to the June RSB meeting,	
11.2	Cllr Roger Begy suggested that the main focus should be on the strategic issues, particularly some of the sub sectors like storage of energy, gas and wind power- both on and off-shore.	
11.3	There was a brief discussion – the overwhelming view of the RSB was that the review should concentrate on strategic issues.	
11.4	Stan Crawford welcomed the review on behalf of <i>emda</i> . He stated there was a need to	

	look at growth sectors in the EM rather than look at the existing larger companies where there was a limit to what could be achieved. There is lots of potential and ideas across the region which needed support. Which sectors are prioritised is crucial.	
11.5	Abby Johnson-Brennan stated that this was a very important piece of work for the region. There were a few areas that would benefit from further clarification. It was also suggested that the RSB should ensure that the review remained focussed to ensure that <i>emda</i> was in a position to act on recommendations which emerged.	
11.6	Stuart Young thanked <i>emda</i> and the Board for these helpful comments. There was a need for further discussions between officers at EMRA and <i>emda</i> . Abby Johnson-Brennan agreed to identify a lead officer within <i>emda</i> . Martin Traynor thanked Jonathon Little for the useful start made on the review	AJB
	The Regional Scrutiny Board	
	<ul style="list-style-type: none"> a) Endorsed a view that this Scrutiny Review should be strategic in its nature b) Agreed to continue dialogue with other regional partners, in particular <i>emda</i>, regarding the development of a proposed remit for this review c) Agreed to a draft remit to be considered at its meeting in June 2007 d) Needed to identify a Lead member of the Assembly to Chair the Panel via the next meeting. 	JL All RSB
12.	<i>emda</i> Chief Executive Report	
12.1	<i>Q1: The Chief Executive's Report refers to the request for advice from RDAs to inform Budget 2007. Can emda provide further detail in relation to the preparatory work being undertaken (e.g. consultation, research) in advance of the response to be prepared by early February 2007?</i>	
12.2	Abby Johnson-Brennan replied that the RDAs had been consulted by Treasury on three specific issues, the role of the private sector in regional economic development, the impact of RESs on global competitiveness, and improving evaluation of RDA Spend. Yorkshire Forward coordinated the collective RDA submission. <i>emda's</i> response draws on a wide range of evidence including: the East Midlands <i>Regional CSR submission</i> developed in conjunction with EMRA; the <i>Sub-National Review of Economic Development and Regeneration</i> (Joint RDA response); <i>emda's</i> submission to <i>the Lyons Inquiry</i> into Local Government,	
12.3	<i>Q2: Can emda please give further details on their emerging India strategy for the region and update the RSB on plan for a Regional India Business Bureau?</i>	
12.4	Michael Carr responded for <i>emda</i> : The review builds on the success of the China Business Bureau which has been very successful in developing international links for Higher Education and moving forwards maximising existing pan national links within the region – for example with Szechuan and Ningbo. India is going to need a different approach to China. Our approach in India will seek to look beyond existing links i.e. between the East Midlands and the Gujarat region. Gujarat	

	<p>is in India's rural heartland, and consequently is less economically advanced than other parts of the country. Therefore our approach to India will be wider than the focused approach we have undertaken in China. <i>emda's</i> Indian agent will be looking at inward investment and HEI links.</p>	
12.5	<p><i>Q3 What is the value to the East Midlands economy of continued activity on the Underscan project?</i></p>	
12.6	<p>Abby Johnson-Brennan responded on behalf of <i>emda</i>. In 2004-05 <i>emda</i> Board had identified Underscan as one of their 'star prizes' or flag ship projects, which over a 2 year period would help promote the East Midlands (and in this case the value of the cultural offer). Costing £1 million, the project could have been perceived as a high risk venture. The project commissioned artist Rafael Lozano-Hemmer to undertake a series of large scale public video-projection art installations in Lincoln, Leicester, Northampton, Derby and Nottingham.</p>	
12.7	<p>An independent evaluation of the project estimated that total economic impact of Under Scan on the region's economy was £2.9 million. In addition to this the Capital Equipment purchased to deliver the project has remained in the region. As part of the original commission, <i>emda</i> have published a book to commemorate the Under Scan installation.</p>	
12.8	<p><i>Q4 What role does emda play now and envisage in the future in a 'Greater Nottingham Executive'?</i></p>	
12.9	<p>Diana Gilhespy responded on behalf of <i>emda</i>: The Executive of the GNE is led by the City Council and the 5 neighbouring local authorities. It has been focusing on land use, planning and transport. Last March partners from other Executive Agencies (including the LSC, and Job Centre Plus) were invited to join the 'Executive', which is now tackling broader issues like worklessness.</p>	
12.10	<p>There was potential for the 'Executive' to become a City Development Company as set out in the Local Government White Paper, however there are many other existing partnerships in Greater Nottingham that would need to be considered.</p>	
12.11	<p><i>Q5 What outcomes or outputs does emda expect to arise from its input into the Coastal Action Zone and what role does Lincolnshire Enterprise play in it?</i></p>	
12.12	<p>Diana Gilhespy responded on behalf of <i>emda</i>: <i>emda's</i> input to the CAZ centres around developing a long-term and coordinated model for regeneration on the coast which emphasises the need to boost investment, improve diversification and tackle disadvantage. The appointment of a CAZ Director and the development of a business plan for regeneration represents phase 1 of this project. Phase 2 will focus on implementation and resources have been made available in <i>emda's</i> Corporate Plan to act as a catalyst for drawing in other sources of funding and investment. <i>emda</i> supported activity will deliver against priorities set out in the RES and targetry framework outputs.</p>	
12.13	<p>Projects delivered include an initiative to tackle worklessness in Skegness – this project has recruited 650 people working towards ICT and other valued learning outcomes in conjunction with the LSC.</p>	

12.14	<i>Q6: Are there any emerging findings from the RBSIS pilot?</i>	
12.15	Michael Carr responded on behalf of <i>emda</i> : RBSIS is the integrated client management system for the regional business support service. Prior to the new arrangements each of the business support agencies had their own systems. This is a new and powerful regional information system that will be available for use by a range of business support partners, although ownership of the data will remain with <i>emda</i> . The Web driven function include a Business Link Customer database, a library for companies and a broker's database, providing detailed information on their skills sets which help the Business Advisers to match them to clients. <i>emda</i> piloted the system in March and subsequently went live on 1 st April 2007 and is currently being used by East Midlands Business, the new regional Business Link provider. A progress report will be available at a future meeting.	MC
12.16	It was stated that it was important to ensure the Local Authority's Business Support services buy into the system too. Michael Carr agreed that this would be advantageous and work was ongoing to achieve this.	
13	EMRA Business Plan 2007 – 10	
13.1	Stuart Young briefly introduced the above item.	
13.2	The Regional Scrutiny Board noted EMRA'S agreed Business Plan for 2007-10 attached as Appendix 13(a)	
14	Date of Next Meeting	
14.1	<i>Monday 25th June 2007 at 2pm</i>	
14.2	<i>The meeting closed at 4.05 pm.</i>	