

# Housing and Assets Portfolio Risk Register

Version 07

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## Risk Register - Part 1 (Portfolio Management)

Finance

Mitigation Urgency Key	
IM – Immediate	Now
ST – Short Term	Within 1 month
MT – Medium Term	1 month plus
Upward arrow	Risk increasing
Downward arrow	Risk decreasing
Sideways arrow	No change in risk

Risk Ref.	Risk Title	Risk Trend	Mitigation Urgency	Mitigating Actions
*CF14	Increasing rent arrears and Impact on the Housing Revenue Account (HRA) Business Plan	↔	IM	Welsh Government Minister Julie James announced that a further extension of the suspension of evictions would come into force on the 11 <sup>th</sup> January 2021. This extension will see all evictions suspended until the 31 <sup>st</sup> March 2021 and will continue to place further pressure on the rent arrears position and impact on our enforcement activity
HA02	Impact on Housing Revenue Account (HRA) budget and business plan with increased disrepair claims	↔	MT	There is currently no evidence that disrepair claims have increased during the Pandemic and the risk trend is considered to be stable and risk rating remains at yellow to reflect a decreasing risk. We will, however, continue to monitor this position as it is anticipated to change once national Covid restrictions start to ease.
*HA03	Rent loss and backlog of voids caused by delayed house moves	↔	MT	We are continue to work through a backlog of voids. The risk is reducing and has been downgraded to Yellow until we have worked through the vast majority of the backlog cases
*HA05	Food poverty response continues for a longer period creating financial pressures, impacting on our ability to continue deliveries	↔	MT	Well-Fed have created a new food box which is currently being delivered to residents who expressed concerns on how they were going to purchase food once the shielded programme had been paused. The box is being provided at a reduced cost as the meals on wheels service is being established. We are continuing to utilize the support from the voluntary sector to deliver the food boxes. The Well-Fed enterprise have now launched the meals on wheels service Well Fed at Home. We are now delivering and promoting full price food boxes to Flintshire residents.  Residents who are struggling to purchase food are referred to Well-Fed to discuss the meals we offer as a more sustainable food option for them. Dependent on their circumstances we are able to offer either a fully subsidized/partly subsidized food box for a period of time while we provide them with relevant support.

Risk Ref.	Risk Title	Risk Trend	Mitigation Urgency	Mitigating Actions
*HA09	Increases in Homelessness, impacts on workforce capacity increased risk of legal challenge and budgets (Discretionary Housing Payments, and Spend to Save Prevention Funds)	↔	MT	Management continue to closely monitor demand and capacity for homelessness and housing support services. Extensions of Notice periods and delays to Court proceedings continue to offer protection to tenants.  Additional funding from Welsh Government through Housing Support Grant for 2021-2022 onwards (extra £1.87m) will enable the service to increase staffing capacity and other commissioned support services. The benefit of this will not likely be felt until Q2 2021/22 onwards until people are in post and additional services commissioned.
*CP01	A reduction in the value/level of capital receipts impacts on the Capital Programme	↔	MT	This risk is difficult to assess as the market is generally slow to react to such economic shocks. We will mitigate the impacts of this through judicial marketing of available assets so as to maximise receipt levels or, as necessary, withdraw assets from the market in the event of market collapse. We may need to consider alternative funding sources, or work to a reduced Capital Programme in the medium to longer term as mitigation.
*CP02	Impact on income levels due to inability to renegotiate higher rents on lease renewals	↔	MT	It is expected that the rental market will adjust to accommodate customer affordability. This will require, on a case by case basis, consideration of best approach which may involve reducing rentals rather than lose a tenant (which in itself would result in rent loss, and empty property business rates liabilities and ongoing maintenance and security costs falling on the Council). We may also need to consider offering shorter tenancies and more frequent break clauses.
*CP03	Impact on income due to tenants seeking an extension of rent deferrals	↔	MT	We will need to adjust our strategy to follow any Government guidance and to help stimulate local economic growth. As CP02 above
*CP04	Impact on income due to an increase level of voids within our commercial and industrial estate	↔	MT	We have not extended the rent deferral period for our tenants beyond the first quarter of 2020/21 and tenants are regularly being contacted to invite them to continue with monthly or quarterly payments and agree a repayment plan.
*CP06	An increase in property costs due to the unsustainability of Community Assets	↔	MT	We maintain contact and support with our CATs and where necessary provide limited financial support to ensure that they remain viable and sustainable. The impacts of Covid Restrictions is having an impact upon CATs as many of these rely on 'paying customers coming through the door'.  The Council has been providing support and advice to CAT groups may need to consider a special recovery grants fund to support financially at a later stage. Until then the current risk rating remains at yellow on the basis that stakeholders have been able to, in many cases; mothball their facilities.

