

REPORT TO: Audit and Governance Committee

MEETING DATE: 20 September 2022

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 risks 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, 9 High, 8 Medium and 2 Low Risks. 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 2022

7.2 Appendix 2 – Risk Matrix

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DATE	08 September 2022	

Housing Risk Register 2022

Date reviewed: 5th September 2022

APPENDIX 1

Risk ID	Risk Category	Risk Description (Threat/Opportunity to achievement of business objective)	Risk Control Measures (currently in place)	Risk & Controls Owner	Assessment of Current Risk			Planned Risk Control Measures	Assessment of Residual Risk [With proposed control measures]			Planned Control Owners	Planned Control Target Date	Evidence held of Regular Review
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H1	Impact on Service Objectives Financial Legal	<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 which comes into force on 21st November 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. 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</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>	J Couatts	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>	4	4	16	J Couatts for all	September 2022 March 2024 March 2024 December 2022 December 2022 December 2022 December 2022	<p>Risk updated by Service Manager - Comm Housing & Homelessness August 2022 with no changes to risk scores.</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>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>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>A recent ruling in the Court of Session (April 2022) has ruled that local authorities are under an absolute duty to provide suitable temporary accommodation even where it has none available within its existing resources.</p> <p>There is increasing housing demand pressure arising from the Ukrainian refugee schemes with host arrangements breaking down early, frustration amongst hosts and refugees in respect of failures and delays within the Scottish Super Sponsorship scheme resulting in private matching and more presentations over and above the service demands being placed on existing</p>	<p>New team in place in response to Ukrainian refugee situation with diverted resources from across the service resulting in service strain elsewhere including the Housing Options team.</p>				<p>Procurement underway re revised contract for temporary accommodation, to enable 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>Team being strengthened and consolidated with the recruitment of full-time resettlement and tenancy support staff to allow staff to resume to substantive duties</p>					<p>December 2022</p> <p>December 2022</p> <p>December 2022</p> <p>December 2022</p>		

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		resettlement teams. These demands are likely to increase with further UK and Scottish Government commitments in respect of other humanitarian schemes including but not limited to the existing Afghan schemes and the forthcoming changes around the new asylum seeker dispersal scheme.												
H2	Financial	<p>Building material supply Issues</p> <p>Concurrent impacts of Brexit, COVID-19, war in Ukraine 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 impacting on cost and repair timescales and ability to meet statutory repair duties and could result in emergency repairs not being carried out.</p> <p>This is also impacting on the affordable housing programme leading to delays on delivery and increasing costs which are becoming unaffordable.</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 Corporate Risks on Supply Issues and Brexit and regularly discussed at CMT, who are aware of this issue.</p> <p>The Scottish Government have reviewed and increased the benchmark. Agreed to continually monitor and review to ensure level is correct and reflects current costs</p> <p>Quarterly Programme Board meetings in place to monitor closely.</p>	D Ogilvie	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> <p>Continue to liaise with the Scottish Government in relation to increasing costs and the new build benchmark for subsidy.</p>	3	4	12	<p>P Grant</p> <p>D Ogilvie</p> <p>D Ogilvie</p>	<p>December 2022</p> <p>December 2022</p> <p>December 2022</p>	<p>Risk updated by Service Manager – Strategy & Development August 2022 with no changes to risk scores.</p> <p>New risk identified March 2021.</p>
H3	Financial	<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.</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 COVID19 HRA subsidy payment was required to cover ongoing operating costs during curtailed operations while in lockdown. HRA subsidy payment to cover ongoing operating costs has been approved for previous financial years and will be monitored for this year.</p> <p>The service maximised operations and identifying safe working opportunities incrementally in line with Scottish Government's COVID-19 Construction re-start plan.</p>	P Grant	4	4	16	<p>Further roll-out of mobile working and targeted efficiency improvements.</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>Ensure methodology for SOR increase is correct and reflects current increase</p> <p>Monitor and consider further possible subsidy from HRA</p>	3	3	9	<p>P Grant</p> <p>P Grant</p> <p>P Grant</p> <p>P Grant</p>	<p>September 2022</p> <p>March 2023</p> <p>September 2022</p> <p>October 2022</p>	<p>Risk updated by Service Manager – Property Maintenance August 2022 with no changes to risk scores.</p> <p>Risk refreshed July 2021 with risk scores increased to 16 and 9.</p>

