

Audit and Risk Committee

26 September 2022

Report title	Strategic Risk Register Update	
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Originating service	Audit	
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Report to be/has been considered by	SEB	6 September 2022

Recommendations for noting:

The Audit and Risk Committee is asked to note:

1. The latest summary of the Council's Strategic Risk Register, as at Appendix A.

1.0 Purpose

- 1.1 To keep members of the Audit and Risk Committee aware of the key strategic risks faced by the Council and how it can gain assurance that these risks are being mitigated.

2.0 Background

- 2.1 The Council is no different to any organisation and will always face risks in achieving its objectives and priorities. Sound risk management can be seen as the clear identification and management of such risks to an acceptable level.
- 2.2 The Cabinet remain the owners of the strategic risk register, with the Audit and Risk Committee maintaining oversight of, and providing an independent level of assurance on the adequacy of the risk management processes that underpin it.
- 2.2 The strategic risk register was last presented to the Committee in July 2022. Since that time the risk register has been reviewed in conjunction with risk owners, reviewed by SEB, updated where appropriate and a new risk has been added relating to Charging Reform and the fair cost of care (risk number 18).
- 2.4 The strategic risk register does not include all the risks that the Council faces. It represents the most significant risks that could potentially impact on the achievement of the Council's corporate priorities. Other risks are captured within directorate, programme, project or partnership risk registers in line with the Council's corporate risk management framework.
- 2.5 A summary of the strategic risk register is included at Appendix A of this report which sets out the status of the risks as at September 2022. These risks are reviewed on an on-going basis and can be influenced by both external and internal factors and as such, may fluctuate over time.
- 2.6 At the meeting on 25 July 2022, the Committee requested further information on risk 17 – Financial Wellbeing and Resilience. The risk owner has provided the following further information on this risk and will also be attending the meeting to discuss this risk in more detail.

Risk 17 – Financial Wellbeing and Resilience

- 2.7 The Wolverhampton Financial Wellbeing Strategy was approved by Cabinet in March 2022, to ensure the timely provision of services that support residents in the city with the cost-of-living crisis and promoting financial resilience.
- 2.8 The strategy details our partnership approach to tackling the cost-of-living crisis in the city through our graduated response offering essential support when required, responding

to emerging need and offering an early intervention approach to support resilience in the city.

- 2.9 The Council is in the process of delivering a cost-of-living action plan. This includes services delivered by a broad range of partner organisations alongside council services.
- 2.10 The Council have committed £1.3m to supporting the strategy in 2022-2023.
- 2.11 In addition, to date, the Council have received £7.944m in grant funding. This is broken down into £1.062m Covid Winter grant 2020-2021 and in 2021-2022 £1.619m Covid local support grant and £2.632m in Household Support Fund. In 2022-2023 we have received £2.632m for the period April to September 2022 with a further allocation for October 2022 to March 2023 expected. We are yet to receive notification of the final grant allocation.
- 2.12 A full time project manager is in post and will review and report risks using a risk register. The project management is overseen by the programme office and reported using Verto.
- 2.13 Dispersal of the grant has been via a range of methods. The spend of overall budget is overseen by a finance manager. Regular monitoring takes place and monthly meetings are held between the budget manager and finance manager for the purpose of financial reporting, consistency, and forecasting. As a council, we have identified several trusted partner organisations to act as a third party in distributing funds to households. This is representative of organisations across the city that provide family and community services, including housing, charitable, voluntary, and faith-based organisations.
- 2.14 Trusted organisations have been provided with a pre-payment card that is managed via our finance department and monthly transaction statements are provided. Each organisation completes a management information report that itemises any allocations per household within a set period, which is then audited against the transactions at regular intervals.
- 2.15 We will continue distribution of any Department of Work and Pension (DWP) or government grants alongside the Council budget allocated to this work, to ensure those in need of assistance are supported by those organisations closest to them. This work will include the dispersal of financial resources via direct payments to residents of the city, and small grants to trusted partner organisations in the city.
- 2.16 Management information returns are a requirement within the grant conditions for the Household Support Fund and are reported periodically to the DWP. The management information details household level data including address, household composition and the category under which awards have been granted. This report has authorisation of the Director and Section 151 Officer prior to being submitted.
- 2.17 Outside of the information we collect and report to satisfy the DWP management information requirements, we also collect data to ensure we take a targeted approach to support.

- 2.18 We are taking a partnership approach to the delivery of the strategy with governance and assurance provided through several channels. A Financial Wellbeing Partnership Board will be established and will report directly into the Health and Wellbeing Together Board.
- 2.19 Within the terms of reference of the partnership board, there are clearly defined escalation processes for recording and reporting risks.
- 2.20 Ongoing consultation and engagement with residents and the wider partnership will continue to ensure the cost-of-living plan continues to address local and emerging issues.
- 2.21 Project impact will be measured via a range of systems and will be reported via a performance dashboard. This data will evidence our performance against an agreed set of indicators and also enable predictive analysis of demand on our services.

Risk 14 – Climate Change

- 2.22 At the meeting on 25 July 2022, the Committee also requested further information on risk 14 – Climate Change at a later meeting. Therefore, this this will be subject to a more detailed review at the next planned Committee meeting on 28 November.

3.0 Progress, options, discussion

- 3.1 The strategic risk register will be updated as required and presented at approximately quarterly intervals to the Committee. The strategic risk register does not include all the risks that the Council faces. It represents the most significant risks that could potentially impact on the achievement of the corporate priorities. As stated above, other risks are captured within directorate, programme, project or partnership risk registers in line with the Council's corporate risk management framework.

4.0 Financial implications

- 4.1 There are no financial implications associated with the recommendations in this report as Councillors are only requested to note the risk register summaries. Financial implications may arise from the implementation of strategies employed to mitigate individual risks, but these will be evaluated and reported separately if required.
[GE/14092022/E]

5.0 Legal implications

- 5.1 Although there may be some legal implications arising from the implementation of the strategies employed to mitigate individual risks, there are no direct legal implications arising from this report.
[TC/15092022/A]

6.0 Equalities implications

6.1 There will be equalities implications arising from the implementation of a number of the strategies employed to mitigate individual risks. These equalities implications will be addressed, where appropriate, through the various mechanisms taken to manage each risk.

7.0 All other implications

7.1 Although there may be implications arising from the implementation of the strategies employed to mitigate individual risks, there are no direct implications arising from this report.

8.0 Schedule of background papers

Appendix A – Strategic Risk Register