

REPORT TO: Audit and Governance Committee

MEETING DATE: 14 March 2017

BY: Chief Executive

SUBJECT: Communities and Partnerships Risk Register

1 PURPOSE

- 1.1 To present to the Audit and Governance Committee the Communities and Partnerships Risk Register (Appendix 1) for discussion, comment and noting.
- 1.2 The Communities and Partnerships Risk Register has been developed in keeping with the Council's Risk Management Strategy and is a live document which is reviewed and refreshed on a regular basis, led by the Communities and Partnerships Local Risk Working Group (LRWG).

2 RECOMMENDATIONS

- 2.1 It is recommended that the Audit and Governance Committee notes the Communities and Partnerships Risk Register and in doing so, the Committee is asked to note that:
 - the relevant risks have been identified and that the significance of each risk is appropriate to the current nature of the risk.
 - the total profile of the Communities and Partnerships risk can be borne by the Council at this time in relation to the Council's appetite for risk.
 - although the risks presented are those requiring close monitoring and scrutiny over the next year, many are in fact longer term risks for Communities and Partnerships and are likely to be a feature of the risk register over a number of years.

3 BACKGROUND

- 3.1 The Risk Register has been compiled by the Communities and Partnerships LRWG. All risks have been evaluated using the standard (5x5) risk matrix which involves multiplying the likelihood of occurrence of

a risk (scored 1-5) by its potential impact (scored 1-5). This produces an evaluation of risk as either 'low (1-4)', 'medium' (5-9), 'high' (10-19) or 'very high' (20-25).

3.2 The Council's response in relation to adverse risk or its risk appetite is such that:

- Very High risk is unacceptable and measures should be taken to reduce, transfer or treat the risk to a more tolerable position;
- High risk may be tolerable providing the Council is assured that adequate and effective control measures are in place;
- Medium risk is tolerable with control measures that are cost effective;
- Low risk is broadly acceptable without any further action to prevent or mitigate risk.

3.3 The current Communities and Partnerships Risk Register includes 1 Very High risk, 4 High risks, 33 Medium risks and 16 Low Risks. As per the Council's Risk Strategy only the Very High and High risks are being reported to the Committee.

3.4 A copy of the risk matrix used to calculate the level of risk is attached as Appendix 2 for information.

4 POLICY IMPLICATIONS

4.1 In noting this report the Council will be ensuring that risk management principles, as detailed in the Corporate Risk Management Strategy are embedded across the Council.

5 INTEGRATED IMPACT ASSESSMENT

5.1 The subject of this report does not affect the wellbeing of the community or have a significant impact on equality, the environment or economy.

6 RESOURCE IMPLICATIONS

6.1 Financial - It is the consideration of the Communities and Partnerships Local Risk Working Group that the recurring costs associated with the measures in place for each risk are proportionate to the level of risk. The financial requirements to support the Risk Register for the year ahead should be met within the proposed budget allocations. Any unplanned and unbudgeted costs that arise in relation to any of the corporate risks identified will be subject to review by the Corporate Management Team.

6.2 Personnel - There are no immediate implications.

6.3 Other - Effective implementation of this register will require the support and commitment of the Risk Owners identified within the Register.

7 BACKGROUND PAPERS

7.1 Appendix 1 – Communities and Partnerships Risk Register

7.2 Appendix 2 – Risk Matrix

AUTHOR'S NAME	Scott Kennedy Paolo Vestri
DESIGNATION	Emergency Planning and Risk Officer Service Manager - Corporate Policy and Improvement
CONTACT INFO	skennedy@eastlothian.gov.uk 01620 827900 pvestri@eastlothian.gov.uk 01620 827320
DATE	2 March 2017

