

REPORT TO: Audit and Governance Committee

MEETING DATE: 21 September 2021

BY: Chief Executive

SUBJECT: Housing Risk Register

1 PURPOSE

- 1.1 To present to the Audit and Governance Committee the Housing Risk Register (Appendix 1) for discussion, comment and noting.
- 1.2 The Housing Risk Register is 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 Housing Local Risk Working Group (LRWG).

2 RECOMMENDATIONS

- 2.1 It is recommended that the Audit and Governance Committee notes the Housing 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 Housing 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 Housing 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 Housing LRWG. All risks have been evaluated using the standard (5x5) risk matrix (Appendix 2) producing 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 Housing Risk Register includes 1 Very High, 10 High risks, 10 Medium risks and 1 Low Risk. As per the Council's Risk Strategy only the Very High and High risks are being reported to the Committee.

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 Housing LRWG 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 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 – Housing Risk Register 2021-22

7.2 Appendix 2 – Risk Matrix 2021

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DATE	09 September 2021	

Housing Risk Register 2021-22

Date reviewed: 09 September 2021

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	Evidence held of Regular Review
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H1	<p>Homelessness</p> <p>New policy approach rapid rehousing requires the Council to transform homelessness services, place people quickly into permanent accommodation, negating the use of temporary accommodation and requiring a significant reduction in temporary accommodation stock. Resource allocation is likely to be insufficient for service transformation and the approach could result in an inability to accommodate those in need, forcing use of non-contracted B&Bs / B&Bs out-with county.</p> <p>The Scottish Government require the implementation of a Housing First approach in 2020 as a key priority, although no funding is available for ongoing revenue costs.</p> <p>Legislative change regarding local connection will require the Council to accept rehousing responsibility for additional homeless cases and changes to discretion around intentionality and forthcoming change in focus to deliberate manipulation of the system will place additional pressure on the Council in respect of accepting intentionally homeless cases and associated accommodation duties.</p> <p>Continued levels of low turnover results in limited lets available and longer average time spent in temporary accommodation. The Scottish Housing Regulator has noted this.</p> <p>There is a higher financial cost burden for the general services budget due to additional demand for temporary accommodation, which is likely to increase further in light of anticipated legislative change.</p> <p>High risk of breach of Unsuitable Accommodation Order due to a shortage of 'suitable' temporary accommodation, with extension of the Order to all households brought forward with immediate effect (with Covid-19 caveat until 30 September 2021).</p> <p>An enforceable temporary accommodation standards framework is also to be implemented in 2021/22 which will further reduce the existing portfolio of 'suitable' accommodation.</p> <p>Proposed change to Homelessness Code of Guidance / new prevention duty pose risk to existing practice / Homelessness Operations Policy.</p>	<p>Housing Options preventative approach to provision of advice.</p> <p>Continued monitoring of RSL 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>Cabinet approved recommended actions to address pressures relating to a lack of affordable housing supply and address homelessness pressures through delivery of an agreed action plan. Regular progress review meetings for action plan / rapid rehousing delivery ongoing with further engagement and annual iterations of RRTP to Scottish Government.</p> <p>Cabinet approval of allocations targets to general needs / homeless applicants. Performance to targets kept under ongoing review. Cabinet approval of Allocations Policy Review.</p> <p>Open Market Acquisitions increase supply prioritising the western part of the county, where demand is highest.</p> <p>Housing First protocol in place and placements ongoing.</p> <p>Significant work complete re policies and procedures to increase flow through the rent deposit scheme.</p> <p>Audit of existing accommodation undertaken in advance of extension to unsuitable accommodation order.</p> <p>Refreshed performance monitoring framework in place to enable improved ongoing monitoring of key aspects of service.</p>	5	4	20	<p>Further iteration of Rapid Rehousing Transition Plan (RRTP) submitted to the Scottish Government on 30 June 2021, with a clear plan to transform homelessness services by 2024 and kept under regular review in context of resource allocation and changing legislation.</p> <p>Continue new build activity to increase housing stock, exploring potential to further increase supply within context of the growth agenda.</p> <p>Significant growth in mid-market rent properties coming forward.</p> <p>Housing Options Training Toolkit to be rolled out during 2021/22, to improve homelessness prevention and complement new Prevention Duty anticipated late 2021.</p> <p>Exploration of flat share / hosting models and shared tenancies ongoing, which could potentially make better use of existing stock.</p> <p>Revised Homelessness Operations Policy to be put in place, alongside comprehensive review of existing policies and procedures, to ensure service is operating efficiently and effectively.</p> <p>Improved partnership working with existing partners and neighbouring authorities could potentially result in new ways of working and economies of scale.</p> <p>New approach to spend to save, utilising RRTP resource allocation could result in cost savings re B&B spend.</p> <p>Significant work to improve void timescales could assist with improved flow through temporary / permanent accommodation.</p> <p>Consideration of business case/options appraisal in respect of alternative forms of accommodation in response to forthcoming legislative change.</p> <p>Procurement underway re revised contract for temporary accommodation, to enable</p>	4	4	16	Head of Housing	<p>2024</p> <p>March 2024</p> <p>March 2024</p> <p>March 2022</p> <p>December 2021</p> <p>December 2021</p> <p>December 2021</p> <p>December 2021</p> <p>December 2021</p> <p>December 2021</p> <p>December 2024</p>	<p>Risk considered June 2021 by Team Manager Housing Options, Head of Service and Service Manager 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>