Risk Ref.	Risk Title	Risk Trend	Mitigation Urgency	Mitigating Actions
*CP07	An increase in property costs for the Council due to the unsustainability of Alternative Delivery Models (ADM's)	↔	IM	We are maintaining regular contact with our ADM businesses and are providing intensive support as well as ongoing financial support to ensure that they remain viable and sustainable
*CP08	Delays in the Capital Programme due to contractors going into administration	↔	MT	Capital schemes are progressing as planned and no contractors have gone into administration.
*CP11	Costs and complexities with the return and reinstatement of Deeside Leisure Centre due to an extended period of use as an emergency hospital	↔	IM	Discussions on reinstatement costs with Welsh Government and the Health Board are at an advanced stage and we are undertaking meetings with the Health Boards appointed team to agree the degree and extent of the reinstatement work. The mechanism for claiming lost revenues due to their continued occupation is now working effectively.
*HA18	Reduced house delivery and increased cost ability to spend allocated grant impacts negatively resulting in Welsh Government claw back	↔	MT	All "live" SHARP schemes are now completed. Planning delays have meant some schemes have not progressed as swiftly as anticipated and has resulted in construction work not being started on site as planned. Welsh Government advised of progress at regular intervals in order to protect grant position.
*HA20	Increase in demand for responsive repairs and planned works once lock down restrictions are eased (NEW Homes) Increased cost and resource	↔	MT	This has not materialised. Gas servicing, urgent, routine and emergency works are now being undertaken where access is allowed by tenants. . The County Council has now stepped in to support NEWHomes and is undertaking gas servicing and emergency work. non-emergency repairs are being undertaken by For You Property Services (FYPS). This remains the same, urgent repairs are permitted.
*HA21	Backlogged voids impact negatively on the New Homes Business Plan	↔	MT	The NEW Homes team carry out the majority of tenancy preparation virtually and only meet to sign paperwork and hand over keys. This process will be continued, in order to keep face to face contact to a minimum. However, there is a risk that properties may be void for longer as multiple viewings of a property cannot take place on the same day and void repairs are incurring some delays due to modified ways of working.

## Workforce

Risk Ref.	Risk Title	Risk Trend	Mitigation Urgency	Mitigating Actions
*HA24	Unable to enforce tenancy conditions due to current legal protections and court legal system backlog	↔	MT	Welsh Government Minister Julie James announced that a further extension of the suspension of evictions would come into force on the 11 <sup>th</sup> January 2021. This extension will see all evictions suspended until the 31 <sup>st</sup> March 2021. Prescribed forms have been changed to reflect the changes to possession procedures in line with Coronavirus Act 2020. The Courts are dealing with an extensive number of backlogged cases which will obviously impact on progress of our cases should they progress to Court.
*HA25	Unable to apply to social distancing rules during project delivery putting surveyors, contractors and clients health at risk	↔	ST	Work is continuing with Occupational Therapists, taking specialist advice on a case basis regarding the health and vulnerability of clients. Risk assessments are carried out for all cases prior to any work being completed on the property which include an assessment of the client, surveyor and contractor. No issues have been encountered in relation to being able to maintain social distancing rules. The client has the option to postpone the work if they are not comfortable with having contractors or surveyors in their home.
*HA26	Delays in service delivery if there is a shortage/lack of availability of Personal Protective Equipment (PPE) for contractors and Flintshire County Council (FCC) staff	↔	ST	Since the private sector disabled facilities work adaptation resumed, no issues have been encountered in relation to PPE availability. Supply of PPE is monitored and reviewed to ensure continuity of service in line with Welsh Government guidance. Assurance is in place in relation Contractors bidding for DFG work in respect of the appropriate levels of PPE to comply with government guidelines