Communities and Partnerships Risk Register Date reviewed: 3rd March 2017

Risk ID	Risk Description (Threat/Opportunity to achievement of business objective)	Risk Control Measures (currently in place)	Assessment of Current Risk			Planned Risk Control Measures	Assessment of Residual Risk [With proposed control measures]			Risk Owner	Timescale for Completion / Review Frequency	Single Outcome Agreement Outcome Number Link	Evidence held of Regular Review
			Likelihood	Impact	Risk Rating		Likelihood	Impact	Residual Risk Rating				
			L	I	L x I		L	I	L x I				
C&P 1	<p>Homelessness</p> <p>Abolition of priority need in 2012 placed an obligation on the council to accept re-housing responsibility for an additional c. 300 homeless cases per year (these are mostly single people seeking 1 bed roomed size accommodation). The legislation also placed an obligation for the provision and funding of temporary accommodation until that responsibility is delivered.</p> <p>This has placed considerable pressure on the Community Housing Service and has increased Homeless demand, particularly for smaller sized properties.</p> <p>Reduced turnover has also resulted in fewer lets available and longer average time spent in temporary accommodation. This has been noted by the Scottish Housing Regulator.</p> <p>There is a higher financial cost burden for the general services budget due to additional demand for temporary accommodation.</p> <p>A shortage of temporary homeless accommodation could result in an inability to accommodate those in need, forcing use of B+B outwith East Lothian.</p> <p>There is also the risk of the breach of Unsuitable Accommodation Orders due to a shortage of family sized temporary accommodation.</p> <p>Reduced supply of private lets as a result of landlords' concerns about new Private Tenancy legislation and welfare reform impacts.</p> <p>Increased evictions due to rent arrears will lead to increased workload for Homeless team.</p> <p>Uncertainty over future funding of supported housing (DWP).</p>	<p>Housing Options preventative approach to provision of advice.</p> <p>Increasing use of private rented sector via Rent Guarantee Scheme to prevent/deal with homelessness. B+B accommodation used for single people at capacity.</p> <p>Additional properties for temporary accommodation commissioned through Private Sector Leasing contract with Orchard and Shipman.</p> <p>Continued monitoring of Registered Social Landlord nomination process (new build and routine turnover).</p> <p>Allocation Policy reduced number of offers for each Homeless applicant to 1, to encourage quicker throughput in temporary accommodation.</p> <p>Housing Access team established to co-ordinate delivery of ELC's Housing Options advice service, including statutory homelessness duties.</p> <p>Private Sector lets promoted via Local pad portal through Housing Options approach.</p>				<p>Continue new build activity to increase housing stock.</p> <p>Open Market Acquisitions to increase supply prioritising the western part of the county, where demand is highest.</p> <p>Explore potential to further increase supply of Private Sector Landlord accommodation, re-tendering of Orchard and Shipman contract.</p> <p>Cabinet report on recommended actions to address pressures relating to a lack of affordable housing supply.</p> <p>Increased supply of temporary accommodation, through OMAs and RSLs.</p> <p>Revised allocations targets to increase % allocations to general needs / homeless applicants will assist.</p> <p>Allocations Policy Review.</p> <p>Exploring flat-share model to increase options for single persons.</p> <p>Housing Options advice service to be rolled out via area housing teams in 2017/18. Scottish Government funding for staff training to support Housing Options.</p>				Service Manager – Community Housing	<p>Ongoing year on year.</p> <p>2017/18</p> <p>October 2017</p> <p>March 2017</p> <p>March 2018</p> <p>March 2017</p> <p>Jan –Oct'17</p> <p>October 2017</p> <p>November 2017</p>	9, 10	<p>Risk refreshed February 2017 with no change to assessment of risk scores.</p> <p>Risk refreshed February 2016 - current risk score increased from 16 to 20 and residual score increased from 12 to 16.</p> <p>Risk refreshed February 2015 to combine risks together - current risk score reduced from 20 to 16.</p>

