

REPORT TO: AUDIT AND GOVERNANCE COMMITTEE

MEETING DATE: 26 September 2023

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 12 High, 7 Medium and 3 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 2023-24

7.2 Appendix 2 – Risk Matrix

AUTHOR'S NAME	Scott Kennedy	
DESIGNATION	Emergency Planning, Risk and Resilience Manager	
CONTACT INFO	skennedy@eastlothian.gov.uk	01620 827900
DATE	14 September 2023	

Housing Risk Register 2023-24

Date reviewed: 14th September 2023

Risk ID	Risk Category	Risk Description (Threat/Opportunity to achievement of business objective)	Risk Control Measures in place) (currently	Assessment of Current Risk			Planned Risk Control Measures	Assessment of Residual Risk [With proposed control measures]			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		
H1	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, impacting on targeted spend profile and increasing costs which are becoming unaffordable.</p> <p>Subsidy has increased but the overall allocation has stayed the same resulting in more subsidy per unit but a reduction in overall completions.</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>Continue to monitor and follow national advice through Scottish Government, Scotland Excel, COSLA etc.</p> <p>Quarterly Programme Board meetings in place to monitor closely.</p>	4	4	16	Continue to liaise with the Scottish Government in relation to increasing costs and the new build benchmark for subsidy.	3	4	12	March 2024	Risk refreshed by Head of Service, August 2023 with no change to assessment of risk scores.
H2	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>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>HRA subsidy payment to cover ongoing operating costs has been approved for previous financial years and will be monitored for this year.</p> <p>A dedicated Income & Accruals officer role has been recruited, ensuring more frequent housekeeping of works orders, minimising accruals and realising trading turnover.</p>	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>Ensure methodology for SOR increase is correct and reflects current increase</p> <p>Monitor and consider further possible subsidy from HRA.</p>	2	4	8	<p>October 2023</p> <p>November 2023</p> <p>November 2023</p> <p>November 2023</p>	Risk refreshed by Service Manager – Property Maintenance, September 2023 with residual score reduced from 9 to 8.
H3	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 	<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</p>	4	4	16	<p>Scottish Government requirement for all local authorities to have LHEES in place by December 2023, in line with new Heat in Buildings Strategy.</p> <p>Local Heat and Energy Efficiency Strategy (LHEES) pilot complete</p>	3	3	9	December 2023	<p>Risk updated by Head of Service, August 2023 with no changes to risk scores.</p> <p>Risk refreshed by Service Manager</p>

Risk ID	Risk Category	Risk Description (Threat/Opportunity to achievement of business objective)	Risk Control Measures in place) (currently	Assessment of Current Risk			Planned Risk Control Measures	Assessment of Residual Risk [With proposed control measures]			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		
		<p>- COVID impact - loss of employment. - cost of living</p> <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. This could result in tenants having higher heating due to electric heating currently being more expensive to run than gas.</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>There has been a significant increase in demand for the energy advice service, resulting in an increase in cost.</p>	<p>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. While we continue to deliver a fabric first approach, there are less properties in need of insulation resulting in other measures being explored such as installation of Solar PV and battery.</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. EESSH2 guidance is currently under review and has been delayed</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> <p>Additional funding has been drawn from EES:ABS fund to help this year.</p> <p>Govt. have increased funding per property in EES; ABS to help with the increase in costs.</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 over the longer term.</p> <p>Scottish Government is planning to introduce a Heat in Buildings Bill to Parliament in 2024, which will enshrine the Scottish Government's 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, coordinating with other departments.</p> <p>New Local Housing Strategy is currently being drafted which will include actions to tackle fuel poverty</p> <p>Current Energy Efficiency advice service provision (via Changeworks) has been reviewed in light of rising demands within EL population, with additional funding injection from SG via EES:ABS.</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> <p>ELC in conjunction with WLC have commissioned a Low Carbon Energy Analysis/ Report from Carbon Futures trust to undertake an Energy Performance analysis of various new build house types and provide a comparison between the different low carbon energy approaches we should be considering when developing our</p>				<p>October 2024</p> <p>October 2024</p> <p>December 2023</p> <p>October 2023</p> <p>January 2024</p> <p>March 2024</p> <p>December 2023</p> <p>December 2023</p> <p>October 2023</p>	<p>August 2022 with impact score increased to 4 to reflect growing severity of fuel poverty crisis, and risk rating increased to 16.</p>

