

Public Document Pack



Agenda Supplement

Dear Councillor

AUDIT AND SCRUTINY COMMITTEE - MONDAY, 29TH JULY, 2019

I am now able to enclose, for consideration on Monday, 29th July, 2019 meeting of the Audit and Scrutiny Committee, the following reports that were unavailable when the agenda was printed.

Agenda No	Item
------------------	-------------

- | | |
|----|---|
| 6. | <u>Risk Management Report</u> (Pages 3 - 22) |
|----|---|

Yours sincerely



Interim Chief Executive

Encs

23/07/19

29 July 2019

Agenda Item:

Audit & Scrutiny Committee

Risk Management

Report of: *Jacqueline Van Mellaerts – Director of Corporate Resources*

Wards Affected: *All*

This report is: *Public*

1. Executive Summary

- 1.1 The report updates members of the Audit & Scrutiny Committee on the status of the Council's 2019 Strategic Risk Register and high-level Operational Risks.
- 1.2 Following on from a request at the Regulatory and Governance Committee on 6 March 2019, attached at appendix C is the complete Operational Risk Register for the Housing Department.

2. Recommendation(s)

- 2.1 **To agree the amendments to the Strategic Risk Register, as shown in Appendix A, and that the risk scores recorded for each risk accurately represents the current status of each risk.**
- 2.2 **To agree the risk scores recorded for the high-level Operational Risks, as shown in Appendix B.**
- 2.3 **To agree the risk scores recorded for the Housing Operational Risks, as shown in Appendix C.**

3. Introduction and Background

- 3.1 The governance arrangements set out in the 'Insurance & Risk Management Strategy' and terms of reference of committees from our constitution require the Audit & Scrutiny Committee to review the strategic and operational risks every quarter.

- 3.2 The strategic and operational risk registers are monitored monthly by Executive Board and the Corporate Leadership Board (CLB) who consider the risks, the mitigations and agrees the content. It is the responsibility of the Audit & Scrutiny Committee to review the strategic risks and confirm they are confident that the risks associated within this register are those which are strategic and relevant to the organisation at this point in time and the considered future.
- 3.3 To continue embedding Risk Management within the Council it is important that all staff become involved in the risk management process and become aware of their responsibilities in identifying and managing risk. The Risk & Insurance Officer has produced a training package which is designed to give staff an understanding of Risk Management and the Risk Management process. The mandatory e-learning programme was rolled out to all staff for completion by 21 July 2019.

4. Issue, Options and Analysis of Options

Strategic Risks

- 4.1 Attached to this report at Appendix A is a summary showing the current status of each risk together with explanatory commentary on the key issues for each risk.
- 4.2 As a result of the current risk review four risk scores have increased. The remaining scores have remained unchanged.
- 4.3 The risks where the risk scores have increased is as follows:
- Red Risk RSK10 – Rollout of Universal Credit (Row No.2)
This risk has been increased due to an increase in rent arrears.
 - Amber Risk RSK6 – Commercial Activities (Row No.6)
This risk has been increased as there has been slippage on the timetable to appoint a JV partner and no further offers have been made on potential investment properties.
 - Yellow Risk RSK4 – Organisational Capacity (Row No.11)
This risk has been increased as there are a number of vacancies within operational structures which require recruitment that are affecting operational capacity.
 - Yellow Risk RSK8 – Lack of Strategic Direction (Row No.12)
This risk has been increased following the departure of the Chief Executive.

Risk Matrix

- 4.4 The fourteen risks are plotted on the risk matrix in Table 1. The current assessment identifies that three risks will remain in the red area of the risk matrix.

Table 1 – Risk Matrix

Likelihood / Probability	Definite	Low (5)	Medium (10)	High (15)	V. High (20) RSK1	V. High (25)
	Very Likely	Low (4)	Medium (8)	High (12)	V. High (16) RSK13	V. High (20) RSK10
	Likely	Low (3)	Medium (6)	Medium (9)	High (12) RSK3; RSK6	V. High (15) RSK2
	Unlikely	Low (2)	Low (4)	Medium (6) RSK4 RSK8	Medium (8) RSK5; RSK7 RSK9	High (10) RSK11
	Highly Unlikely	Low (1)	Low (2) RSK12	Low (3)	Medium (4)	Medium (5) RSK14
		Negligible	Minor	Moderate	Significant	Major
		Negative Impact / Severity				