Risk ID	Risk Description (Threat/Opportunity to achievement of business objective)	Risk Control Measures (currently in place)	Assessment of Current Risk			Planned Risk Control Measures	Assessment of Residual Risk [With proposed control measures]			Risk Owner	Timescale for Completion / Review Frequency	Single Outcome Agreement Outcome Number Link	Evidence held of Regular Review
			Likelihood	Impact	Risk Rating		Likelihood	Impact	Residual Risk Rating				
			L	I	L x I		L	I	L x I				
C&P 2	<p>Welfare Reform Impacts</p> <p>Universal Credit full digital service introduced in March 2016 has led to increased rent arrears amongst Council tenants. Delayed payments of UC have resulted in more people experiencing financial hardship.</p> <p>Under-occupancy charge (known as 'Bedroom tax') has resulted in some increased rent arrears. Limited ability to downsize due to shortage of one-bedroom properties.</p> <p>The DWP Welfare Reform agenda has had a negative impact on the use of the private sector for single people between 25 and 35.</p> <p>The impact of the introduction of the "bed-room" tax and the council's action to mitigate this by increased transfer activity into small house sizes also reduces housing availability for those homeless cases benefitting from the legislative change.</p> <p>Reduced income to HRA due to increase in rent arrears, could potentially impact on future investment programme.</p> <p>Staff morale affected by challenges of dealing with more tenants in difficult financial circumstances.</p>	<p>Closer joint working between housing and Revenues teams to ensure best possible service provided to tenants in rent arrears and preventative approach.</p> <p>Tenancy Support Staff, including additional SLAB funded resource, assisting claimants completing online applications.</p> <p>Discretionary Housing Payments (DHPs) being made to mitigate against losses due to 'Bedroom Tax'.</p> <p>DHP payments via Scottish Govt offering some mitigation.</p> <p>Impacts of welfare reform being monitored and reported to elected members.</p> <p>Rent arrears impact monitored via Rents Scrutiny group.</p> <p>Training, 1-2-1s and team meetings.</p>				<p>Pre-tenancy checks process to help identify vulnerable people and target tenancy support when required.</p> <p>Longer term impact of future status of Under-occupancy charge uncertain; Scottish Govt's new welfare benefit 'flexibilities' not fully confirmed.</p> <p>Fife Council's flat-sharing model being considered on a pilot basis in East Lothian to provide an alternative option to young single people.</p> <p>Lobbying of Scottish Govt., via ALACHO and Chartered Institute of Housing.</p>				<p>Depute Chief Executive – Partnerships & Community Services</p> <p>Service Manager - Community Housing</p>	<p>April 2017</p> <p>Ongoing / Cannot influence</p> <p>April</p> <p>Ongoing</p>	<p>9, 10</p>	<p>Risk refreshed February 2017 - current score increased from 12 to 16 and residual score from 9 to 16.</p> <p>Risk refreshed by Service Manager – Community Housing February 2016.</p>
C&P 3	<p>I.T. Systems (Customer Services)</p> <p>Major failure of IT systems (inc Telephony)</p> <ul style="list-style-type: none"> Unable to deliver services Data unable to be inputted onto databases Activation of Business Continuity plan including Tunstall divert Customers unable to access self service and get on-line <p>A number of our I.T. systems which Customers Services uses are not PSN compliant and in some cases there has been no budget identified to replace i.e. CRM & CCTV.</p> <p>All of the above would result in the Council being unable to meet customer expectations resulting in reputational damage and poor publicity.</p>	<p>Test business continuity plan and ensure realistic processes and timescales.</p> <p>Business continuity plan improved and developed based on lessons learned from test environment - 3rd Party BC plan walk/talk through achieved and repeated once a year for service areas.</p> <p>Ensure software updated regularly.</p> <p>Regular meetings with staff to ensure they are aware of business needs.</p> <p>3rd party provider support and BC plans held (Tunstall/IRBS/Qnomy/Capita/Bolinda/People's network/MODES).</p> <p>Manual procedures in place to support service provision, where possible.</p> <p>Alternative backup solutions identified where possible e.g. Tunstall divert, Netcall 2nd server, Assure (libraries) etc.</p> <p>Staff procedure up to date, staff trained and aware of outcomes and controls.</p>				<p>IRB system (bookings) is currently in a procurement queue to go out to tender in March 2017</p> <p>New Library Management System (LMS) has been procured (June 2016) and is currently being implemented.</p> <p>Capital plan bid for 2017/18 submitted for the replacement of the CRM system.</p> <p>CCTV system not PSN compliant and is awaiting decision on cost reduction fund bid submitted August 2016</p> <p>Replacement of staff ID cards system as existing freeze frame system is no longer PSN compliant. Currently awaiting decision on replacement.</p> <p>Netcall Call Management System contract expires September 2018. Reviewing procurement options.</p> <p>Programme of review and re-commissioning of systems to be introduced including box office system as a matter of priority. This is going through procurement.</p>				<p>Service Manager – Customer Services</p> <p>Customer Service Managers</p>	<p>March 2018</p> <p>June 2017</p> <p>February 2017</p> <p>February 2017</p> <p>February 2017</p> <p>September 2017</p> <p>December 2017</p>	<p>3,6,7,10</p>	<p>Risk refreshed by Customer Service Managers January 2017 with current score increased from 9 to 16 and residual score reduced from 9 to 6</p> <p>Refreshed November 2015</p> <p>Risk Control measures refreshed to include library services and updated software– May 2014</p> <p>Reviewed by CSMT – December 2014</p>