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H4	Financial	<p>Fuel Poverty</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>There may also be a lack of skilled workforce to install EWI due to Brexit.</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 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>New buildings consented from 2024 must use zero direct emissions heating.</p> <p>Potential increased risk of damage to the fabric of buildings and impact on health and wellbeing of tenants as a result of tenants not being able to afford to heat their homes.</p>	<p>All new homes that are fitted with ASHP are very well insulated while 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. £1.16m secured for this financial year</p> <p>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>Energy advice and fuel debt support in place, but increasing evidence that scale of the fuel poverty crisis may present service delivery challenges in months ahead.</p> <p>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 raising EESSH compliance to 82% of all stock.</p> <p>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>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>	D Ogilvie	4	4	16	<p>Scottish Government requirement for all local authorities to have Local Heat and Energy Efficiency Strategy (LHEES) in place by December 2023, in line with new Heat in Buildings Strategy. Pilot complete.</p> <p>Closely monitoring Scottish Government's Heat in Buildings Strategy, revising modernisation programmes and upskilling of in-house workforce accordingly.</p> <p>Housing Strategy & Development and Property Maintenance looking to develop an Energy Efficiency Policy to set out asset management / investment priorities in the short term whilst linking with LHEES long term.</p> <p>Scottish Government is planning to introduce a Heat in Buildings Bill to Parliament in 2024, which will enshrine their ambition to eradicate fuel poverty including regulation, LHEES, National Public Energy Agency and potentially removing barriers to retrofit. The Scottish Government published Fuel Poverty Strategy for Scotland in December 2021 outlining its strategic approach to tackling fuel poverty in Scotland.</p> <p>Scottish Government is in consultation on New Build Heat Standard Part 2, and Housing Strategy & Development is leading the response for ELC.</p> <p>New Local Housing Strategy is currently being drafted which will include actions to tackle fuel poverty</p> <p>Project group to be formed to undertake review of current Energy Efficiency advice service provision (currently via Changeworks) in light of rising demands within EL population</p> <p>Continue to explore and identify new innovative methods and solutions to improve energy efficiency once all fabric upgrades have been carried out, possibility of Solar PV and battery.</p> <p>Develop some information and advice in relation to energy efficiency and maintenance of homes.</p>	3	3	9	<p>D Ogilvie</p> <p>D Ogilvie</p> <p>D Ogilvie P Grant</p> <p>D Ogilvie</p> <p>D Ogilvie</p> <p>D Ogilvie</p> <p>D Ogilvie</p> <p>D Ogilvie</p>	<p>March 2023</p> <p>March 2023</p> <p>March 2023</p> <p>July 2023</p> <p>October 2023</p> <p>July 2023</p> <p>December 2022</p> <p>December 2023</p> <p>December 2023</p>	<p>Risk refreshed by Service Manager August 2022 with impact score increased to 4 to reflect growing severity of fuel poverty crisis, and risk rating increased to 16.</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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H5	Legal & Regulatory	<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>Additional delays occurred 2022/23 due to tenant refusal/suspension of forced entry, resulting in more properties becoming non-complaint.</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, utilising both ELC's in-house Property Maintenance team bolstered by an ancillary electrical contractor.</p> <p>HRA Programme Board has approved the recommencement of forced entry for domestic electrical compliance works.</p>	P Grant	4	4	16	<p>Catch-up programme recast over 2022/23. Regular review of by HRA Programme Board.</p> <p>Forced access procedures under ongoing development.</p>	2	4	8	<p>P Grant</p> <p>P Grant</p>	<p>March 2023</p> <p>October 2022</p>	<p>New risk identified June 2021 and updated by Service Manager – Property Maintenance August 2022 with no changes to risk scores.</p>
H6	Financial	<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 rising Homeless applications. The impact of Covid, inflation and economic impacts on household incomes may result in an increase in people applying for council housing.</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>Government Resource Planning Assumptions (RPAs) for East Lothian have</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 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>The adopted LDP and significant land use allocations therein, providing land through planning policy to deliver an increase supply of affordable homes.</p> <p>Current LHS 2018-2023 in place with an action plan that is continually monitored. The plan for the development of the Local Housing Strategy 2023-28 was approved by Cabinet in January 2022 and will include associated actions in relation to delivery of affordable housing.</p> <p>SHIP Strategic Housing Investment Plan for 2022/23 to 2026/27 was submitted in October 2021</p>	D Ogilvie	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>Updated SHIP due at the end of October 2022 which will set out future investment priorities.</p> <p>Supporting Local Investment Framework being developed.</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> <p>Regional Housing Programme proposed through Edinburgh & South East Scotland City Region Deal to explore further opportunities.</p>	3	3	9	<p>D Ogilvie</p> <p>D Ogilvie</p> <p>D Ogilvie</p> <p>D Ogilvie</p> <p>D Ogilvie</p> <p>D Ogilvie</p>	<p>December 2022</p> <p>June 2023</p> <p>October 2022</p> <p>August 2023</p> <p>August 2023</p> <p>August 2023</p>	<p>Risk refreshed by Service Manager August 2022 with no changes to scores.</p>

