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**Report to**

Scrutiny Co-ordination Committee

18<sup>th</sup> April, 2007

**Report of**

Councillor Sawdon

**Title**

Report Back on the Work Of Outside Bodies – West Midlands Enterprise Limited

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**1 Purpose of the Report**

1.1 At their meeting on 10<sup>th</sup> May, 2005, the Cabinet approved a process of reporting back to the Scrutiny Co-ordination Committee on the work of those outside bodies appointed to by the City Council. This reports sets out details of the work of the West Midlands Enterprise Ltd over the preceding twelve months and details of attendance by the City Council's representatives.

**2 Recommendations**

2.1 That the City Council continues to make nominations to West Midlands Enterprise Ltd.

**3 Information on Work of Outside Body**

3.1 West Midlands Enterprise Ltd is the organisation that inherited the assets of the West Midlands Enterprise Board, which was set up by the old West Midlands County Council in the late 1970's with an infusion of public money. It operates as a specialist economic development and regeneration consultancy operating throughout the UK and internationally. Its purpose is to "foster the economic regeneration of the West Midland economy."

3.2 The company has distinguished itself by recording losses on most occasions. The loss for the financial year to March 2006 was £540k compared with a loss of £982k for 2005. Net assets are £4.7m.

3.3 Coventry's interests are represented by 100% holding in Coventry Venture Capital Ltd and an 11% holding in University of Warwick Science Park Ltd. The investment in the Science Park is probably one of the Company's few successes.

3.4 The Company currently has 15 Directors, some of whom have connections with the City. However, the company structure is such that the representatives nominated directly by the seven West Midlands District Councils cannot outvote the Directors. The City Council's ability to influence the running of the Company is limited.

**4 Benefits to the City Council of the Appointment**

4.1 In assessing the value of continuing to appoint members to West Midlands Enterprise Ltd I would point to the fact that the company has hinted that some money may be returned to the Districts. Whilst my own view is that the company should be wound up before the assets are

used up, that is not a view shared by the Company. On the assumption that the Company will continue to exist, the Council's ability to appoint Councillors to the company does enable us to apply pressure to the Board and attempt to safeguard our interests.

4.2 There is a clear benefit to the City Council in terms of our interest in the Warwick University Science Park and whilst this continues the City Council should continue to appoint to the Company.

## 5 Attendance Record and Remuneration for the Appointment

5.1 There was one meeting of the West Midlands Enterprise Board over the previous twelve months which Councillor Sawdon attended.

5.2 There is no remuneration associated with this appointment.

### List of background papers

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Papers open to Public Inspection

Description of paper	Location
Schedule of City Council Appointments to Outside Bodies	CH59