Risk ID	Risk Description (Threat/Opportunity to achievement of business objective)	Risk Control Measures (currently in place)	Assessment of Current Risk			Planned Risk Control Measures	Assessment of Residual Risk [With proposed control measures]			Risk Owner	Timescale for Completion / Review Frequency	Single Outcome Agreement Outcome Number Link	Evidence held of Regular Review
			Likelihood	Impact	Risk Rating		Likelihood	Impact	Residual Risk Rating				
			L	I	L x I		L	I	L x I				
						Tendering for PNC6 replacement at the moment. Preferred supplier to be identified by March 2017 with system in place by December 2017. Wi-Fi, Peoples Network and Library Booking System contracts terminate March 2017. Currently hoping to change Wi-Fi supplier and go out to tender for Peoples Network and LBS.					December 2017 December 2017		
C&P 4	<p>Housing Quality</p> <p>Our houses are required to meet the Scottish Housing Quality Standard. Delivery of the Standard is a significant contribution to the achievement of several of the National Outcomes the Scottish Government aims to achieve.</p> <p>The Scottish Housing Regulator (SHR) is monitoring progress towards achieving the target and failure to clearly demonstrate good progress may involve intervention by the SHR on the management of stock quality.</p> <p>Failure to deliver on the SHQS would also lead to loss of reputation to the Council as a service provider and the largest landlord in East Lothian.</p> <p>Failure to meet new enhanced Energy Efficiency Standard in Social Housing (EESH) by December 2020.</p> <p>Stock condition survey information needs updated.</p> <p>Remaining Solid Fuel systems (no. 80) present serious health and safety risks for tenants – fire and CO risk.</p>	<p>Annual monitoring and reporting to SHR (via the Social Housing Charter) and Audit Scotland.</p> <p>Annual Housing Capital Investment Programme review. The Capital Programme funds planned programmes of work has been targeted at meeting the requirements of the SHQS.</p> <p>Keystone software system now in place ensuring robust information held on the condition of Council housing stock.</p> <p>New Housing Asset Management Team established to oversee delivery of HRA Capital programme including modernisation, adaptations and new build programmes although these are not permanent posts thus creating a risk of temporary staff/turnover.</p> <p>Monthly monitoring and reporting as part of Balanced Scorecard.</p> <p>Continued investment in targeted capital programme works.</p> <p>Keeping SHR regularly updated on progress towards meeting the SHQS. Keystone informs future planning of annual programme of modernisation work.</p> <p>Surveyor posts (x2) established to undertake Stock Condition Surveys and energy assessments.</p>	3	4	12	<p>Housing Asset Management Strategy to be developed.</p> <p>Programme targeted to address failures and improve reported performance against targets.</p> <p>Data validation checks of information held on Keystone.</p> <p>Rolling programme of stock condition surveys required to keep data up to date.</p> <p>Policy required on solid fuel systems replacement process.</p>	2	4	8	Service Manager - Community Housing	April 2017 March 2017 April 2017 April 2017 June 2017	9	Risk refreshed January 2017 with no change to assessment of risk scores.
C&P 5	<p>A failure in Community Response processes could result in:</p> <ul style="list-style-type: none"> Serious injury to customers Fatality of customers Loss in confidence by stakeholders/partners/customer Financial loss due to liability claims HSE involvement The Council could become unable to respond to customer requests at the first point of contact. <p>All of the above could lead to reputational damage to the council and poor publicity.</p>	<p>Staff recruited for key qualifications, skills & attributes. Continual training and staff development which is aligned to good practice, industry standards and service delivery levels.</p> <p>Monitor performance and service provision e.g. call monitoring.</p> <p>Solo Operating risk assessment and working procedure in place.</p> <p>Regular communication with staff and Trade Unions.</p>	3	4	12	<p>Reviewing staffing to increase flexibility within the CRT.</p> <p>Exploration of Telecare Services Association accreditation.</p> <p>Exploration of joint working with other Local Authorities to increase capacity.</p>	2	4	8	Service Manager – Customer Services Contact Centre Manager	September 2017 March 2018 March 2018	6	<p>Risk refreshed January 2017 – current score increased from 8 to 12.</p> <p>Risk refreshed November 2015 - current risk score reduced from 12 to 8 due to no regular solo working in new rotas.</p> <p>Risk refreshed February 2015 - current risk score increased from 10 to 12 and residual score increased from 4 to 8.</p>

