

**BROMSGROVE DISTRICT COUNCIL**

**MEETING OF THE CABINET**

**27TH JULY 2022, AT 6.00 P.M.**

PRESENT: Councillors K.J. May (Leader), G. N. Denaro (Deputy Leader), M. A. Sherrey, P.L. Thomas, M. Thompson and S. A. Webb

Officers: Mr. K. Dicks, Mrs. S. Hanley, Mr P. Carpenter, Mrs. R. Bamford, Ms. C. Flanagan, Mrs. J. Bayley-Hill and Mr G. Day

17/22 **TO RECEIVE APOLOGIES FOR ABSENCE**

There were no apologies for absence.

18/22 **DECLARATIONS OF INTEREST**

There were no declarations of interest.

19/22 **TO CONFIRM THE ACCURACY OF THE MINUTES OF THE MEETING OF THE CABINET HELD ON 6TH JULY 2022**

The minutes of the Cabinet meeting held on 6<sup>th</sup> July 2022 were submitted.

**RESOLVED** that the minutes of the Cabinet meeting held on 6<sup>th</sup> July 2022 be approved as a true and correct record.

20/22 **UK SHARED PROSPERITY FUND**

The Head of Planning, Regeneration and Leisure Services presented a report on the subject of the UK Shared Prosperity Fund.

Cabinet was informed that Bromsgrove had been allocated £2.8 million in the UK Shared Prosperity Fund by the Government. The Council needed to submit an Investment Plan to the Government by 1<sup>st</sup> August 2022, detailing how this funding would be spent.

The Government had identified three pillars that Councils needed to address through the expenditure of the funding. These pillars included:

- Communities and Place
- Supporting Local Business
- People and Skills

In addition, there were 41 interventions that had been identified by the Government for the UK Shared Prosperity Fund scheme. Local authorities needed to demonstrate in the Investment Plan which of these interventions would be addressed through the expenditure of the funding

at the local level. Officers were suggesting links to particular interventions, based on local knowledge and information about projects that had already been submitted for consideration.

Councils were required to explain in the investment plan how the funding would be allocated in relation to the Government's three key pillars for the scheme. In Bromsgrove, Officers were suggesting that 40 per cent of the funding should be allocated to Communities and Place and 30 per cent allocated each to Supporting Local Business and People and Skills respectively. The Government had clarified that Councils would have the flexibility to vary these allocations by up to 30 per cent.

The UK Shared Prosperity Funding would be available for a three-year period, from 2022/23 to 2024/25. The level of funding available in each year was due to increase from £340,499 in 2022/23 to £1.784 million in 2024/25. The funding allocated to year three of the programme was particularly high because this would be the only year in which funding would be available for the People and Skills pillar. Prior to this date, EU funding would continue to be used to address the skills agenda. Underspends could be carried over from one year to the next, however, the Council would need to be able to demonstrate to the Government that there were credible plans in place to ensure that both this funding and those funds allocated for that year would be spent within the year.

Under the terms of the scheme, Councils were able to allocate a portion of the funding for use for administrative purposes. Due to the capacity constraints impacting on local government, Officers were proposing that 4 per cent of the funding should be allocated to administration of the scheme.

Members welcomed the proposals detailed in the report and the allocation of £2.8 million UK Shared Prosperity Funding to Bromsgrove District. In discussing the funding, Members questioned the potential to alter the interventions that had been identified for inclusion in the scheme at this stage and the suggestion was made that E10 (funding for local sports facilities, tournaments, teams and leagues; to bring people together) should be added to the list of interventions for the District. The suggestion was also made that E41 (funding to support local digital skills) could be added to the list, as this would help to support people in the community, particularly elderly residents, to develop the skills needed to work in a digital manner. Officers explained that changes could be made to the list of interventions and there would be some work required to amend the planned allocation of funding between the various interventions.

Consideration was given to the timescales in which the funding would need to be spent. Cabinet was advised that there were some concerns about the relatively tight timescales available and the need for the Council to be able to justify any underspends to the Government in order not to lose any of the funding.