Risk ID	Risk Category	Risk Description (Threat/Opportunity to achievement of business objective)	Risk Control Measures in place) (currently	Assessment of Current Risk			Planned Risk Control Measures	Assessment of Residual Risk [With proposed control measures]			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		
						individual Low Carbon Net Zero (LCNZ) New Build Housing Strategies.						
H4	Financial / legislative	<p>Private Sector Housing Grant 2023 and risks associated with the delivery of private sector adaptations carried out by Care and Repair.</p> <p>Increased demand as well as increased cost of materials have resulted in the Private Sector Housing Grant being fully committed for this financial year as at the end of Period 4.</p> <p>Should no major adaptations be carried out between July 2023 and March 2024, East Lothian Council and IJB will be failing to meet their statutory duties under Housing (Scotland) Act 2006 and the Public Bodies (Joint Working) (Scotland) Act 2014.</p> <p>If adaptations were to wait until the new financial year in 2024/25, a significant backlog would cause increased delayed discharge times, a potential rise in the housing list as people can no longer live safely at home.</p>	<p>Revision of OT criteria on life and limb basis.</p> <p>RAG system in place for individuals who have been assessed by an OT but are waiting on grant funding being confirmed.</p> <p>Ongoing review / discussions between Housing, C&R and HSCP.</p> <p>Interim review of Care & Repair currently in process.</p> <p>Report being drafted for EMT setting out proposed recommendations.</p> <p>Briefing being drafted for members.</p> <p>Communication drafted to ensure all applicants are aware with ongoing support and advice in place from C&R.</p> <p>Frequent meetings with finance to monitor the budget.</p>	5	3	15	<p>Best value review of Care & Repair East Lothian.</p> <p>Members Library Report setting out the challenges.</p> <p>Liaise with Scottish Government to highlight the risk and the need to review the funding allocation.</p>	4	3	12	<p>April 2024</p> <p>April 2024</p> <p>April 2024</p>	New risk established by Head of Service August 2023 and reviewed by Executive Director.
H5	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> <p>Supplementary planning guidance for affordable housing has been approved and adopted.</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>Updated SHIP completed October 2022 sets out future investment priorities. Next SHIP due October 2023.</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> <p>Continue to explore new opportunities to maximise the supply of affordable housing.</p> <p>ALACHO is making a joint response with COSLA to the Housing and Planning</p>	3	3	9	<p>December 2023</p> <p>October 2023</p> <p>October 2023</p> <p>December 2023</p> <p>December 2023</p> <p>October 2023</p> <p>April 2024</p> <p>September 2023</p>	Risk updated by Head of Service, August 2023 with no changes to risk scores.

Risk ID	Risk Category	Risk Description (Threat/Opportunity to achievement of business objective)	Risk Control Measures in place) (currently	Assessment of Current Risk			Planned Risk Control Measures	Assessment of Residual Risk [With proposed control measures]			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		
		<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, Grant benchmarks have been increased. However the annual overall resource allocation has not increased which will result in less 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>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>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>					

Risk ID	Risk Category	Risk Description (Threat/Opportunity to achievement of business objective)	Risk Control Measures in place) (currently	Assessment of Current Risk			Planned Risk Control Measures	Assessment of Residual Risk [With proposed control measures]			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		
H6	Financial Impact	<p>HRA income and Rent Arrears</p> <p>A fall in HRA income may impact on our ability to provide services and deliver on capital investment plans.</p> <p>Any increase in rent arrears would reduce income to the HRA.</p> <p>There continues to be a risk associated with the financial impacts of Covid-19.</p> <p>Times continue to be challenging and many households are facing financial hardship with cost of living pressures.</p>	<p>The Council's Rent Income team has responded well to the impact of current challenges and the approach to dealing with arrears has remained fair, whilst developing working practices to ensure tenants remain engaged and supported. The mitigating work of the team has ensured that rent arrears levels have remained as low as possible.</p> <p>Performance management is well embedded within the Service and in addition to statutory reporting, Performance Management Frameworks are in place to ensure rent arrears levels are monitored and communicated monthly to management, staff and other key stakeholders.</p> <p>Revised rent arrears procedures are helping Revenues staff to improve rent collection, supporting an early intervention /preventative approach to rent arrears management.</p> <p>Joint working with Financial Support and Financial Inclusion colleagues and other Council services has ensured that Council tenants are further supported and assisted to apply for any benefits or grants where eligibility exists.</p> <p>Improved joint working and information sharing between Revenues and Housing staff (via EDRMS etc.) and other Council services.</p> <p>Pre-tenancy checks by Community Housing Officers identify at risk/vulnerable tenants.</p> <p>The Revenues Service, in conjunction with the Corporate Communications team, have developed a Helping with the Cost of Living Crisis leaflet, outlining support available to anyone in need of help. The leaflet has been widely distributed and promoted digitally also.</p>	4	3	12	<p>A draft Rent Income Management Policy has been developed and is currently pending awaiting input from the Housing Service in relation to homelessness arrears.</p> <p>The Rent Income Team has been working with Housing Quality Network (HQN) Consultant, Tony Newman in relation to staff training.</p>	3	3	9	<p>March 2024</p> <p>December 2023</p>	<p>Risk refreshed August 2023 by Service Manager – Revenues with no change to assessment of risk scores.</p> <p>Risk refreshed September 2022 by Service Manager – Revenues and then November 2022 by Head of Finance with current risk score increased from 9 to 12 and residual score from 6 to 9.</p> <p>Also Risk F2</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</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>	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>	2	4	8	<p>April 2024</p> <p>April 2025</p>	<p>Risk refreshed by Service Manager – Property Maintenance, July 2023 with no change to assessment of risk scores.</p>