Likelihood x Impact = Risk Score

No.	Risk	No.	Risk
1	Finance Pressures	8	Lack of strategic Direction
2	Local Development Plan	9	Failure to Spend Capital Receipts
3	Disaster Recover/Continuity Planning	10	Roll out of Universal Credit
4	Organisational Capacity	11	Failure to deliver key Corporate Projects
5	Information Management and Security	12	Failure of Democratic Services
6	Commercial Activities	13	Brexit
7	Contract/Partnership Failure	14	Treasury Management

Operational Risks

- 4.5 The very high and high operational risks have now been reviewed by the risk owners. Attached at appendix B is the operational risk summary sheet showing the very high and high-level risks. The Risk references are shown in brackets in the table below which match to Appendix B.

Risk Group	No. of open risks on register	Very High Risk	High Risk	Medium Risk	Low Risk
Assets	6				6
Community Services	5		1 (COMS4)	1	3
Corporate Services	6			4	2
Environment Health	5	2 (EH1 & EH4)	1 (EH3)	1	1
Finance	9			5	4
Housing	12		3 (H1, H2 & H9)	6	3
Parking & CCTV	1			1	
Planning	6			5	1
Street Care	7	1(SC6)	1(SC7)	2	3

- 4.6 Following on from a request at the Regulatory and Governance Committee on 6 March 2019, attached at appendix C is the complete Operational Risk Register for the Housing Department.

5. Reasons for Recommendation

- 5.1 Risk Management continues to be embedded quarterly within the Senior Management Team reports, where Service Heads discuss the top-level risks for their service areas to ensure that the risks are updated to reflect the ongoing changes.
- 5.2 In addition, the Risk & Insurance Officer will continue to work with risk managers to maintain the good progress to date and further develop a consistent application of risk management considerations across all operations of the Council.

6. Consultation

- 6.1 None.

7. References to Corporate Plan

- 7.1 Effective risk management arrangements will enable the Council to achieve its corporate priorities. The process will allow identification of risks and issues enabling informed decision making to remove or reduce them in order for the priorities to be achieved.

8. Implications

Financial Implications

Name & Title: Jacqueline Van Mellaerts, Director of Corporate Resources

Tel & Email: 01277 312 829

jacqueline.vanmellaerts@brentwood.gov.uk

- 8.1 None arising specifically from this report, but control measures identified in risk registers could have financial or resource implications.

Legal Implications

Name & Title: Daniel Toohey, Monitoring Officer

Tel & Email: 01277 312 860 daniel.toohey@brentwood.gov.uk

- 8.2 Effective risk management provides a means of identifying, managing and reducing the likelihood of legal claims or regulatory challenges against the Council.

9. Appendices to this report

Appendix A – Strategic Risk Register Summary Report

Appendix B – Operational Risk Summary Sheet

Appendix C – Housing Operational Risk Summary Sheet

Report Author Contact Details:

