

**EAST MIDLANDS REGIONAL ASSEMBLY
REGIONAL SCRUTINY BOARD
11th June 2008**

MINUTES OF MEETING HELD ON Monday 31 March 2008

<u>Present:</u>	<u>Apologies</u>	<u>In attendance</u>	<u>Secretariat</u>
<u>Chair:</u> Martin Traynor <u>Vice Chair:</u> Cllr R Begy <u>LGA Representatives:</u> Cllr E White Cllr R Brown Cllr F Martin <u>ESEP Representatives:</u> Gordon Lammie Angela Rushton	<u>LGA Representative:</u> Cllr L Neal Cllr R Austin Cllr R Mayhew <u>ESEP Representative:</u>	<u>GOEM</u> Roger Poole <u>emda</u> Steve Mulligan Will Rossiter Sue Kirby Kevin Baillie Glenn Harris Andrew Morgan John O'Reilly <u>REM</u> Evan Rees	Stuart Young Matthew Wheatley Jonathon Little Spencer Rabey Val Fraser

1.	Welcome and Apologies	Action
1.1	Martin expressed congratulations to both Stuart Young on his recent appointment as Head of EMRA and Cllr Roger Begy on receiving an OBE.	
1.2	Martin Traynor welcomed Spencer Rabey to his first RSB meeting.	
1.3	Apologies were noted from Cllr Linda Neal and Cllr Richard Austin.	
2.	Declarations of Interest	
2.1	There were no declarations of interest.	
3.	Minutes of the previous meeting held on 6 December 2007	
3.1	Item 9.1 – Glenn Harris confirmed that <i>emda</i> appointed ‘HELM’ in early March to develop the Regional Procurement Opportunities Plan. Glenn stated that they have asked HELM to contact EMRA (on <i>emda</i> ’s behalf) to request a representative join the project reference/stakeholder group.	GH/MW
3.2	Item 10.4 – Martin Traynor informed members of a request received from Baroness Hazel Byford for information on action taken in the region on Post Offices. Cllr Roger Begy, Stuart Young and Andrew Morgan agreed to share information on behalf of Rutland County Council, EMRA and <i>emda</i> .	RB/SY <i>emda</i>
3.3	Item 10.11 – Glen Harris reported that RBSIS is now fully operational.	
3.4	The minutes were otherwise agreed as a true and accurate record.	
4.	Matters Arising	
4.1	There were no matters arising.	
5.	Regional Energy Scrutiny Review Final Report	
5.1	Jonathon Little updated the Board on process for the development and finalisation of the Review. He indicated that some minor amendments would be made as a result of comments helpfully provided by <i>emda</i> .	
5.2	Cllr Robin Brown introduced the Panel’s findings: He commended <i>emda</i> for their successful work to date, including their highly acclaimed business support measures, their pilot projects and their part in securing the ETI at Loughborough University. Cllr Brown recognised the transitional period created by SNR and the changing legislative context. However, going forward, the Panel made 8 constructive recommendations to support improved performance in the future, including the need for stronger regional leadership and the creation of an energy agency to simplify the provision of support to businesses.	
5.3	Kevin Baillie acknowledged the comments and was keen to stress that whilst <i>emda</i> ’s ability to respond may be constrained by uncertainties about the outcome of SNR, they looked forward to the final report.	
5.4	Cllr Robin Brown thanked the Panel and <i>emda</i> staff for support in the Review .	
5.5	Members considered and commented upon the report.	