Risk ID	Risk Description (Threat/Opportunity to achievement of business objective)	Risk Control Measures (currently in place)	Assessment of Current Risk			Planned Risk Control Measures	Assessment of Residual Risk [With proposed control measures]			Risk Owner	Timescale for Completion / Review Frequency	Single Outcome Agreement Outcome Number Link	Evidence held of Regular Review
			Likelihood	Impact	Risk Rating		Likelihood	Impact	Residual Risk Rating				
			L	I	L x I		L	I	L x I				
		<p>Maintain highly skilled staff base through continual review and assessment e.g. PRD's.</p> <p>Encourage inclusive communication with staff.</p> <p>Lessons learned report from incidents.</p> <p>Ongoing development of closer working between colleagues and stakeholders.</p> <p>Part of national review of Telecare Staff Training Requirements.</p>											
Original date produced (Version 1)		06 May 2014											
File Name		Policy and Partnerships Risk Register											
Original Author(s)		Scott Kennedy, Risk Officer											
Current Revision Author(s)		Scott Kennedy, Risk Officer											
Version		Date		Author(s)		Notes on Revisions							
1		May/June 2014		S Kennedy		Former Policy and Partnerships Risk Register altered to become the Communities and Partnerships Risk Register with risks transferred in and out following realignment.							
2		November/December 2014		S Kennedy		Community Partnerships, CP&I (Occupational Development, Health & Safety, Policy & Customer Feedback Risks refreshed)							
3		February 2015		S Kennedy		CP&I (EP, BC &RM) risks updated and all CP&I risks reviewed by Service Manager and Customer Services Risks reviewed by Service Manager. Community Housing Risks updated by Service Manager. Final review undertaken by Head of Service with minor changes made.							
4		November 2015		S Kennedy		Customer Service and Community Partnerships Risks updated by managers.							
5		January 2016		S Kennedy		Corporate Policy & Improvement Risks Reviewed							
6		February 2016		S Kennedy		Community Housing Risks Reviewed.							
7		December - February 2017		S Kennedy		Area Partnership Risks created and refreshed. Customer Feedback Risks transferred to Council Resources Risk Register. All risks refreshed by Service Managers, reviewed by Head of Service and CMT.							
											Risk Score	Overall Rating	
											20-25	Very High	
											10-19	High	
											5-9	Medium	
											1-4	Low	

Appendix 2
East Lothian Council
Risk Matrix

Likelihood Description

Likelihood of Occurrence	Score	Description
Almost Certain	5	Will undoubtedly happen, possibly frequently >90% chance
Likely	4	Will probably happen, but not a persistent issue >70%
Possible	3	May happen occasionally 30-70%
Unlikely	2	Not expected to happen but is possible <30%
Remote	1	Very unlikely this will ever happen <10%

Impact Description

Impact of Occurrence	Score	Description						
		Impact on Service Objectives	Financial Impact	Impact on People	Impact on Time	Impact on Reputation	Impact on Property	Business Continuity
Catastrophic	5	Unable to function, inability to fulfil obligations.	Severe financial loss (>5% budget)	Single or Multiple fatality within council control, fatal accident enquiry.	Serious - in excess of 2 years to recover pre-event position.	Highly damaging, severe loss of public confidence, Scottish Government or Audit Scotland involved.	Loss of building, rebuilding required, temporary accommodation required.	Complete inability to provide service/system, prolonged downtime with no back-up in place.
Major	4	Significant impact on service provision.	Major financial loss (3-5% budget)	Number of extensive injuries (major permanent harm) to employees, service users or public.	Major - between 1 & 2 years to recover pre-event position.	Major adverse publicity (regional/national), major loss of confidence.	Significant part of building unusable for prolonged period of time, alternative accommodation required.	Significant impact on service provision or loss of service.
Moderate	3	Service objectives partially achievable.	Significant financial loss (2-3% budget)	Serious injury requiring medical treatment to employee, service user or public (semi-permanent harm up to 1yr), council liable.	Considerable - between 6 months and 1 year to recover pre-event position.	Some adverse local publicity, limited damage with legal implications, elected members become involved.	Loss of use of building for medium period, no alternative in place.	Security support and performance of service/system borderline.
Minor	2	Minor impact on service objectives.	Moderate financial loss (0.5-2% budget)	Lost time due to employee injury or small compensation claim from service user or public (First aid treatment required).	Some - between 2 and 6 months to recover.	Some public embarrassment, no damage to reputation or service users.	Marginal damage covered by insurance.	Reasonable back-up arrangements, minor downtime of service/system.
None	1	Minimal impact, no service disruption.	Minimal loss (0.5% budget)	Minor injury to employee, service user or public.	Minimal - Up to 2 months to recover.	Minor impact to council reputation of no interest to the press (Internal).	Minor disruption to building, alternative arrangements in place.	No operational difficulties, back-up support in place and security level acceptable.

Risk	Impact				
	None (1)	Minor (2)	Moderate (3)	Major (4)	Catastrophic (5)
Almost Certain (5)	5	10	15	20	25
Likely (4)	4	8	12	16	20
Possible (3)	3	6	9	12	15
Unlikely (2)	2	4	6	8	10
Remote (1)	1	2	3	4	5

Key

Risk	Low	Medium	High	Very High
------	-----	--------	------	-----------