Name: Sue White, Risk & Insurance Officer

Telephone: 01277 312821

E-mail: sue.white@brentwood.gov.uk

This page is intentionally left blank

BRENTWOOD BOROUGH COUNCIL STRATEGIC RISK REGISTER SUMMARY SHEET 2019-2020

Row No	Risk No	Risk Description	Existing Controls	Current Risk Rating			Movement	Risk Response/Update on action required	Risk Owner
				Jul-19					
				*L	*I				
1	RSK1	<u>Finance Pressures</u> As Revenue Support Grant from Central Government has ceased from 2018/19, the budget gap falls below the Minimum Level of Reserves.	Medium Term Financial Planning (MTFP) is undertaken on an annual basis, with monthly budget monitoring and half year reports to Committee. A Funding Volatility Reserve has been created to specifically address the uncertainty of Government funding levels. Risk Assesment of Minium level of reserves is carried out yearly.	5	4	20	↕	COMMENT JULY 2019: The Council continues to face financial pressures, however within the proposed 2019/20 budget, plans are in place to reduce the funding gap by under £1 million over the next three financials years, so impact has been categorised as 4 in line with the Risk Strategy.	Jacqueline Van Mellaerts
2	RSK10	<u>Rollout of Universal Credit</u> The direct payment of universal credit to claimants (previously Housing Benefit payments) may result in a reduction on the rent roll received, increasing the level of rent arrears.	Current tenants affected by Universal Credit are being monitored by Housing Officers regularly. Ability to refer externally/internally for budgeting advice. Updated income Management procedure to become more client based. Introduction of new Pre-Tenancy Service to instill a payment culture. Monthly rent arrears campaign to target high risk areas.	4	5	20	↑	COMMENT JULY 2019: Universal Credit applicants are now being monitored as separate debtors and they continue to be scrutinised as part of a fortnightly performance review. There is now a letter dedicated to making tenants aware of the possible impact of an application; this is sent to new tenants and anyone that we identify as transferring from Housing Benefit to Universal Credit. The current reports confirm that our initial projections for the impact of Universal Credit have been correct and we are now seeing an increase in arrears. As of 19.07.19 Universal Credit is responsible for over £230,000 of our entire debt and when comparing this to a month ago when arrears were at £180,000, we can demonstrate the rate at which these are increasing. The Team Leader of the Estates Management department will be attending training on reducing the risk associated with the welfare reform and Universal Credit debt in September. We are continuing to liaise with 'RentSense' to potentially implement software for a trial period to assist with the management of income collection. This risk has increased from likelihood 3 x impact 4 = 12.	Steve Summers

Row No	Risk No	Risk Description	Existing Controls	Current Risk Rating			Movement	Risk Response/Update on action required	Risk Owner
				Jul-19					
				*L	*I				
3	RSK13	<u>Brexit</u> To ensure that the organisation is equipped to handle the potential of any negative impacts on Brentwood following the decision to leave the EU 31st October.	Brentwood are heavily involved with the Essex Resilience Forum (ERF) whose focus at the moment is planning to cope with a variety of scenarios. The ERF, is a multi agency approach, including as an example all Essex Authorities and the Police. The ERF has reviewed food, fuel and highways conditions in a range of scenarios and BBC officers are attending on a regular basis, briefing sessions and participate in exercises.	4	4	16	↕	COMMENT JULY 2019: The position continues to be monitored by Senior Officers at Executive Board and the Council's Emergency Planning Officer.	Steve Summers
4	RSK2	<u>Local Development Plan</u> Failure of the Council to adopt a Plan in line with National Planning Policy Framework resulting in planning applications judged against NPPF 'in favour of sustainable development'	Meeting targets set out in the Local Plan timetable (Local Development Scheme, approved November 2018) Ongoing discussion with neighbouring Local Planning Authorities and key stakeholders (Duty to Cooperate). Partnership in Association of South Essex Local Authorities (ASELA) Preparation of Community Infrastructure Levy (CIL) Delivery of new garden village community, Dunton Hills Garden Village (DHGV) Retention of permanent staff and recruitment of temporary staff to meet short-term needs when required	3	5	15	↕	COMMENT JULY 2019: Revised Local Development Scheme (LDP timetable) recommended for approval at Policy, Resources and Economic Development Committee on 10 July 2019. This updates the timetable to reflect submission of the Plan during Q3 of 2019 (Jul-Sep). Materials being prepared for submission in line with this timeframe.	Phil Drane