Reference was made to the process that would be followed, following approval of the investment plan, when considering and approving proposed projects. Officers clarified that the investment plan would provide the criteria against which projects would be assessed. Officers were requesting delegated authority, following consultation with the Portfolio Holder for Economic Development, Regeneration and Strategic Partnerships, to develop projects and to deliver the outcomes. In a context in which decisions would need to be taken and the funding spent in extremely tight timescales, Members agreed that this proposal should be amended to also grant authority to agree the projects.

**RESOLVED** that

- 1) The Investment Plan is approved for submission to the UK Government;
- 2) Authority to finalise the Investment plan be delegated to the Head of North Worcestershire Economic Development and Regeneration following consultation with the Portfolio Holder for Economic Development, Regeneration and Strategic Partnerships and in light of advice from the Bromsgrove Partnership;
- 3) Authority to develop and agree projects to deliver the outcomes contained in the investment plan be delegated to the Head of North Worcestershire Economic Development and Regeneration following consultation with the Portfolio Holder for Economic Development, Regeneration and Strategic Partnerships and in light of advice from the Bromsgrove Partnership; and

**RECOMMENDED** that

- 4) The Medium Term Financial Strategy is amended to include the UK Shared Prosperity Fund Allocation when next reviewed.

21/22

**QUARTERLY RISK UPDATE BROMSGROVE- JULY 2022**

The Interim Section 151 Officer presented the Quarterly Risk Update for Cabinet's consideration.

Members were advised that in 2018/19 there had been an audit of risk management arrangements in place at the Council. As a result of this audit, Zurich Municipal was commissioned to consider the Council's risk management arrangements and the suggestions made in this review led to the Council adopting a Risk Management Strategy. The Internal Audit team subsequently reviewed risk management arrangements in place at the Council and unfortunately this had concluded that there was a lack of evidence that the requirements detailed in the Risk Management Strategy were being fully complied with. The Corporate Management Team (CMT) had subsequently reviewed arrangements and, whilst finding some compliance, had concluded that this was not consistent across the authority. A Risk Management Board had subsequently been introduced and all departments were required to nominate a risk champion who attended meetings of the board.

The Audit, Standards and Governance Committee was the responsible body for considering the Council's management of corporate risks. However, as no report had been presented for Members' consideration on the subject of risk management for three years, a decision had been taken to also report to Cabinet on the arrangements.

The Council used the 4Risk system to manage both corporate and departmental risks. This system had been reviewed and had been found to be fit for purpose as long as correct information was logged on the system. However, the Council was not prescriptive about how the system should be used.

Members discussed the content of the report and in doing so made reference to the two departmental risks categorised as "red risks", both in relation to the ICT department. These related to failure to identify, maintain and test disaster recovery arrangements and system functionality to manage records. Officers explained that the ICT department had been very strict in reviewing their departmental risks and a lot of action was in the process of being taken to try to address these risks, including in relation to cyber security, which was considered to be a corporate risk.

Reference was made to the Risk Management Handbook which referred to the Leader as the lead Councillor for risk management. Officers confirmed that this would be updated in the handbook and Members were advised that in fact the Audit, Standards and Governance Committee was the lead for risk management.

Cabinet discussed the definition that had been provided in the report for a corporate risk, which needed to have significant impact on the Council's finances, be cross departmental and / or result in serious reputational damage. Questions were raised about what was considered likely to fall within this definition and the potential for departmental risks to also be considered corporate risks. Officers clarified that corporate risks tended to be cross cutting across various departments. The only corporate risk that was specific to one department related to the Planning process.

**RESOLVED** that

- 1) the definition of a Corporate Risk be approved;
- 2) the present list of Corporate Risks be approved;
- 3) the use of the Risk Management Framework devised by Zurich be approved; and
- 4) the progress made on the Action Plan approved by CMT on the 16th March 2022 be approved.

The meeting closed at 6.33 p.m.

Chairman