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		<p>been provided for the period 2021/22 – 2025/26 as follows:</p> <p>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>There is rising concern about the impact of cost pressures emerging in the new supply programme, particularly with regard to grant benchmarks as these were set before the inflationary rises took hold. If SG does not adjust the benchmarks, there is widespread concern amongst all ALACHO members that very little will be approved this year, which will impact on future years' completions.</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>There is a need to deliver Carbon Neutral Housing by 2045.</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>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>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 has an LLP East Lothian Mid-Market Homes to deliver mid-market rent units.</p>				<p>Continue to liaise with the Scottish Government in relation to increasing costs and the new build benchmark for subsidy.</p> <p>ALACHO is making a joint response with COSLA to the Housing and Planning Committee - pre-budget scrutiny in early September regarding local authorities' abilities to deliver their AHSP which will set out the issues surrounding increased build costs, lack of sufficient Scottish Government grant and constraints on the HRA to also bring existing stock up to EESSH2 standards, all while making budget savings and trying to keep rent rises to a minimum.</p>				<p>D Ogilvie</p> <p>D Ogilvie</p>	<p>September 2023</p> <p>September 2023</p>		
H7	Legal & regulatory	<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>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</p>	P Grant	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>Housing Compliance framework to be developed incorporating Tenant Safety Policy in conjunction with new Housing Asset Compliance team and supported by new CX Compliance database (part of new HMS system).</p>	2	4	8	<p>P Grant</p> <p>D Ogilvie</p> <p>P Grant</p>	<p>March 2023</p> <p>March 2023</p> <p>March 2023</p>	<p>Risk refreshed July 2022 by Service Managers with no change to assessment of risk scores.</p>

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					L	I	L x I		L	I	L x I			
		<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 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>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> <p>Intelligence-led 10-year investment budget established.</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>											
H8	Service Objectives	<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>	P Grant	4	3	12	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.	2	3	6	Paul Grant	September 2022	<p>Risk refreshed by Service Manager – Property Maintenance August 2022 with no change to risk scores.</p> <p>Risk refreshed March 2019 with residual score increased from 3 to 6.</p>