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	<p>Reduced supply of private lets due to landlords' ongoing concerns re new Private Residential Tenancy, legislative change (energy efficiency and repairing standard) and welfare reform impacts.</p> <p>Requirement to prioritise sisted eviction cases upon opening of Sheriff Court.</p> <p>Potential increase in service demand due to poverty, relationship breakdown and domestic abuse, associated with Covid-19 / lockdown restrictions.</p> <p>Uncertainty over future funding of supported housing (DWP) and proposed changes in respect of restructuring the financing of temporary accommodation.</p> <p>A focus is required on migrant homelessness and destitution in 2021, an area of complexity subject to limited Scottish Government flexibility.</p> <p>The Scottish Government aim to pursue a right to adequate housing through a Human Rights Bill, which will pose additional homelessness / supply pressures.</p> <p>Legislative change is likely to increase demand on homelessness services and corresponding duties to accommodate, meaning increased spend.</p>				<p>appropriate stock of suitable accommodation</p> <p>Ongoing review to convert tenancies to enable RRTP targets re reduction in temporary accommodation to be met.</p> <p>Increased focus on homelessness prevention for vulnerable groups, via transformation of Prevention / Response Teams.</p>					<p>October 2021</p> <p>December 2021</p>		
H2	<p>Building material supply Issues</p> <p>Concurrent impacts of Brexit, Covid-19 and other global supply chain factors are affecting building material supplies. There are currently inconsistencies in the supply of these materials across all trades.</p> <p>This is potentially impacting on repair timescales and ability to meet statutory repair duties and could result in emergency repairs not being carried out.</p> <p>There is also the potential impact to the affordable housing programme leading to delays on delivery and increasing costs</p>	<p>Stockpiling of materials following Scotland Excel guidance issues during first Covid-19 lockdown.</p> <p>Maintaining a dialogue with suppliers to minimise impacts on repair timescales.</p> <p>This is also highlighted within the Brexit Risk Register and regularly discussed at the Council's Brexit Group and CMT are aware of this issue.</p>	4	4	16	<p>Continue to monitor stock levels and supplier availability. Possible prioritisation of emergency works should issues persist.</p> <p>Continue to monitor and follow national advice through Scottish Government, Scotland Excel, COSLA etc.</p>	3	4	12	<p>Service Manager – Property Maintenance</p> <p>Service Manager Strategy & Development</p>	Ongoing whilst the risk continues.	New risk identified March 2021