Row No	Risk No	Risk Description	Existing Controls	Current Risk Rating			Movement	Risk Response/Update on action required	Risk Owner
				Jul-19					
				*L	*I				
5	RSK3	<u>Disaster Recovery/Business Continuity</u> Failure to have in place adequate plans and procedures, understood, tested and reviewed, to react to a major incident leading to a breach of our statutory duties under the Civil Contingencies Act.	All services areas have up-to-date Business Continuity Plans in place. Support and ongoing embedding of EP & BC Plans by Basildon Council	3	4	12	↔	COMMENT JULY 2019: Basildon Council have now produced the draft Corporate Emergency Plan and Corporate Business Continuity Plan. The First On Call Officers Guide is in the process of being updated. The Council have registered with GOV.UK Notify. This will enable us to send messages via text to all staff in the event of a local or national emergency. All staff have been asked to complete the Mobile Number registration form. Internal Audit completed a Disaster Recovery and Business Continuity review in April, which was given a level of assurance of moderate for design and operational effectiveness. Risk level remains the same until Plans have been implemented and tested.	Jacqueline Van Mellaerts
Page 11	RSK6	<u>Commerical Activities - Commercial income target from the Joint Venture and other activities are not achieved</u>	Experienced consultants have been engaged to advise and assist in delivery Appropriate governance arrangements have been set up. Progress reports to Project Board and Committee. Robust business modeling and financial projections	3	4	12	↑	COMMENT JULY 2019: Extraordinary Council meeting seeking approval to appoint a JV partner scheduled for 30/07/19, which has slipped from the original timetable. No further offers made on potential investment properties. As such the risk has increased from likelihood 2 x impact 4 = 8.	Chris Leslie
	7	RSK11	<u>Failure to deliver key Corporate Projects</u> There are a number of projects that are vital to supporting and delivering the vision for Brentwood. Failure to implement/deliver these projects will either mean a loss to the community or a loss of income.	PP&R Committee appointed as Programme Board. Continued communication on all projects. Ownership of delivery of projects identified at all levels within the Council.	2	5	10	↔	COMMENT JULY 2019: Monthly monitoring of projects is undertaken by the Corporate Leadership Board.

Row No	Risk No	Risk Description	Existing Controls	Current Risk Rating			Movement	Risk Response/Update on action required	Risk Owner
				Jul-19					
				*L	*I				
8	RSK5	<u>Information Management and Security</u> Non-compliance with data protection legislation resulting in disclosure of personal information and/or inability to comply with individuals' legal rights.	Data Protection Policies Training 3rd party review of arrangements Data protection support provided by Thurrock Council	2	4	8	↔	COMMENT JULY 2019: Independant audit of arrangements by BDO carried out. One recommendation raised and being implemented.	Chris Leslie
9	RSK7	<u>Contract/Partnership Failure</u> Key to delivering efficiency benefits and outcomes relating to contracts is the way in which they are delivered. Management of contract/partnership arrangements is vital to ensure that we reach and deliver the outcomes we need.	Service Level Agreements embedded within contract and penalties in place for non performance. Regular reporting on contract performance. Escalation and governance in place.	2	4	8	↔	COMMENT JULY 2019: Monitoring of partnership arrangements is undertaken by client side review of performance and formal complaints and reported to Audit and Scrutiny Committee. The July PRED meeting resolved to review four service arrangements.	Steve Summers
10	RSK9	<u>Failure to spend Capital Receipts</u> Failure to spend capital receipts within the deadline will result in delays in delivering Affordable Housing programme	Monitoring by finance team. Affordable housing programme in place. Purchase of properties on open market Maximising opportunities of right to 1st refusal buy back of former RTB properties Pursuing options of development on 3 garage sites	2	4	8	↔	COMMENT JULY 2019: The development at Barnston Way was approved at Planning Committee in June 2019. Feasability work is ongoing on the Brookfield Close site with planning application due to be submitted later on in the year. A report on the options for spending Right to Buy receipts was made to the recent Environment, Enforcement and Housing Committee in June and PRED at the July meeting.	Steve Summers
11	RSK4	<u>Organisational Capacity</u> Lack of capacity to effectively govern the organisation will result in delay in delivery of business objectives	Medium Term Financial Plan (MFTP) Communications Protocol & Strategy Workforce Strategy Regular meetings between senior members & officers. Review options for alternative service delivery models	2	3	6	↑	COMMENT JULY 2019: Work continues on the reviewing of structures and performance to ensure operational, financial and governance efficiencies are maintained. This risk has been increased from likelihood 1 x impact 3 = 3, as there are a number of vacancies within operational structures which require recruitment that are affecting operational capacity.	Steve Summers