Risk ID	Risk Category	Risk Description (Threat/Opportunity to achievement of business objective)	Risk Control Measures in place) (currently	Assessment of Current Risk			Planned Risk Control Measures	Assessment of Residual Risk [With proposed control measures]			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		
		<p>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 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>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> <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>				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).				April 2024	
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,</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>	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	April 2024	Risk refreshed by Service Manager – Property Maintenance, September 2023 with no change to assessment of risk scores.

Risk ID	Risk Category	Risk Description (Threat/Opportunity to achievement of business objective)	Risk Control Measures in place) (currently	Assessment of Current Risk			Planned Risk Control Measures	Assessment of Residual Risk [With proposed control measures]			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		
		<p>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>Delays in implementing this new system results in more labour intensive processes and delays in the progression from practical job completions to ledger payments, negatively impacting on the efficient running of the trading activity.</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>ELC IT officer assigned to project. Liaising with both main supplier and Orchard HMS to progress integration issues</p>									
H9		<p>Reinforced Autoclaved Aerated Concrete (RAAC) in Council Housing</p> <p>The Local Government Association (LGA) has recently issued advice/warnings about Reinforced Autoclaved Aerated Concrete (RAAC) which is also known as Siporex. While this material has been commonly used in Public Buildings constructed between the 1960's and late 1980's, it has also been used in some domestic properties.</p> <p>Due to the relative lightweight nature of the material and limited durability there has been a number of roof failures in the past and as a result East Lothian Council require to determine the extent and location of RAAC in our housing stock, and then ensure a robust inspection process is undertaken to determine its condition, level of risk and undertake any action deemed necessary to mitigate the risk to occupants and to avoid any catastrophic failure.</p> <p>Use of part of buildings subject to inspections may be restricted or unavailable for a period of time following assessment.</p> <p>Residual risk – extensions built in RAAC year build window on properties built out with risk window.</p>	<p>A Desktop Assessment has been carried out involving:</p> <p>Liaison with relevant officers to ascertain if they are aware of RAAC being present within any housing assets.</p> <p>Procurement for a Structural Engineer to investigate RAAC issues has been completed.</p> <p>Known RAAC built properties (1Nr asset) has been vacated and is earmarked for demolition.</p> <p>An initial desktop review of the housing asset system has been undertaken to identify dwellings constructed between the 1960's and the late 1980's when RAAC may have be used.</p> <p>Buildings/Extensions constructed out with the above period have been excluded from a further assessment.</p> <p>Where desktop assessment identifies the possible presence of RAAC, a sample building-type inspection will be carried out of building types by a Building Surveyor / Structural Engineer to confirm presence or otherwise.</p> <p>Areas where further investigation is required, or where there is any indication of risk to users, will be vacated pending consideration of remedial actions required.</p>	3	4	12	<p>Seek feedback from regional partners. SHN network query raised 28/06/2023.</p> <p>Seek further advice from structural consultants.</p> <p>Identify property groups to inform sample surveys</p> <p>Case by case risk assessment of extensions to be included in 5-yearly stock condition surveys.</p>	1	4	4	<p>August 2023</p> <p>September 2023</p> <p>October 2023</p> <p>To be developed once above actions concluded</p>	New risk added by Service Manager – Property Maintenance, July 2023.