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H3	<p>Property Maintenance Trading Operation</p> <p>Property Maintenance is a significant Trading Operation, which generates an annual surplus to the General Fund.</p> <p>COVID-19 restrictions have severely impacted on trading activity turnover. This could lead to a subsequent shortfall in target operating surplus, impacting on the wider General Fund budget position.</p> <p>If the operation fails to demonstrate Best Value, it could result in work possibly having to be outsourced and subsequent job losses.</p>	<p>Monthly review of Trading Accounts to ensure service is on target to meet budgeted surplus and regular financial health checks are undertaken out by departmental Finance Partner.</p> <p>Ongoing implementation of mobile working in Property Maintenance Services.</p> <p>Job costing aligned to a nationally benchmarked schedule of rates (SORs).</p> <p>Ongoing twice-yearly reconciliation of building material stock.</p> <p>A COVID-19 HRA subsidy payment was required to cover ongoing operating costs during severely curtailed operations during Covid-19 lockdowns.</p>	4	4	16	<p>Further roll-out of mobile working and targeted efficiency improvements (see D7).</p> <p>Maximising operations and identifying opportunities incrementally in line with Scottish Government's COVID-19 Construction re-start plan.</p> <p>Closely monitoring turnover levels to ensure accurate projections of year end surplus.</p> <p>A dedicated Income & Accruals officer role is proposed as part of the final phase of service review, ensuring more frequent housekeeping of works orders, minimising accruals and realising trading turnover.</p> <p>A further HRA subsidy payment to cover ongoing operating costs has been approved for the current financial year, should this be required.</p>	3	3	9	Service Manager – Property Maintenance	<p>November 2021</p> <p>Ongoing to March 2022</p> <p>Ongoing to March 2022</p> <p>October 2021</p> <p>March 2022</p>	Risk refreshed July 2021 with risk scores increased to 16 and 9.
H4	<p>Domestic Electrical Compliance</p> <p>Wiring regulations state that an electrical inspection condition report be conducted for all social housing assets within a 5-year period of inspection.</p> <p>COVID-19 has resulted in a higher number of tenant refusals and our ancillary contractor being unable to recruit sufficient skilled resources to deliver such inspections.</p> <p>This also impacts on compliance of the Scottish Housing Quality Standard at risk H8 and would require reporting through the SHR Annual Assurance Statement.</p> <p>Were we not to achieve compliance by March 2022 then there is a risk the Council would be in breach of the SHQS legislation.</p>	<p>A one-off capital budget provision has been secured and programme of works had been developed to cover all Council houses by March 2022 utilising both ELC's in-house Property Maintenance team bolstered by an ancillary electrical contractor.</p>	4	4	16	<p>Establish dialogue with Scottish Housing Regulator and/or Scottish Government to determine national situation and appetite to enforcement.</p> <p>If no leniency is to be granted, seek to commission a further ancillary contractor.</p>	2	4	8	Service Manager – Property Maintenance	<p>October 2021</p> <p>October 2021</p>	New risk identified June 2021.
H5	<p>Affordable Housing Supply</p> <p>Supply of affordable housing is outstripped by need and demand influencing rising numbers on the Councils Housing Register and increased risk of arising Homeless applications. The impact of Covid may result in an increase in people applying for council housing.</p>	<p>The adopted LDP and significant land use allocations therein, providing land through planning policy to deliver an increase supply of affordable homes.</p> <p>Local Housing Strategy in place for 2018-23 with associated actions in relation to delivery of affordable housing LHS update to provide</p>	5	3	15	<p>Supplementary Planning Guidance is under review</p> <p>Planning underway for Local Housing Strategy 2023-28, aligning with Housing to 2040 and NPF4.</p> <p>Strategic Housing Investment Plan for 2021/22 to 2025/26 was</p>	3	3	9	<p>Head of Housing</p> <p>Service Manager – Strategy & Development</p>	<p>October 2021</p> <p>June 2023</p> <p>October 2021</p>	Risk refreshed by Service Manager June 2021 with no changes to scores.