## Property and Assets

Risk Ref.	Risk Title	Risk Trend	Mitigation Urgency	Mitigating Actions
*CP09	Services remain out of use for longer period supplier's' failure and availability of equipment/materials	↔	MT	We will identify alternative suppliers or source stock and hold for future use. Areas of particular concern are lift companies, heating installation suppliers, some specialist electronic companies and some raw materials ie plaster. Post Brexit issues are feeding through into contractor concerns and contract costs are likely to be negatively impacted.
*HA30	Weak performance and reputational damage as development programmes are slow to commence	↔	MT	As the private sector DFG work has resumed, delays have been encountered in the projects starting. This is primarily due to the contractors utilised by the service also being utilised by other local authorities creating some localised market overheating as work has resumed at approximately the same time across North Wales authorities, there has been an impact on start times and allowing for work to be delivered in line with the Welsh Adaptation Service Standards. Work is ongoing to identify alternative options to engage other contractors currently not utilised by the service which may assist with the imminent delivery of the work. . Management information has highlighted a number of jobs to be delivered have exceeded the delivery timescales as set out in the Housing Adaptations Service Standards. An action plan has been devised to expedite the delivery of this work but this will inevitably mean that performance is likely to fall short of anticipated target levels.
*HA31	Delays on project starts dependant on components availability	↔	MT	Continue to work with manufacturers and suppliers to monitor availability and specify components requirements at tender stage. Notice to be put on tendering document stating contractor to ensure availability of materials prior to bidding/ agreeing to complete the work. Surveyors to identify individual case reviews to discuss progress and monitor. Up to 8 weeks delay on upvc windows, doors and shower trays.
*HA32	Inability to deliver housing adaptations due to the health of the clients and vulnerability	↔	MT	These customers are vulnerable due to ill health. This has been reviewed and work is ongoing with occupational therapists to take advice on a case by case basis. Risk assessments are completed prior to commencement of work. The service has resumed on a staged programme which is driven by the individual risk assessments. This risk has not materialized and will continue to be monitored

Risk Ref.	Risk Title	Risk Trend	Mitigation Urgency	Mitigating Actions
*HA33	People not having suitably safe and adapted accommodation due to the delay of service reinstatement. Quality of life issues customers and reputational damage	↔	MT	Due to the change in risk trend for risk HA30, this has led to the time period our customers are waiting for their adaptations to increase and exceed the guidance set out by the Welsh Adaptation Service Standards.  Urgent cases are still being reviewed jointly by Occupational Therapist and DFG team to assess risk in delivery of adaptation vs. deterioration of customers' health. Cases identified as being critical/essential will be risk assessed, prioritised and approval gained to conduct the work subject to contractor/material availability.
*HA34	Suppliers unable to provide components for critical installations leading to increased delay and service unavailability for long periods of time	↔	MT	Procurement and supply chains continue to be monitored. No reported difficulties via contacting contractors or suppliers in sourcing materials, parts plant or equipment currently but other issues such as post Brexit issues are likely to have an impact. Contingency plans for Brexit and Business Continuity are being developed to ensure that the service has access to the suppliers and material it requires.
*HA35	Construction site controls post lockdown lead to slow construction progress and increased costs	↔	MT	Contractors report that around 97% of infrastructure and construction sites are currently operating. Productivity is increasing as Companies work to the new Site Operating Guidelines and become familiar with 2m distancing and safer working practices. It is not anticipated that tender prices will fall post Brexit and analysis suggest that some material prices will start to overheat ie steel for example.

#### Governance and Legal

Risk Ref.	Risk Title	Risk Trend	Mitigation Urgency	Mitigating Actions
*HA36	Breach of compliance, potential health and safety issue around statutory inspections of declined access due to social distancing and shielding customers	↔	MT	Managed and monitored access where safe to do so. Good progress is being made in servicing gas and oil fired appliances for tenants whom were previously shielding. As at 28 <sup>th</sup> January, 2021 100% of stock has received a current gas servicing certificate and a weekly project meeting takes place to co-ordinate servicing for gas and oil servicing in relation to difficult to access properties.

Risk Ref.	Risk Title	Risk Trend	Mitigation Urgency	Mitigating Actions
*HA37	Property access and restrictions prevent routine and obligatory inspections	↔	MT	Process introduced for over the phone assessments, with requests for photos. There is a backlog of inspections and routine maintenance works which is currently being worked through.
*HA38	Increase in anti-social behaviour and breaches of new social distancing rules	↔	MT	New power under the Coronavirus Act 2020 provides legal basis for dealing with breaches of social distancing and increase in anti-social behavior

## Recovery Risk Register – Part 2 (Portfolio Service & Performance)

### Housing Programmes

Risk Ref.	Risk Title	Risk Trend	Mitigation Urgency	Mitigating Actions
*HA41	SHARP programme slow to recover impacting negatively on our own house build programme and targets	↔	MT	There are two sites specifically stalled awaiting conditions to be discharged (70+ units of accommodation).  A healthy pipeline of schemes are being planned and surveys and ground investigations continue to proceed to enable site risk to be identified and costs assessed this ensures viability of schemes can be proven. Position constantly monitored and reviewed through the Covid period.