5.6	Stuart Young paid tribute to <i>emda</i> , the Panel Chair and all involved in work undertaken.	
5.7	<p>The Regional Scrutiny Board -</p> <ol style="list-style-type: none"> 1. Considered and amended as appropriate the final draft report 2. Agreed that the final report be shared with members of the Energy Group for their comment. 3. Agreed that authority be delegated to the Chair and Vice Chair of the RSB and the Chair of the Energy Scrutiny Panel, in consultation with other Panel Members, to approve any potential amendments 4. To invite the full Assembly to endorse the final report at its April 25th meeting 5. Agreed to publish this report and its dissemination to regional and sub-regional partners 6. Invited <i>emda</i> to supply a Scrutiny Action Plan, Progress Report and Final Assessment Report to the time-scale detailed in Section 5 7. On behalf of the Assembly, thanked the scrutiny panel members, <i>emda</i> and <i>partners</i> for their time, effort and commitment in supporting this regional scrutiny review 	
6.	'Meeting the Skills Challenge' – Final Assessment Report on behalf of the Employment, Skills and Productivity partnership (esp)	
6.1	Matthew Wheatley introduced the report, highlighting key achievements and referring members to Appendix 6A.	
6.2	<p>Members considered and discussed issues arising Including the development of employer-led sub-regional skills boards. Cllr Roger Begy noted that the language used in skills was not always business friendly, pointing out the relatively low level of interest amongst businesses in taking seats on the LSC regional board.</p> <p>Angela Rushton queried whether further action had been taken to secure a Private Sector Executive Chair (as detailed on Page 83 Item 3c). Andrew Morgan stated that <i>emda</i>'s Chief Executive will continue as Chair of group for the time being but current working with sector skills councils may provide scope for a private sector chair to be identified in future</p>	
6.3	<p>Martin Traynor referred to Page 85, Item 5e. He noted that Phil Hope MP, the Regional Minister, had previously been Skills Minister who very influential in establishing 'Train to Gain'. Martin. queried the 'logic model' referred to on page 86.. Andrew Morgan agreed to share a copy of an explanatory document on the 'logic model'.</p> <p>Stuart Young commented that he was pleased with the progress made in just 12 months especially as structural changes are on-going.</p>	AM
6.4	Andrew Morgan concurred with Stuart's comment and detailed a number of areas in which progress had been made, and details of ongoing activity. He explained that a Task and Finish Group would be reporting to the ESP in the first week of April on how the esp partnership could promote enterprise. Andrew agreed to share a copy of the report with the RSB following the meeting. He ended by commenting that, on the whole, the review had been very useful to <i>emda</i> .	AM
6.5	Members:	

	<ol style="list-style-type: none"> 1. Welcomed the joint <i>emda</i> and esp Final Assessment Report for their implementation of 'Meeting the Skills Challenge?' 2. Formally concluded the 'Meeting the Skills Challenge' Scrutiny Review 	
7.	East Midlands Regional Assembly Business Plan – Scrutiny Work Programme	
7.1	<p>Matthew Wheatley introduced the report informing members that the business plan is with CLG, pending formal endorsement by the Assembly.</p> <p>Martin Traynor queried whether the 6.7% reduction was attainable. Stuart Young agreed that due to current staffing vacancies it was attainable.</p>	MW/SY
7.2	<p>The Regional Scrutiny Board -</p> <ol style="list-style-type: none"> 1. Formally endorsed the Scrutiny section of EMRA's Business Plan attached as Appendix 7(a) 	
8.	Regional Business Support Scrutiny Review	
8.1	Matthew Wheatley introduced the report. Lincoln University Business School, in partnership with Globe Regeneration Ltd, had been appointed to gather evidence to assist this review.	MW/JL
8.2	Members considered and commented on the report.	
8.3	Cllr Roger Begy noted that employer engagement in the Panel would be crucial. Cllr Ernie White, Jim Mutton of Loughborough College and Cath Lee of the FSB had agreed to become Panel Members. Nominations for two business representatives were still being sought.	
8.4	The Board discussed the remit. It was clarified that in SNR would be looked at as part of the context for making forward looking recommendations, rather than as an assessment of <i>emda</i> 's response to the SNR to date. The RSB agreed that business survival and growth should be examined alongside Start-Ups..	
8.5	Angela Rushton questioned whether Business Survival needs to be measured for longer than 18 months. Cllr Roger Begy and Martin Traynor agreed with the need to monitor survival for longer than 18 months, noting that years 2 and 3 can be more critical and thus meaningful. John O'Reilly noted that initiatives that have received EU funding have tracked business survival at 36 months and that <i>emda</i> had now begun to measure survival at 36 months too. Both John O'Reilly and Glen Harris commented that they were happy with proposals so far and looked forwards to working with the RSB on this Review	
8.6	<p>The Regional Scrutiny Board -</p> <ol style="list-style-type: none"> 1. Considered and supported the remit for a scrutiny panel review into business support 2. Agreed to suggest potential consultees to be interviewed by consultants as part of evidence gathering 3. Agreed to Secretariat supporting the establishment and on-going requirements of the panel 4. Agreed to the Chair and Vice-Chair of the RSB finalising panel membership 5. Agreed to receive an updated report at the next RSB meeting in June 2008 	