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	<p>There is considerable disruption to the labour market and the materials supply chain which is causing projects on site to be delayed. This is caused by the restarting of the building industry post Covid when factories have been shut down and also by Brexit in the case of imported goods. Projects planned to go out to tender will face increased costs.</p> <p>Insufficient land in control of affordable housing providers due to limited amount of Council owned land and difficulty in competing on the open market to purchase land due to high land prices. Much of the land in East Lothian is tied up in options to private housing developers, leading to an inability to control provision of new affordable housing and reliance on planning policy for affordable housing to deliver land. Pressure on the housing stock in East Lothian may increase due to people wanting to move out of cities.</p> <p>Housing for Varying Needs (HFVN) Standards are being reviewed by the Scottish Government. These together with revisions to the Building Regulations and the Scottish Governments ambitious climate targets will lead to increased costs.</p> <p>Government Resource Planning Assumptions (RPAs) for East Lothian have been provided for the period 2018/1921/22 – 2025/26 to 2020/21 as follows:</p> <p>2018/19 - £9.540m 2019/20 - £10.007m 2020/21 - £10.751m 2021/22 - £13.651m 2022/23 - £11.767m 2023/24 - £11.773m 2024/25 - £11.774m 2025/26 - £11.969m</p> <p>The government programme is over committed for this year due to disruption the previous year.</p> <p>The Scottish Government are currently reviewing the benchmark for affordable housing which will result in an increase in subsidy per unit.</p> <p>However resources are unknown beyond 2022.</p> <p>Scottish Government have announced a new ambition to deliver 110,000 affordable homes across Scotland by 2032, with at least 70% in the social rented sector. This is</p>	<p>a light update within the context of COVID and Housing to 2040.</p> <p>Supplementary planning guidance for affordable housing has been approved and adopted.</p> <p>Section 75 Co-ordinator recruited to project manage delivery of strategic sites, including affordable housing contribution.</p> <p>Now entering phase 4 of Construction and programmes are being revised to ascertain impact on time and cost. Employers Agents scrutinising claims for extensions of time. Value engineering carried out on new projects.</p> <p>The Council continues to pursue opportunities to acquire land and units /bring forward private projects for affordable housing. The Scottish Government are supportive of off the shelf opportunities where possible</p> <p>Regional Housing Programme proposed through South East Scotland City Region Deal.</p> <p>Contribute to and influence review of planning system.</p> <p>Contribute to Housing beyond 2021 agenda</p> <p>Accessed Scottish Government Infrastructure Fund.</p> <p>The Council continues to deliver and to discuss with RSLs and other organisations unsubsidised affordable housing models. HRA Programme Board in place.</p> <p>The Council ensures site investigations are carried out prior to entering into an agreement to purchase land.</p> <p>The Council has an LLP East Lothian Mid-Market Homes to deliver mid-market rent units.</p>				<p>submitted in December 2020 with the next update due at the end of October 2021.</p> <p>Scottish Government to issue further guidance regarding payments to contractors resulting from Covid restrictions.</p> <p>Supporting Local Investment Framework being developed.</p> <p>Ensure site investigations are carried out prior to entering into an agreement to purchase land.</p> <p>Programme for Governance key messages are ambition to deliver a further 100,000 affordable homes, and set out a 20 year vision for energy efficient zero carbon housing with access to outdoor space, transport links, digital connectivity and community services.</p>				Service Manager - Planning	<p>October 2021</p> <p>March 2022</p> <p>March 2022</p>	