### Housing & Asset Management

Risk Ref.	Risk Title	Risk Trend	Mitigation Urgency	Mitigating Actions
*HA42	Increased housing void backlog requiring proactive management to ensure properties let quickly and safely	↔	MT	Due to lockdown advice from Welsh Government the only rehousing that was taking place involved working with the Homelessness Team to help accommodate a small number of rough sleepers and priority homeless clients. The housing allocations team have started to rehouse a number of applicants who are in financial difficulties or are fleeing domestic violence. The allocations service is resuming normal services.

### Homeless Prevention Services

Risk Ref.	Risk Title	Risk Trend	Mitigation Urgency	Mitigating Actions
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Risk Ref.	Risk Title	Risk Trend	Mitigation Urgency	Mitigating Actions
*HA43	Increased demand for Housing Support Grant services and capacity issues create delays and lengthy waits for services	↔	MT	We are monitoring demand for support services through Support Gateway Referrals as this will establish levels and types of support service demand. This data also informs the Housing Support Grant Delivery Planning Process and an additional award of £1.87m has been confirmed by WGov for 2021-22 onwards, The additional funding although positive, does present some challenges in regards to recruitment and commissioning of services and we are working with partners to identify needs and develop plans to increase staffing resources as the funding is revenue grant and not capital. The extra funding will enable more support services to offer earlier interventions in an attempt to reduce pressures on the Homelessness Service and help people to retain and sustain housing. Additional funding can also be utilised for staff training and welfare to ensure services are resilient and able to respond to the challenges ahead with the potential increase in demand for services as we move out of “lockdown” and into recovery phase of covid. Still significant risks anticipated and true scale unknown. Example household debts as furlough comes to an end. Domestic abuse which increases as lockdown eases. Economic fallout of Covid on local industry and impact on housing market.
*HA44	SARTH register demand increases creating unmet need due to shortages of existing social housing (Flintshire County Council and Partners)	↔	MT	Demand for Housing Register will continue to increase due to increased hardship, housing need and potential homelessness as we move to the next phase of covid recovery. We are closely monitoring the levels of demand for this service. High demand property type is one bed general needs for the Homeless Cohort and there are very few of these available in Flintshire as a proportion of overall social housing lettings. Numbers on the Housing Register has reduced in the last two months as the service is better able to complete reviews and data cleansing activities.
*HA45	Private landlords face increasing financial pressures leading to instability within the Private Rented Sector, less affordable properties and increased demand and costs for social housing providers and homelessness services	↔	MT	We continue to receive requests for support and presentations to the Homeless Team from tenants within the Private Rented Sector. We are closely monitoring levels of service demand and continue to deliver support and refer to other agencies through the Support Gateway. Delays with court proceedings and extended notice periods (6 months) provide an opportunity to engage with landlords and tenants to stabilize tenancies at risk of failure. Welsh Government have announced a Private Renting Rent arrears Loan Scheme to offer interest free loans to renters who have fallen behind on rent as a direct result of COVID. The benefit and take of this service is still unknown and we await further information on this scheme and the impact it is having within the private rented sector. The additional award of Housing Support Grant for 2021-2022 onwards will enable us to enhance our current Private Sector Support offer for both tenants and landlords. Consultation is being undertaken locally to inform our approach to the private rented sector.

Previously Closed Risks

Risk Ref.	Risk Title	Risk Trend	Mitigation Urgency	Mitigating Actions
HA07	Delays in the Capital Programme due to contractors going into administration	-	-	-
CP05	The level of voids within our commercial and industrial estate increases – due to less demand from prospective new tenants – with an impact on income targets	-	-	-
*CP10	Increased cost and insurance claims due to Increased levels of vandalism or break-ins	-	-	-
*HA23	Increase costs and reputational damage due to inability to complete Welsh Housing Quality Standards (WHQS) by 2020	-	-	-