Risk ID	Risk Category	Risk Description (Threat/Opportunity to achievement of business objective)	Risk Control Measures in place) (currently	Assessment of Current Risk			Planned Risk Control Measures	Assessment of Residual Risk [With proposed control measures]			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		
H10	Legal & Regulatory Financial Reputation	<p>Damp, Condensation & Mould</p> <p>While fungal mould can be caused by external water ingress including rising or penetrating damp, most cases of domestic fungal growth are the result of condensing moisture i.e. condensation.</p> <p>The recent steep increase in domestic energy prices, resulting in poorly heated homes has resulted in a significant increase in reports of damp and mould as colder homes result in higher levels of condensation.</p> <p>The recent Coroner's report and subsequent media coverage into the death of 2-year-old Awaab Ishak in Rochdale has highlighted the potential risks to health resulting from domestic fungal mould.</p> <p>SHQS incorporates the Tolerable Standard which is set out in the Housing (Scotland) Act 1987. Under the Tolerable Standard, all social houses must be substantially free of rising and penetrating damp.</p> <p>Under SHQS, various visual indicators of penetrating damp are given, which includes fungal growth.</p> <p>Any negligence on the Council's part to reasonably identify and/or manage mould growth could result in:</p> <ul style="list-style-type: none"> • Possible chronic illness to householders • Public liability claims pertaining to health impacts or damage to belongings. • Damage to our reputation • Failures in compliance with the regulatory framework and enhanced scrutiny from the Scottish Housing Regulator <p>Remedial works to resolve serious mould and/or dampness can be costly and intrusive, requiring decants which places further pressure on an already pressured housing supply.</p>	<p>Housing Services have a long standing householder advice booklet entitled 'Dealing with Damp, Condensation and Mould Growth in Your Home' available as printed booklet and on the Council's website.</p> <p>Housing Services have experienced front-line staff who are familiar with indicators of condensation, mould and possible dampness.</p> <p>Property Maintenance undertake a physical stock condition survey of all properties on at least a 5-yearly basis.</p> <p>Full property surveys are also undertaken at any change of tenancy (e.g. void or mutual exchange).</p> <p>Property Maintenance has an in-house fungicidal wash resource available to timeously remove surface mould.</p> <p>The Council has a property survey framework which allows quick access to independent condition surveyors.</p> <p>A rapid response mould removal team is in place.</p>	3	4	12	<p>Review of processes with a particular focus on</p> <ul style="list-style-type: none"> • Response times • Sequencing of mould removal/surveys/works • Role of CHO • Ongoing monitoring • Record keeping and analysis of hot spots and associated targeted interventions • Procurement of an independent consultant for complex/serious cases. <p>Targeted communications to support householders in managing condensation and minimising mould growth.</p> <p>Full review of householder information incorporating best practice from peer groups</p> <p>Development and implementation of action plan around Housing Ombudsman spotlight report recommendations on damp and mould.</p>	1	4	4	<p>March 2024</p> <p>Nov 2023</p> <p>Nov 2023</p> <p>Nov 2023</p>	<p>New risk created by Service Manger – Property Maintenance December 2022 and reviewed September 2023 with current score increased to 12 from 8.</p>

Risk ID	Risk Category	Risk Description (Threat/Opportunity to achievement of business objective)	Risk Control Measures in place) (currently	Assessment of Current Risk			Planned Risk Control Measures	Assessment of Residual Risk [With proposed control measures]			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		
H11	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.</p> <p>Heating replacements to energy efficient, low carbon alternative fuels are available and being installed but implementation is difficult due to customer refusals.</p> <p>Contractor in place for removal and replacement of solid fuel systems.</p> <p>Policy in place that properties are replaced upon becoming vacant.</p>	2	5	10	<p>Programme for removal and replacement of solid fuel systems ongoing in remaining 30 properties. Gas supplies have been installed to all Council houses in gas areas to enable rapid replacement when consent received.</p>	1	5	5	March 2024 to review numbers installed.	Risk refreshed by Service Manager – Property Maintenance, July 2023 with no change to assessment of risk scores.
H12	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.</p> <p>External review of Property Maintenance working at height arrangements completed by Gallagher Basset as part of ELC risk management contract. Various recommendations implemented according to perceived seriousness.</p>	2	5	10	<p>Proposed restructure to include a dedicated H&S Team within Property Maintenance.</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>	1	5	5	<p>December 2023</p> <p>December 2023</p>	Risk refreshed by Service Manager – Property Maintenance, July 2023 with no change to assessment of risk scores.

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

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				
	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
------	-----	--------	------	-----------