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	<p>accompanied by support to fund more off the shelf purchases. An increase in funding at a national level allocated to support this and is reflected in increased RPAs at a local level and a new benchmark is being reviewed in light of increasing standards and costs.</p> <p>There is a need to deliver Carbon Neutral Housing by 2045. Prevalence of mine workings to the west of the County impacts cost of developments.</p>											
H6	<p>Housing Modernisation Programme</p> <p>COVID-19 restrictions (physical distancing, site closures, staffing shortages and tenant refusals) have severely impacted on modernisation programme which has resulted in cancellations of in-house and externalised modernisation projects in Council houses.</p> <p>Ongoing restrictions have further impeded ability to meet catch-up programmes.</p> <p>This is causing reputational damage to the Council while the modernisation works do not go ahead.</p>	<p>Modernisation programmes had been recast over 2021-24 to ensure catch-up on missed units and bringing programmes back in line.</p> <p>Ancillary contractors procured to bolster delivery of in-house programmes.</p>	5	3	15	<p>Modernisation programmes may require further recasting over 4 or 5 year horizon to ensure catch-up on missed units and bringing programmes back in line.</p>	2	3	6	Service Manager – Property Maintenance	March 2025 (reviewed annually)	New risk identified March 2021
H7	<p>Fuel Poverty</p> <p>New build properties will not be able to be fitted with gas after 2024 and electricity is currently more expensive than gas.</p> <p>Increase in fuel poverty due to a variety of factors:</p> <ul style="list-style-type: none"> - Increase in fuel prices - Impact of welfare reform - Changing householder economic / financial situation - COVID impact - loss of employment. <p>Scottish Government is planning to introduce a Warm Homes Bill to Parliament, which will enshrine the Scottish Government's ambition to eradicate fuel poverty. The Scottish Government are currently consulting detailed proposals for a Fuel Poverty Strategy for Scotland and the targets, which will be enshrined in legislation. This consultation includes a revised definition of fuel poverty.</p> <p>Energy Efficiency is a national infrastructure priority (SG's Infrastructure Investment Plan 2015). During 2017, the Scottish Government consulted on a range of related issues as part of the draft Climate Change Plan and draft Scottish Energy Strategy. Energy Efficiency Scotland Programme (EES) is currently under development and will be a co-ordinated programme to improve</p>	<p>All new homes that are fitted with ASHP are very well insulated. New trial projects using ASHP are ongoing.</p> <p>Energy Efficient Scotland: Area Based Scheme (EES: ABS) in place, offering targeted energy efficiency measures and fuel poverty advice to private sector stock.</p> <p>Local Heat and Energy Efficiency Strategy (LHEES) pilot complete. Survey works ongoing to identify suitable areas re-East Lothian's EES/ABS programme. Begin to look at alternative energy efficiency improvements other than fabric.</p> <p>Review impact of COVID and Brexit and continue to liaise with contractor and Scottish Government to implement EES: ABS programme.</p> <p>Energy advice and fuel debt support in place. Capital Programmes in place for council housing and Registered Social Landlords to increase energy efficiency measures. Social rented tenure must meet EESSH 2 by December 2032.</p> <p>£3.255M was invested in energy efficiency measures to ELC owned stock in 2019/20</p>	4	3	12	<p>Energy Transformation Programme – establish PV / re-roofing pilot together with partnership energy supply company arrangement to test concept of PV / battery and feed in arrangements together with energy supply. East Lothian Energy affordable tariff (powered by People's Energy in partnership with East Lothian Council) being launched August 2021.</p> <p>Closely monitoring Scottish Government's Heat in Buildings Strategy, revising modernisation programmes and upskilling of in-house workforce accordingly.</p>	3	3	9	<p>Head of Housing</p> <p>Service Manager – Strategy & Development</p> <p>Service Manager – Property Maintenance</p>	<p>October 2021</p> <p>March 2023</p>	<p>Risk refreshed by Service Manager July 2021 with no change to assessment of current scores.</p> <p>Risk refreshed by Service Manager February 2017 with current score reduced from 15 to 12 and residual score from 12 to 9.</p>

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	<p>energy efficiency of homes alongside commercial, public and industrial sectors.</p> <p>The impact of living in fuel poverty can place additional pressure on existing services – health, social care, advice, rent income.</p> <p>Scottish Government have ring fenced £937,000 for East Lothian's EES/ABS programme. Fund guidance states this must be spent, or contractually allocated by the end of the financial year. Due to lockdown and site closures, there is a risk that East Lothian's 20/21 programme will not maximise this fund even though the funding has been extended to the end of September. There may also be a lack of skilled workforce to install EWI due to Brexit.</p> <p>There is also a risk that the new 20/21 allocation of £937,000 will not be maximised?</p> <p>Scottish Government requirement for all local authorities to have LHEES in place by 2023, in line with new Heat in Buildings Strategy</p> <p>New buildings consented from 2024 must use zero direct emissions heating.</p>	<p>raising EESSH compliance to 82% of all stock.</p> <p>New Local Housing Strategy is now in place with associated actions in relation to energy efficiency of existing housing stock, fuel poverty and climate change.</p> <p>Continuing to identify areas of fuel poverty and stock that is eligible and suitable for measures. Will need to review an update impact of Covid.</p> <p>Improving knowledge of the levels, extent and nature of fuel poverty and target resources to the worst affected areas. Prioritise areas most at risk of fuel poverty using data from Home Analytics.</p> <p>Look at ways to improve energy efficiency once all fabric upgrades have been carried out, possibility of Solar PV and battery.</p> <p>The Scottish Government have extended the 20/21 allocation from July to the end of September to provide Local Authorities with a bit more time to maximise spend.</p>										
H8	<p>Housing Quality</p> <p>Our houses are required to meet the Scottish Housing Quality Standard (SHQS) and will be required to meet the Energy Efficiency Standard in Social Housing (EESH). Delivery of these Standards is a significant contributor 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 against these Standards and failure to clearly demonstrate compliance may involve intervention by the SHR on the management of stock quality. It could also lead to loss of reputation to the Council as a service provider and the largest landlord in East Lothian.</p> <p>While a rolling stock condition survey programme is in place, the data is incomplete.</p> <p>Procurement rules negate our ability to enter into building contracts on s75 obligations which involve the transfer of completed units. This also prevents the ability to influence the specification which can result in poor quality products and increased resources in relation to resolving defects. This can in turn result in</p>	<p>Annual monitoring and reporting to SHR (via 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 continued compliance with the requirements of the SHQS.</p> <p>Supplementary Planning Guidance now adopted which sets out minimum design and quality requirements for new build stock.</p> <p>Keystone domestic asset management software system in place ensuring robust information held on the condition of Council housing stock. Data validation checks of information held on Keystone.</p> <p>Dedicated asset surveyors in place and rolling programme of stock condition surveys has commenced to keep data up to date.</p> <p>Housing Asset Management Team established to oversee delivery of HRA Capital modernisation programme.</p> <p>Regular monitoring and reporting as part of Balanced Scorecard.</p>	3	4	12	<p>Housing Asset Management Strategy to be developed, extending housing investment strategy to detailed 10-year programmes and outlining broader 30-year objectives.</p> <p>Support the development of an Affordable Housing Design Guide.</p> <p>Smoke/fire and electrical compliance programmes developed to meet revised 2022 deadlines.</p>	2	4	8	<p>Service Manager – Property Maintenance</p> <p>Service Manager – Strategy & Development</p>	<p>March 2022</p> <p>March 2022</p> <p>March 2022</p>	<p>Risk refreshed July 2020 by both Service Managers with no change to assessment of risk scores.</p>