Risk ID	Risk Category	Risk Description (Threat/Opportunity to achievement of business objective)	Risk Control Measures (currently in place)	Risk & Controls Owner	Assessment of Current Risk			Planned Risk Control Measures	Assessment of Residual Risk [With proposed control measures]			Planned Control Owners	Planned Control Target Date	Evidence held of Regular Review
					Likelihood	Impact	Risk Rating		Likelihood	Impact	Residual Risk Rating			
					L	I	L x I		L	I	L x I			
			ELC IT officer assigned to project. Liaising with both main supplier and Orchard HMS to progress integration issues.											
H9	Legal & Regulatory	<p>Solid Fuel Installations and Safety</p> <p>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.</p>	<p>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.</p> <p>Policy in place that properties are replaced upon becoming vacant.</p>	<p>P Iannetta</p> <p>P Grant</p>	2	5	10	<p>Programme for removal and replacement of solid fuel systems ongoing in remaining 36 properties. Gas supplies have been installed to all Council houses in gas areas to enable rapid replacement when consent received.</p>	1	5	5	P Iannetta	March 2023 to review numbers installed.	<p>Risk refreshed August 2022 - no change to risk scores.</p> <p>Refreshed 2019 by Head of Service with Residual Score reduced 10 to 5 and Current Risk Score reduced 15 to 10.</p> <p>Also INF22</p>
H10	Physical Impact on People	<p>Risk of Work at Height Injury</p> <p>Work at Height remains the biggest cause of fatal injury in the workplace for certain Property Maintenance employees.</p> <p>A fatal injury could expose the council and/or individuals to criminal charges and subsequent civil actions. Any fatal injury could have a major impact on the victims' family and potentially damaging to the Council's reputation.</p>	<p>Dynamic risk assessments may also apply, to consider changing local/environment conditions (traffic/weather etc).</p> <p>All working at height operatives (excl. 'mop up') have received training. Training for specific equipment. PASMA, IPAF provided to relevant Operatives on 5 year cyclical basis.</p> <p>All staff are provided with Working at Heights training on induction while refresher training is provided every 4 years.</p> <p>Staff and workforce receive ongoing training/development to encourage a managing safety culture and the implementation of safe working practice.</p> <p>Trade based supervisors (with responsibility for ensuring safe working practices) in place and all IOSH accredited.</p> <p>Works on public buildings have been restricted to 'make safe' only w.e.f. March 2022.</p> <p>High risk/complex works are outsourced via Roofing & Rendering framework. Proposed restructure to include a dedicated H&S Team within Property Maintenance.</p>	P Grant	2	5	10	<p>Proposed restructure to include a dedicated H&S Team within Property Maintenance.</p> <p>'Mop-up' training to be delivered.</p> <p>Competency frameworks to be identified to ensure supervisors attend training courses to ensure they have a good understanding of their role with regards to the duty of care imposed on them by current H&S Regulations.</p> <p>External review of Property Maintenance working at height arrangements completed by Gallagher Basset as part of ELC risk management contract. Various recommendations to be implemented according to perceived seriousness.</p>	1	5	5	<p>P Grant</p> <p>P Grant</p> <p>P Grant</p> <p>P Grant</p>	<p>September 2022</p> <p>October 2022</p> <p>December 2022</p> <p>December 2022</p>	<p>Risk refreshed August 2022 by Service Manager Property maintenance with no changes to scores.</p> <p>Also INF 50</p>

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 Housing
3	11/03/21	S Kennedy	Risk on former Herdmanflat Hospital added by Head of Housing
4	24/03/21	S Kennedy	All risks reviewed and refreshed by Heads of Service
5	13/05/22	S Kennedy	Risk on Affordable Housing Supply updated by Service Manager – Strategy & Development.
6	27/07/22	S Kennedy	Full Register updated to add fields for Risk Category and Owners
7	19/08/22	S Kennedy	Housing Strategy & Development Risks updated, CDM risk removed and full Register reviewed by Head of Housing.

