

**5b ITEM REFERRED FROM FINANCE, AUDIT AND RISK COMMITTEE: 20 JULY 2020
- RISK MANAGEMENT UPDATE**

RECOMMENDED TO CABINET:

- (1) That the Annual Report on Risk Management be noted and then referred to Full Council.

REASONS FOR DECISIONS:

- (1) The responsibility for ensuring the management of risks is that of Cabinet.
- (2) This Committee has responsibility to monitor the effective development and operation of Risk Management.

LINK TO REPORT CONSIDERED BY FINANCE, AUDIT AND RISK COMMITTEE:

<https://democracy.north-herts.gov.uk/documents/s11351/Risk%20Management%20Update.pdf>

The Service Director – Resources presented the report entitled Risk Management Update and drew Members’ attention to the following:

- Paragraph 8.2 on page 76 within the report and advised that at the Risk Management Group on 18 May, the Novel Coronavirus (Covid-19) Risk was reviewed. However, there had been some changes since that meeting and an update would be provided at the next meeting which looked at managing the risk of lifting lockdown restrictions, creating a recovery project board and the implications of a local lockdown;
- Paragraph 8.3 on page 76 within the report and advised that the Cyber Risk would be kept at Score 8 on the Draft Risk and Opportunities Matrix;
- A new Service risk had been set up for delivering the NHDC Climate Change Strategy with a risk score of 3, as detailed at paragraph 8.4 on page 76 within the report;
- The Annual Report on Risk Management was reviewed and agreed by the Risk Management Group, as further explained at paragraph 8.5 on page 76 within the report.

The following Members asked questions of the Service Director – Resources:

- Councillor Sam Collins;
- Councillor Sam North;
- Councillor Michael Weeks; and
- Councillor Kate Aspinwall.

In response to questions raised, the Service Director advised as follows:

- A general economic crash was captured in the Covid-19 Financial Impacts Report. However, it may need to have its own risk. This Risk would be monitored;
- The Novel Coronavirus Risk Owner came under the Directorate Place as Emergency Planning was the responsibility of the Service Director – Place. However, all Senior Officers were involved with the planning of the Covid-19 Risk;
- There was a need for all Service Areas to relook at Business Continuity especially if a new risk developed on top of the Coronavirus Risk;

- The responsibility for Organic Waste laid with the County Council and was part of a long-term contract. The County Council would look at separating the waste once the contract came to end. However, at present, food and garden waste (termed Organic Waste) went to the same place; and
- Climate Change was not detailed on the matrix as it was classified as a Service Risk and not a Corporate Risk.

In response to the Member's question relating to the risk of an economic crash following the Coronavirus pandemic, Councillor Ian Albert, Executive Member for Finance and IT, advised that there was a Risk Management Group due to be held in August where the risk of an economic crash and the implication on the Council would be discussed and monitored thereafter.

In response to the Member's question relating to the re-classification of 'Food and Garden Waste' to 'Organic Waste', the Chair directed the Member to the explanation provided at paragraph 4.6 – Re-Classified to Service Risks on page 93 within the report.

Councillor Aspinwall requested a Written Question be asked of the Executive Member for Recycling and Waste Management, as follows:

- (1) Why the Delivery of the Waste Collection and Street Cleaning Services Contract remained as a Risk Score 8 on the Draft Risk and Opportunities Matrix?
- (2) Why the Food and Garden Waste had been re-classified as Organic Waste?

Councillor Sam North stated that despite Climate Change not being classified as a Corporate Risk, it did not detract from the fact that the Council were taking Climate Change seriously and were responding to Climate Change via the Cabinet Panel on the Environment which helped to inform Council policy.

RESOLVED:

- (1) That the Corporate Risks for the quarter, namely the review of the Novel Coronavirus (COVID-19) risk with an unchanged score of 9 and the review of the Cyber Risks and Data Protection Risk with an unchanged score of 8, be noted;
- (2) That the Annual Report on Risk Management be noted.
- (3) That the Executive Member for Recycling and Waste Management be requested to provide a written response to the following questions to the next meeting of the Finance, Audit and Risk Committee on 7 September 2020:

Why the Delivery of the Waste Collection and Street Cleaning Services Contract remained as a Risk Score 8 on the Draft Risk and Opportunities Matrix?

Why the Food and Garden Waste had been re-classified as Organic Waste?

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