Row No	Risk No	Risk Description	Existing Controls	Current Risk Rating			Movement	Risk Response/Update on action required	Risk Owner
				Jul-19					
				*L	*I				
12	RSK8	<u>Lack of Strategic Direction</u> Without a clearly defined vision, the organisation is in danger of managing services only and losing the impact of much needed change supported by clear targets. If we do not follow a clear strategic path we will find ourselves falling behind and potentially failing residents	Corporate Plan. Training and Development for Officers and Members Code of Conduct. Consultation / surveys. Project and performance Management Framework.	2	3	6	↑	COMMENT JULY 2019: The Chief executive left the Council on 20 June 2019, however interim processes are in place until a new Chief executive is recruited. The process for the development of a new Corporate Strategic Plan was agreed at the July PRED Committee. In light of the above, this risk has been increased from likelihood 1 x impact 3 = 3.	Steve Summers
13	RSK14	<u>Treasury Management</u> The Treasury Management function could fail, with increasing commercial activity.	Treasury Management (TM) Annual Review included in the Medium Term Financial Plan (MTFP) TM half yearly and Outturn Reviews as part of MTFP Strong TM due diligence with relevant officers Good relationship with TM advisors Borrowing Strategy Review underway	1	5	5	↔	COMMENT JULY 2019: With increasing Commercial Activity, there is a risk that the TM function will not meet the Council's needs. Although this could result in a high impact, this area is well managed and monitored.	Jacqueline Van Mellaerts
14	RSK12	<u>Failure of Democratic Services</u> - That outsourcing/shared service arrangements result in the Council's democratic duties not being fulfilled or ignored leading to a failure in the Council's obligations.	Statutory returns will be built into contracts relating to any outsourcing/shared arrangements. The Monitoring Officer to be involved at all times in relation to contracts and monitoring of performance.	1	2	2	↔	COMMENT JULY 2019: Partnership arrangements continued to be monitored by client management processes. The July PRED Committee resolved to review four current service arrangements.	Steve Summers
		<p>* L = Likelihood Rating (1 = Low, 5 = Very High) * I = Impact Rating (1 = Low, 5 = Very High) Maximum Score 5 x 5 = 25</p>							

Row No	Risk No	Risk Description	Existing Controls	Current Risk Rating			Movement	Risk Response/Update on action required	Risk Owner
				Jul-19					
				*L	*I				

Operational Risks Summary Sheet

Update on High Level Risks

Risk Ref	Risk Description	Existing Controls	Rating			Movement	Risk Response/Update on action required
			Jul-19				
			*L	*I			
SC6 Street Care	Risk of subsidence to private, commercial and borough owned properties due to water abstraction by Council owned trees, resulting in an increase in claims against the Council	All tree works at present carried out are on a reactive basis.	5	4	20	↑	<p>COMMENT JULY 2019: Due to an exceptionally dry summer 2018, the risk is greatly increased and this is evidenced by a higher number of claims already received. The likelihood has therefore increased from a 4 to a 5.</p> <p>The required risk response and action is to prepare a Subsidence Risk Analysis Register on a zonal base throughout the borough, to identify the significant risk areas based on geographical data and trees. This will enable a proactive management system to be put in place.</p> <p>The investment needed to implement this control measure is approximately £5,000, which is currently being reviewed.</p>

Brentwood Borough Council - Summary Risk Report

<p style="writing-mode: vertical-rl; transform: rotate(180deg);">Page 16</p>	<p>EH1 Env. Health</p> <p>Breach of Health & Safety Regulations from council activities caused by insufficient management of risk or activity controls to enable safe service delivery</p>	<ul style="list-style-type: none"> • Review of current data systems for H&S compliance and Director level (GC) support requested to facilitate robust software systems to maintain compliance for Corporate and Housing. • All service areas have received training in risk assessment and health and safety management • New activities and events are supported and overseen to enable proportionate controls and measures to be put in place to reduce or eliminate the Council's exposure to the risks of service delivery. New Housing Repair and Maintenance (R&M) contract being put in place. • Mobilisation group for Housing R&M contract established and being supported and monitored to enable success. • Housing Compliance Manager appointed. • H&S monitoring of Streetscene service delivery activities through new DASH module. • The council's H&S micro site provides information and respective forms for risk assessments and Safe Systems of Work <p>Corporate communication of proposed organisational change arrangements communicated as required.</p>	<p>3</p>	<p>5</p>	<p>15</p>	<p>↔</p>	<p>COMMENT JULY 2019: Regular Compliance meetings and actions are being undertaken to improve the current position. This is bearing fruit however, additional work is being undertaken alongside the Housing mobilisation of the new Repair and Maintenance contract to enable the compliance systems to be fulfilled with the new contract. Corporate Compliance is being reviewed and improved in tandem with this process. Risk level remains the same until compliance as detailed in the Risk Register has been achieved.</p>
<p>EH3</p>	<p>Illegal Encampments on Council owned land resulting in loss of amenity and cost to council of clearing up site</p>	<p>Measures have been put in place at various sites, including bollards and height barriers to restrict access. During bank holidays an Out of Hours response is provided.</p>	<p>4</p>	<p>3</p>	<p>12</p>	<p>↔</p>	<p>COMMENT JULY 2019: Unauthorised encampments managed by Essex Countywide Traveller Unit (ECTU)</p>
<p>SC7 Street Care</p>	<p>Risk of unmaintained trees wholly or partly falling on persons/property and other infrastructure resulting in an increase in claims against the Council</p>	<p>Woodland management plans that have been negotiated over the last 4 years have now been approved and are beginning to be implemented to manage woodland edge trees over a 10-year period. However, a risk remains for non-woodland trees for which there is no proactive system</p> <p>All tree works at present carried out are on a reactive basis.</p>	<p>3</p>	<p>4</p>	<p>12</p>	<p>↔</p>	<p>COMMENT JULY 2019: We are continuing to maintain our tree stock on a reactive basis. A full survey is necessary to enable a move to a proactive basis. This has been implemented in woodlands and is being acted upon. Risk level remains the same.</p>