East Lothian Council Risk Matrix

Likelihood Description

Likelihood of Occurrence	Score	Description
Almost Certain	5	>90% chance of occurring
Probable	4	70%-90% chance of occurrence
Possible	3	30-70% chance of occurring
Unlikely	2	10-30% chance of occurring
Rare	1	<10% chance of occurring

Appendix 2

Impact Description

Impact of Occurrence	Score	Description							
		Impact on Service Objectives	Financial Impact	Physical and/or Psychological Impact on People	Impact on Time	Impact on Reputation	Impact on Assets	Business Continuity	Legal & Regulatory
Catastrophic	5	Catastrophic failure in service delivery and key service standards are not met, long-term catastrophic interruption to operations, several major partnerships are affected	Severe impacts on budgets (emergency Corporate measures to be taken to stabilise Council Finances. Consideration should be given as to whether this is an insured or uninsured risk and whether there may be reliance on reserves. The Council is expected to hold a reserve to budget ratio of 2%.	Single or Multiple fatality and or psychological impact, within council control, leading to 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. Prolonged regional and national condemnation.	Significant disruption to building, facilities, vehicles or equipment (Loss of building, vehicles, rebuilding required, temporary accommodation required, vital equipment lost without replacement capability available resulting in services being unable to be delivered).	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, including substantial involvement from regulators.
Major	4	Major impact to service quality, multiple service standards are not met, long-term disruption to operations, multiple partnerships affected.	Major impact on budgets (need for Corporate solution to be identified to resolve funding difficulty). Consideration should be given as to whether this is an insured or uninsured risk and whether there may be reliance on reserves.	Number of extensive injuries (major permanent harm) or major psychological impact to employees, service users or public.	Major - between 1 & 2 years to recover pre-event position.	Serious negative national or regional criticism and publicity.	Major disruption to building, facilities, vehicles or equipment (Significant part of building unusable for prolonged period of time, alternative accommodation required, equipment or vehicles unavailable to provide significant elements of service delivery and no appropriate contingency arrangements in place).	Significant impact on service provision or loss of service.	Legal, regulatory, or contractual breach, severe impact to Council, fines and regulatory action publicly enforced.
Moderate	3	Significant fall in service quality, major partnership relationships strained, serious disruption in service standards.	Moderate impact on budgets (can be contained within overall directorate budget).	Serious injury requiring medical treatment or moderate psychological impact 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.	Adverse national media public attention with elected members becoming involved.	Moderate disruption to building, facilities, vehicles or equipment (loss of use of building for medium period, loss of equipment or vehicles requires contingency arrangements to be employed and has moderate impact on overall service delivery).	Security support and performance of service/system borderline.	Legal, regulatory, or contractual breach, moderate impact to Council, regulator action and or improvement required of the Council .
Minor	2	Minor impact to service quality, minor service standards are not met, short-term disruption to operations, minor impact on a partnerships	Minor impact on budgets (can be contained within service head's budget).	Non life changing injury or psychological impact to staff or member of the public requiring treatment.	Some - between 2 and 6 months to recover.	Minor adverse local, public or media attention and complaints.	Minor disruption to building, facilities, vehicles or equipment (alternative arrangements in place and covered by insurance, equipment or vehicles unavailable for small period of time minor impact on service).	Reasonable back-up arrangements, minor downtime of service/system.	Legal, regulatory, or contractual breach, minor impact to Council, regulator advice and improvement requested of the Council.
Minimal	1	No impact to service quality, limited disruption to operations.	Minimal impact on budgets (can be contained within unit's budget).	Minor injury or minor psychological impact to employee, service user or public.	Minimal - Up to 2 months to recover.	Public concern restricted to local complaints and of no interest to the media.	Minimal disruption to building, facilities, vehicles or equipment (alternative arrangements in place, equipment or vehicles alternative quickly available to replace or substitute).	No operational difficulties, back-up support in place and security level acceptable.	Legal, regulatory, or contractual breach, negligible impact to Council, regulator suggested improvements requested.

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