

**7e REFERRAL FROM FINANCE, AUDIT AND RISK COMMITTEE: 8 MARCH 2021 – RISK MANAGEMENT UPDATE**

***RECOMMENDED TO CABINET:***

- (1) That there be no change to the risk score for Corporate Planning risks, subject to the note 'representation prepared with regard the speculative expansion of London Luton Airport to four runways' being archived as deemed no longer relevant.
- (2) That there be an increase in the risk score from 5 to 7 and a target risk score of 6 for the Increased Homelessness Corporate risk;
- (3) That there be no change to the risk score for the review of the Waste Corporate risks subject to the risk score being agreed and signed off by the Executive Member for Waste and Recycling.
- (4) That that the Workforce Planning Corporate Risk be archived. Original Risk score 5, final risk score 5.

***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.

The Service Director – Resources presented the report entitled Risk Management Update, including:

- The Council were waiting a response from the Inspector in regards to the Local Plan. The Local Plan Risk would be affected by that response and decisions to be made by Cabinet ;
- The increase in the Homelessness Corporate Risk reflected the increased levels of homelessness, and use of temporary accommodation;
- It was agreed at the Risk Management Group to archive the Workforce Planning Corporate as there were actions and HR policies in place to manage the risk; and
- There was a potential risk of flooding in the village of Kimpton. At present, this risk was a service risk.

The following Members asked questions:

- Councillor Sam Collins;
- Councillor Michael Weeks;
- Councillor Sam North;

The Service Director – Resources responded to questions raised as follows:

- It was his understanding that there was a subsequent plan to increase the size of Luton Airport. However, the full details were not known to him. The Service Director – Regulatory could provide more on this;

- The budget for the likely need to continue accommodating homeless people in hotels was not yet accounted for. However, the minimum general fund balance had been increased to factor in expenditure such as the increased homelessness cost; and
- The Corporate Risk matrix was not concerning despite it being top heavy. The matrix did contain more Corporate Risks than usual but this reflected the nature and pressures that the Council were currently in. Various risks may reduce in due course.

Councillor Sam North requested an amendment to recommendation 2.1 – point 3 in order that the Waste Corporate Risk be reviewed by the Executive Member for Waste and Recycling as he stated that he was uncomfortable with the assumption that Central Government would fund a mandatory garden waste service. The amendment was supported by Councillor Helen Oliver.

In response to this point, the Service Director – Resources advised that he was not certain but usually Executive Members would be briefed on risks within their portfolio by the appropriate Service Director. The Service Director – Resources further added in regards to the garden waste service, that under the New Burdens Doctrine guidance, if the Government were to introduce a service that would cost the Council money to implement, they were required to fund it.

Councillor Ian Albert, Executive Member - IT & Finance, responded to Councillor Sam Collin's point relating to Luton Airport that an Architect had put forward a four runway solution 8 years ago. However, the Council had objected to the latest expansion regarding one runway and a 32 million passenger expansion.

Councillor Sam Collins requested an amendment to recommendation 2.1 point 1.

The Chair requested that each recommendation be taken separately on the vote.

The Chair clarified to Members the wording of the recommendations.

Councillor Kate Aspinwall proposed, Councillor Sam North seconded and upon being put to the vote, it was:

**RESOLVED:** That the reviews of the Corporate Risks for the quarter, be noted.

And

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*NB: The report considered by Finance, Audit and Risk Committee at the meeting held on 8 March 2021 can be viewed here:*

<https://democracy.north-herts.gov.uk/ieListDocuments.aspx?CId=146&MId=2457&Ver=4>