Brentwood Borough Council - Summary Risk Report

COMS4 Community Services	Failure to deliver a clear Leisure Strategy for the future of leisure facilities in Brentwood. Unable to Identify risk and liabilities for Brentwood Centre, Community Halls and Hartswood Golf Course, Play Areas and recommend options for the future	Leisure Strategy has been agreed by Members Feasibility/business plan in progress for King George's Playing Fields. Agreement to extend the current agreement with BLT with break clause from June 2019 onwards. Budget agreed for KGPF and 5year Play Area Improvement programme	3	4	12	↔	COMMENT JULY 2019: Leisure Strategy agreed by Members. Risk factors have been identified for the Brentwood Centre site and reported to Senior Management. The Community Halls tender process is in progress and awaiting Assets team to identify the programme of works internally and externally and the associated timelines. BBC will liaise with BLT to identify the hall users who will be impacted during works to minimise impact. Single procurement exercise in progress for 3 + 2 years for the play area improvement programme. KGPF in progress. The business plan was reported to the Policy, Resources and Economic Development Committee on 10 July. This has been referred to Extraordinary Council on 30 July.. Risk level remains the same.
-----------------------------	--	---	---	---	----	---	---

H1, H2 & H9 are included within Appendix C

Page 17
New Risks

Risk No	Risk Description	Existing Controls	Rating			Impact Description
			Jul-19			
			*L	*I		
EH4 Env. Health	Capacity of Environmental Health Pollution and Private Sector Housing Team	Recruitment of staff to replace leavers within a reasonable time frame - currently post vacant since January 2019. Remaining staff have to cover workload until recruitment completed.	5	4	20	Staff levels insufficient to maintain adequate response to service requests resulting in formal complaints pending recruitment and vulnerability in case of sickness or other staff absences
F10 Finance	BAC's failure due to equipment and/or connection issues. This would mean no payments going in or out from the council	Service with Lloyds kept up to date. PC kept up to date being installed on a new machine (May 2019), Purchasing a new Gemalto card reader so we have a backup. Project to look at going into the Cloud that will reduce the risk of equipment failure.	1	5	5	No payroll payment made to staff and members No payment to Suppliers No benefit payments No Direct Debit Income Potential fines due to late payments Extra staffing costs Reputational damage in all cases above