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	<p>an impact on future repairs and maintenance costs.</p> <p>New technical guidance issued May 2020 bring new smoke, fire and heat detection programmes into SHQS compliance by February 2021. . Further extension of deadline due to Covid-19 to end March 2022.</p> <p>The new guidance also confirms the requirement to undertake electrical condition checks on a maximum 5-year cycle.</p>	<p>Detailed 5-year investment programme now developed on basis of stock condition intelligence and aligned to regulatory standards.</p> <p>Team Manager (Housing Assets) recruited to oversee collection and recording of housing stock intelligence including energy performance and delivery of key aspects of the capital modernisation programme.</p> <p>In-house asset surveyors are now in place, with a 5-year rolling stock condition survey regime implemented.</p> <p>Keeping SHR regularly updated on progress towards meeting the Standards. Keystone housing asset management system informs future planning of annual programme of modernisation work.</p> <p>Closer alignment of development of modernisation programme and delivery.</p> <p>The Council ensures Quality Assurance is carried out at all stages of development.</p>										
H9	<p>Skilled Trades Labour Supply</p> <p>Concurrent impacts of Brexit and Covid-19 are resulting in skilled labour supply issues for the construction/maintenance sectors.</p> <p>Private sector construction firms are offering premium rates in an active attempt to attract skilled labour in a booming marketplace which the Council may not be able to compete with.</p> <p>This is potentially impacting on repair timescales and ability to meet statutory repair duties.</p>	<p>Property Maintenance continues to offer relatively secure, competitively remunerated employment in the sector.</p> <p>Property Maintenance continues to maintain a strong apprentice cohort within its establishment.</p>	3	4	12	<p>Consider utilising agency workers and/or ancillary contractors.</p> <p>Consideration of expanding the apprenticeship programme, funding permitting.</p>	2	4	8		<p>Review April 2022</p> <p>February 2022</p>	<p>New risk identified March 2021</p>
H10	<p>Mobile Working</p> <p>Current mobile working hardware, within Property Maintenance, is dated and does not meet PSN requirements. This has resulted in a switch-off of existing hardware, and reverting to paper-based job ticketing, placing increased pressure on administrative resources.</p> <p>A project to implement Windows 8 tablet technology was terminated due to the supplier failing to meet expectations.</p> <p>Further issues with integration to Orchard HMS have furthered hindered user acceptance testing.</p>	<p>A new iOS-based mobile working platform has been procured.</p> <p>A paper-based contingency has been implemented to cover the intervening period between PSN 'switch-off' and go-live of the new platform.</p> <p>Security vulnerabilities identified in penetration testing of replacement solution (2018), representing a considerable obstacle to implementation.</p> <p>Software was upgraded by supplier August 2019 to overcome security vulnerabilities. User acceptance testing commenced.</p>	4	3	12	<p>Implementation of phase 2 mobile working, encompassing iOS Smartphone technology has commenced. ELC IT included in project planning to ensure resources and supporting system architecture is in place.</p> <p>ELC IT officer assigned to project. Liaising with both main supplier and Orchard HMS to progress integration issues.</p>	2	3	6	Service Manager – Property Maintenance	<p>November 2021</p> <p>November 2021</p>	<p>Risk refreshed by Service Manager – Property Maintenance July 2021 with no change to risk scores.</p> <p>Risk refreshed March 2019 with residual score increased from 3 to 6.</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	Evidence held of Regular Review
			Likelihood	Impact	Risk Rating		Likelihood	Impact	Residual Risk Rating			
			L	I	L x I		L	I	L x I			
H11	Solid Fuel Installations and Safety Failure to Manage Solid Fuel safety on all Solid Fuel Installations in ELC Housing Properties leading to potential CO poisoning of tenants, increased risk of house fires and potential risk of prosecution. Chimneys are generally in poor condition while the Council are unable to control fuels burnt in solid fuel appliances.	Programme for Solid Fuel Servicing terminated end of 2018. New servicing contractor in place from April 2019. Heating replacements to energy efficient, low carbon alternative fuels are available and being installed but implementation is difficult due to customer refusals. Contractor in place for removal and replacement of solid fuel systems. Policy in place that properties are replaced upon becoming vacant.	2	5	10	Programme for removal and replacement of solid fuel systems ongoing in remaining 37 properties. Gas supplies have been installed to all Council houses in gas areas to enable rapid replacement when consent received.	1	5	5	Service Manager - Engineering Services & Building Standards (ESBS) Service Manager - Property Maintenance	March 2022 to review numbers installed.	Risk refreshed July 2021 - no change to risk scores. Refreshed 2019 by Head of Service with Residual Score reduced 10 to 5 and Current Risk Score reduced 15 to 10. Also INF24