9.	Regeneration East Midlands	
9.1	Matthew introduced the report and invited Evan Rees to provide background to REM and its evolution.	
9.2	Evan Rees outlined the activities of REM, noting that the REM model, independent of <i>emda</i> and combining OPUN, the regional architecture centre, skills programmes, Intelligence East Midlands and Funders Forum was a unique model. Evan detailed how REM and EMRA had worked together in 2006/07/	
9.3	Martin Traynor informed members that funding for the period 2008/09 is in place, but for 2009/10 funding from EMRA could not be guaranteed.	
9.4	Andrew Morgan noted that EMRA should remain mindful that their expectations for REM should be proportionate to its funding contribution, and that further discussions between officers may be useful to help align expectations.	AM/MW
9.5	The Regional Scrutiny Board - 1. Noted the information contained with the report and referenced 9.4 above. 2. Agreed to a REM progress report to be provided in Quarters 2 & 4 of 2008/9	
10.	Questions to <i>emda</i> on their Chief Executive's Reports and Board Minutes	
10.1	Martin Traynor referred members to the previously circulated Questions.	
10.2	Chief Executive's Reports: <i>Q1. How will emda evaluate the effectiveness of its future overseas trade activities and which events / visits to date have been the most productive in terms of securing inward investment for the region?(from para 2.1.23, December and para 2.1.9, January)</i>	
10.3	John O'Reilly responded for <i>emda</i> , noting that the success of trade missions is measured by; 1) the number of businesses going on the mission. <i>emda</i> aim for ten but are flexible, recognising differing levels of interest in high growth markets) 2) the number of 'business assists' arising from the mission 3) the amount of business achieved by companies participating in the mission - at 6 months and 12 months after the event John reported on the success of the missions to Brazil and Malaysia / Singapore referred to in the December Chief Executive's report. Brazil - 21 businesses participated in the mission - Orders at 6 months - £95k. - Anticipated at 12 months - £195k - £3m (12 month evaluation is underway now) Malaysia / Singapore - 9 businesses participated in the mission - Orders anticipated at 12 months - £654k. <i>emda</i> is currently reviewing its strategy for market visits with a view to reducing the number of visits but increasing participation. In response to a question from Cllr Roger Begy on proposed changes to Business Link, John explained that there is ongoing consultation with UKTI about potential changes.	

- 10.4 Q2. *What are the sustainability criteria, specifically relating to energy and resource efficiency that are included in the investment appraisal process for the £35M high quality employment floor space fund?*
(from para 3.3.1, December)
- 10.5 Glen Harris responded for *emda*. GH stated that the criteria were drawn from the Office of Government Commerce (OGC) Common Minimum Standards for the Procurement of Works in the Built Environment (CMS). He explained that projects are assessed against a range of criteria; including socio-economic parameters – such as environmental sustainability. These contribute towards project appraisal scoring and a percentage of the score is attributable to how the development addresses these. The criteria include BREAM Excellence as a benchmark.
- 10.6 Q3. *What has been the actual take up for the Waterways Regeneration Fund across the region? What benefits, including jobs created, does the project expect to generate across its lifetime?*
(from para 3.3.1, January)
- 10.7 Andrew Morgan responded for *emda*. The project had been very successful and allowed *emda* to work with a range of partners that it had not always worked with in regeneration terms. The projects included development of workspace, tourism attractions and some mixed developments including transport infrastructure. He explained that there are 24 projects going forward with a total value of £7.1M over 3 years. In terms of outputs, the programme will lever in £20.37m of private sector investment, and reclaim over 17.9 hectares of brownfield land. In the short term it is expected to create around 56 jobs, however *emda* anticipate greater labour market returns in the longer term.
- 10.8 Martin Traynor asked if there were plans for further funding of these types of programme activities. Glen Harris commented that it was likely but is subject to budget constraints and will be considered alongside all other investment proposals
- 10.9 Q4. *How does emda anticipate continuing to support the Business Resource Efficiency and Waste (BREW) programme after DEFRA reduces its contribution to the Single Pot? What would be the implications for other energy efficiency programmes supported by emda?*
(from para 1,5, March and Board Minute 5) (they are using ERDF)
- 10.10 John O Reilly responded for *emda*. He informed members that DEFRA confirmed that they will reduce their overall national contribution to the Single Pot by £20m – which equates to £1.4m of *emda*'s budget. *emda*'s primary use of BREW funding has been to develop a sustainable resource efficiency business support service integrated within the new regional Business Link model. The progress made in mainstreaming resource efficiency business support will mitigate some of the impact of the loss of BREW funding.
- 10.11 *emda* would honour existing programme commitments. Energy and resources is a key commitment crossing 3 operational directorates. To further offset the impact of BREW *emda* has made some provision through its regional Business Transformation Grant programme.. John noted that the 2007-13 ERDF Programme also contains a programme priority related to resource efficiency and sustainable business practice. It is anticipated that 20% of all businesses supported through the ERDF Programme will receive resource efficiency support.