This page is intentionally left blank

Operational Risk Summary Sheet - Housing

Risk No	Risk Description	Existing Controls	Current Risk Rating			Movement	Risk Response/Update on action required	Risk Owner
			Jul-19					
			*L	*I				
H9	Failure to manage new build schemes and the supply of new housing resulting in resident dissatisfaction and financial loss. Potential causes are: - contractor delays on site - escalating costs - late delivery of schemes - schemes not meeting quality standards - schemes not meeting needs	Contract Management meetings in place. Resident liaison in place.	3	4	12	↔	COMMENT JULY 2019: Strategic Housing meetings continue to be held to progress future new build sites. We will be recruiting a Project Manager to lead on development opportunities with the Housing Strategic team. We are also looking at the JV managing some of the new build garage sites. During development we would expect to recruit a Project Manager/Architect to oversee the day to day management of new build progress.	Housing Services Manager
H1	Failure to comply with gas regulations resulting in Gas/CO leaks, explosions leading to injury/illness and/or death due to: - failure to carry out repairs or annual servicing - delayed response to boiler breakdown	Gas warrant procedure in place and regularly reviewed. Comprehensive 10-month gas servicing program implemented. Increased number of HO's that can apply for warrants. Battery CO detectors fitted on void properties.	2	5	10	↔	COMMENT JULY 2019: Gas is now actively managed by Axis in conjunction with Estates. We have access to dashboard to see services in jeopardy and are working to improve the processes through the compliance project plan and in conjunction with the HSE. Keystone servicing is still pending.	Housing Manager
H2	Failure to comply with asbestos regulations resulting in possible death or serious illness from asbestosis, due to: - works undertaken without proper protection - incidental damage to structures where asbestos is present - incomplete asbestos register	Asbestos Management Surveys being undertaken in all void properties and Major works properties. All communal area Management surveys completed. Incidents notified as per regulations H&S Committee considers asbestos risk. Licensed asbestos removal company contracted. CUBE appointed to complete all surveys. All staff receive asbestos awareness	2	5	10	↑	COMMENT JULY 2019: ASbestos awareness training for all staff has now being held. Duty holders are to attend a further 3 day course to enable the to fully amange the abestos. 28 blocks for communal surveys have been identified as missed and are due to completed by July 2019. The risk rating has therefore been increased to reflect this, from Likelihood 1 x Impact 5 = 5.	Housing Services Manager
H4	Failure to meet income collection targets in respect of Housing rents and leasehold service charges resulting in finnacial loss to the HRA/Council due to; - lack of monitoring of rent accounts - Lack of staff competence to negotiate debt repayments - unclear process for tackling rent arrears - Impact of Universal Credit	2 weekly performance information produced from Orchard and quarterly KPIs. Staff performance monitored through 1:1s. Fortnightly Arrears progress meetings. Rent arrears process well documented and programmed into Orchard. Pre-tenancy checks to ensure tenants can pay and do so through initial months of tenancy. New former tenant debt recovery	3	3	9	↔	COMMENT JULY 2019: Fortnightly rent update meetings have commenced where high level cases and common causes of arrears can be discussed. Processes have been amended particularly around temporary arrears to expediate the process of managing the arrears to reduce the level that the arrears reach. Universal credit claimants form a large part of the arrears and work is currently being undertaken to mitigate the impact of UC as much as reasonably possible. We are looking to implement rent sense which will focus the rent collection process for officers and allow for more collection time and effective working. This is in the final processes of being signed off.	Housing Manager

Operational Risk Summary Sheet - Housing

Risk No	Risk Description	Existing Controls	Current Risk Rating			Movement	Risk Response/Update on action required	Risk Owner
			Jul-19					
			*L	*I				
H7	Failure to properly consult with leaseholders resulting in future costs being jeopardized and 1st tier tribunals due to: - costs to be recharged exceed threshold - failure to issue S20 notices	Leasehold Officer in place. Service charge review in progress. Service charge strategy implemented.	3	3	9	↔	COMMENT JULY 2019: An additional leaseholder post has been advertised and interviews due to take place to assist in resource to conduct all consultations. Stock list on Orchard is being reviewed to make S20 process easier and more refined.	Housing Manager
H3	Fire in residential or community areas resulting in relocation of residents and possible death or serious injury, caused by: - Accidental fire in property or communal areas - Arson - Failure to remove bulk refuse from estates - Uncompliant or missing Fire Risk Assessments	Fire risks assessments program in place. Craetakers report issues to Estates Management. Properties fitted with hard wired smoke alarms. Annual check of smoke alarm as part of gas safety checks. Implemented Communal Area Management Proedure (sterile areas). Approved Fire Satefy Policy. Safety First major works to ensure compliant with Fire Risks Assessments. Monthly Fire Safety meetings which Fire Service attend. Bi-monthly estate inspections.	2	4	8	↔	COMMENT JULY 2019: CAMP is progressing well and the overall acceptance from residents has been positive. Reinspection regimes are taking place to ensure all areas remain sterile. Planned maintenance programs relating to fire safety are being specified and Axis are preparing to price these works with an onsite start date of September 2019. Specifications for fire risk works in 10 blocks have now begun coming through and Axis are actively pricing these works to start within the next 3 to 4 months.	Housing Manager
H6	Failure to effectively manage partnerships and contractors resulting in delays in service delivery and costs escalating, potential causes are: - disputes between Council and contractors - poor communication - poor negotiation to ensure Council, Partners and contractors achieve their outcomes	Regular meetins with partners and contractors. New Strategic Assessment Management Contract for delivery of repairs, Maintenance, Mechanical and Electrical awarded start date June 2019. Quarterly partnering meetings implemented between directors of contractors and Head of Housing. Monthly formal core group meetings implemented between contract managers from both BBC and Axis.	2	3	6	↔	COMMENT JULY 2019: Axis have now taken over the R&M contract in full and works are progressing. We have more visability of works which is allowing more questions to be raised and queries resolved in a timely manner. More verbal communication is allowing improved communication. Partnership is still in its early stages.	Housing Manager