Original date produced (V1)	29th April 2021		Overall Rating
File Name	Housing Risk Register		20-25 Very High
Original Author(s)	Scott Kennedy, Risk Officer		10-19 High
Current Revision Author(s)	Scott Kennedy, Risk Officer		5 -9 Medium
			1-4 Low

Version	Date	Author(s)	
1	29/04/2021	S Kennedy	New Housing Risk Register created.
2	02/08/21	S Kennedy	All risks reviewed by Housing Service Managers and Head of Service

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	Legal
Catastrophic	5	Unable to function, inability to fulfill obligations.	Severe impacts on budgets (emergency Corporate measures to be taken to stabilise Council Finances)	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.	Significant disruption to building, facilities or equipment (Loss of building, rebuilding required, temporary accommodation required).	Complete inability to provide service/system, prolonged downtime with no back-up in place.	Catastrophic legal, regulatory, or contractual breach likely to result in substantial fines or other sanctions.
Major	4	Significant impact on service provision.	Major impact on budgets (need for Corporate solution to be identified to resolve funding difficulty)	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.	Major disruption to building, facilities or equipment (Significant part of building unusable for prolonged period of time, alternative accommodation required).	Significant impact on service provision or loss of service.	Legal, regulatory, or contractual breach, severe impact to Council.
Moderate	3	Service objectives partially achievable.	Significant impact on budgets (can be contained within overall directorate 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.	Moderate disruption to building, facilities or equipment (loss of use of building for medium period).	Security support and performance of service/system borderline.	Legal, regulatory, or contractual breach, moderate impact to Council.
Minor	2	Minor impact on service objectives.	Moderate impact on budgets (can be contained within service head's 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.	Minor disruption to building, facilities or equipment (alternative arrangements in place and covered by insurance).	Reasonable back-up arrangements, minor downtime of service/system.	Legal, regulatory, or contractual breach, minor impact to Council.
Minimal	1	Minimal impact, no service disruption.	Minimal impact on budgets (can be contained within unit's 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 media (Internal).	Minimal disruption to building, facilities or equipment (alternative arrangements in place).	No operational difficulties, back-up support in place and security level acceptable.	Legal, regulatory, or contractual breach, negligible impact to Council.

Risk	Impact				
Likelihood	Minimal (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
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