10.12	<p>Q5. <i>Building on the Braunstone Vocational Skills Centre, are there plans for emda to fund other vocational skills centres in the region?</i> (from 2.1.5, March)</p>	
10.13	<p>Andrew Morgan responded for <i>emda</i>. This was a specific project brought forward by the LSEP (SSP) to meet the specific challenges facing the ward of Braunstone. This ward performs twice as badly as the regional average on levels of vocational skills and exhibits very high numbers of young people not in education or employment. Andrew reported that <i>emda</i> has no current plans to fund any other vocational skills centres in the region to meet localised needs. SSPs may well wish to support such developments and <i>emda</i> would assess these on a case by case basis.</p>	
10.14	<p>MT thanked <i>emda</i> for this information and asked that <i>emda</i> report on the progress of the project in 12 months time.</p>	MW/SR
10.15	<p>Q6. <i>What progress has been made on emda's research into mitigating the economic effects of post office closures in rural areas (previously reported) and does emda have any plans to review its support for post offices following the successful intervention of Essex County Council in purchasing and securing premises?</i> (from para 4.1.2, March, para 4.13, January and para 4.1.2 December)</p>	
10.16	<p>Andrew Morgan stated that <i>emda</i> had decided not to go ahead with the previously discussed research project but instead will focus efforts on addressing the direct needs of those local businesses that will lose their Post Office facilities. <i>emda</i> will proactively advise Business Link of which shops are due to lose their Post Office counters. Once a loss had been formally confirmed Business Link East Midlands will contact the proprietors of those village stores to explore whether they need any advice and assistance in developing new lines of business to offset the loss of their Post Office trade. In some circumstances, a Business Transformation Grant might be paid.</p>	
10.17	<p>Cllr Ernie White referred to the trialling of mobile post office based on the mobile library service. <i>emda</i> confirmed that the 'Essex approach' was not appropriate for them to follow</p>	
10.18	<p>January/ December Board Minutes: Q7. <i>With a reported £6.6m 'under profile' spend in December 2007, and the subsequent 'loan' of £5m to the London Development Agency, will emda achieve its spending target for 2007/08.</i> (from Item 6: Finance Report)</p>	
10.19	<p>Glenn Harris responded for <i>emda</i> and confirmed that <i>emda</i> will achieve its spending target for 2007/08. He was pleased to report that the end of year balance was likely to be something in the order of £150 off a total budget of around £186 million. When this matter was previously reported to the <i>emda</i> board, some SSP's had under-spent against profile due to delays in some projects. Since this was reported, spending had caught up with the profile and was now virtually on track. Glenn clarified the 'brokerage' deal with LDA. A facility exists between all RDA's to safeguard funding between financial years, in accordance with government regulations. <i>emda</i> loaned £5 Million to LDA in 2006/07, who need to spend it in this financial year. <i>emda</i> will receive this back early in 2007/08.</p>	
11.	The 2012 Games and the East Midlands (verbal update)	
11.1	Sue Kirby circulated a printed report and provided Members with a verbal update	

	summarising key points. She referred to the Compete 4 project that assists small businesses to benefit from contracts related to the games. Members discussed the tendering process and procurement workshops.	
11.4	Sue Kirby referred to the recent news release detailing potential 2012 pre-games training camps in the region. <i>emda</i> are currently working with Sport England to attract an 'A list' country to Loughborough University as well as some of the smaller nations to other venues throughout the region.	
11.5	Sue Kirby responded to Martin Traynor's question on maximisation of publicity by explaining that our approach is governed by strict protocols which need to be observed until the end of Beijing 2008 Olympiad. Stuart Young asked if <i>emda</i> were able to clarify which nations were being targeted to attract to Loughborough. Whilst not being able to reveal specific details, Sue Kirby suggested that they are looking at teams within the Asia-pacific region.	
11.6	Jonathon Little referred to a recent presentation by Tracey Croft, using the Regional Assembly as a Stakeholder Forum and suggested it would be useful to repeat this in the future. Martin Traynor suggested post Beijing 2008 Olympics, around December 2008. Stuart Young agreed to discuss this with Cllr David Parsons.	SY
12.	Publications	
12.1	Matthew made reference to the following two publications which were made available to Members in attendance at the meeting. a) RSB Annual Report - to be taken to Full Assembly on 25 April 2008 b) ERN Scrutiny Case Studies Publication – Contributions from all RA's copy circulated at the meeting.	
12.2	Matthew expressed his personal thanks to Gordon, Martin, Abby and all partners, for their participation in preparing these reports.	
13.	Any Other Business	
	None	
14.	Date of Next Meeting	
14.1	<i>Wednesday 11 June 2008, 2.00pm, at Pera, Melton Mowbray</i>	
14.2	<i>The meeting closed at 3.55pm</i>	