Operational Risk Summary Sheet - Housing

Risk No	Risk Description	Existing Controls	Current Risk Rating			Movement	Risk Response/Update on action required	Risk Owner
			Jul-19					
			*L	*I				
H5	Failure to maintain homes and estates in good order resulting in injury, illness or death and an increase in disrepair claims, potential causes are: - poor processes to report and repond to repairs - poor estate inspection regime - slow repairs apporovals process - poor management of maintenance contracts - lack of planned maintenance program	Clearly published reporting mechanisms. Regular contract management meetings taking place. Contractors carry out high level of pre and post inspections. New Contractor procured to start June 2019 and include all workstreams in one contract. New Estates Inspection regime. Repairs approval process has ben streamlined to avoid delay by authorising on contractor system.	2	3	6	↔	COMMENT JULY 2019: A full stock condition survey is due to start in September 2019 which will provide further information for ongoing planned maintenance programs from 2020 onwards. HAndyman service will be implemented soon which will allow minor communal works to take place to improve the overall quality of the estates.	Housing Manager
H10	Failure to deliver on Transformation Plan resulting in business development targets not being reached due to - outcomes not delivered - best practice methods not in use	Regular reviews of plan. Staff ojectives reflect plan.	2	3	6	↔	COMMENT JULY 2019: Housing held an away day to get feedback from officers in how and what they feel should be included in the transformation plan. This is being compiled and the project is due to start in September 2019.	Housing Services Manager
H8	Failure to manage assigned budgets effectively resulting in financial loss. Potential causes are: - poor contract management - poor monitoring of costs - lack of adequate cost approval controls - incorrect coding	Repairs contract meetings. Budget holders trained in Collaborative Planning & Procurement. Accountant assigned to department. Regular CP/budget meetings.	1	2	2	↔	COMMENT July 2019: Budget control is being more effectively managed with regular finance meetings. Budgets have been assigned and slippage requests submitted to ensure required works can take place within budget. Officers are scrutinising applications from contrators and with more visabiity of jobs are able to challenge the costs being submitted.	Housing Manager
H12	<u>Implementation of the Homeless Reduction Act 2018</u> Risk of significant increased burden to provide accommodation for a longer period of time, which has the potential to exceed the grant budget received.	Additional staff resourcing. Use of Locata case system. Introduction of Team Leader position to actively monitor cases. Staff objectives reflect risk. Regular CP/budget meetings.	2	2	4	↔	COMMENT JULY 2019: No change, controls still in place, risk remains the same.	Housing Options & Policy Manager
H11	Failure to manage Anti-social behaviour resulting in a major incident occurring	Anti-social Behaviour and Crime and Policing Act 2014. Dedicated ASB officer in place. ASB policy in place. Monthly case review meetings to manage cases. Case Management system implemented for ASB officer.	1	2	2	↔	COMMENT JULY 2019: ASB is currently being actively managed by the community safety team. Update meetings and joint up working is currently lacking but officers are trialling a new system to improve this.	Housing Manager

This page is intentionally left blank