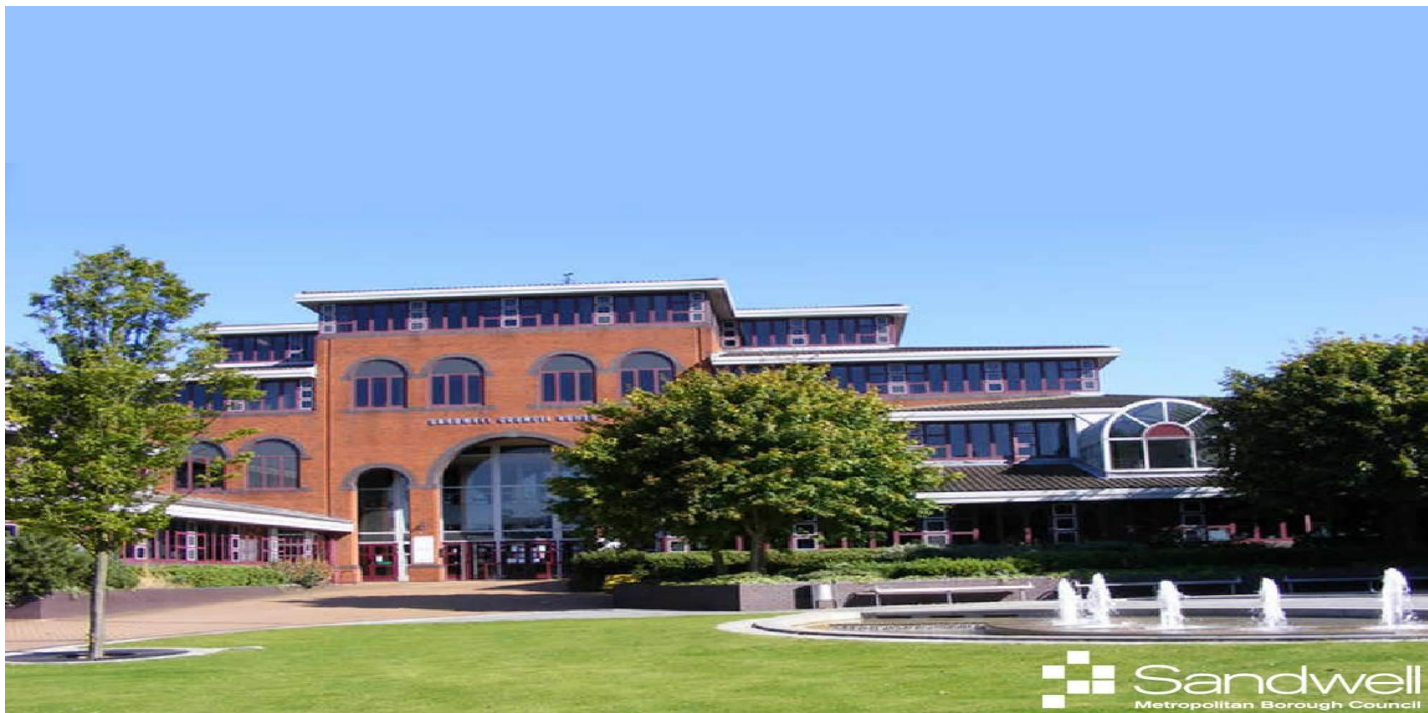


Appendix A

Profile of Current Strategic Risk Scores

RED	2
AMBER	7
GREEN	2

Summary Housing Directorate Risk Register @ October 2022



1. Best start in life for children and young people



2. People live well and age well



3. Strong resilient communities



4. Quality homes in thriving neighbourhoods




5. A strong and inclusive economy






6. A connected and accessible Sandwell


Housing directorate business plan priorities


1. Preventing homelessness	2. Meeting the housing needs of our communities including people with care and support needs	3. Raising standards in the private rented sector	4. Community Focussed-working with tenants, residents and the voluntary and community sector to co-produce services and solutions	5. Quality Homes in thriving neighbourhoods– council housing that is high quality, safe and energy efficient	6. Tackling deprivation and inequalities and improving quality of life and wellbeing of tenants and residents					
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Risk Ref	Risk Title and Description	Previous score	Movement in score	Current score (Oct 22)	Target score and date	Progress to Date (incl. current risk mitigating controls and further actions to be taken to manage risk)
01	<p>Procurement and Contract Management</p> <p>If management of the procurement process and ongoing contract management across the directorate is not effective and there is non-compliance with the new procurement rules, it could potentially result in a challenge from unsuccessful bidders and poor value for money.</p> <p>Risk owner – Interim Assistant Director, Asset Management and Improvement</p> <p>Priorities impacted: 2, 5.</p>	9 (amber)		9 (amber)	6 (green) 31/3/23	<p>Current and ongoing controls</p> <ul style="list-style-type: none"> Contractors appointed for all areas of housing maintenance. Procurement of additional contractors to assist with repairs backlog from Covid. KPIs in place for all contracts to enable effective contract management and contingency planning in the event of contract failure. Further actions Seek assurance in respect of compliance with new procurement rules – 30/11/22 All Business Managers and directors to complete Finance and Procurement Training – 30/11/22 Review compliance with the Construction, Design and Management Regulations 2015 in relation to the client, designer, and delivery functions for major projects – 31/3/23


Risk Ref	Risk Title and Description	Previous score	Movement in score	Current score (Oct 22)	Target score and date	Progress to Date (incl. current risk mitigating controls and further actions to be taken to manage risk)
02	<p>HRA Business Plan If the Council does not have a long term (30 year) business plan in place for its housing revenue account, developed with input from tenant and leaseholders, then this will result in an ineffective allocation of limited resources and failure to achieve the Council's long term housing ambitions and priorities.</p> <p>Risk owner – Director of Housing with Finance Business Partner</p> <p>Priorities impacted: 2, 4, 5, 6.</p>	8 (amber)		8 (amber)	4 (green) 28/2/23	<p>Current and ongoing controls</p> <ul style="list-style-type: none"> • Tenant and Leaseholder Scrutiny Group in place and being consulted on the plan • HRA officer group in place with terms of reference re oversight of HRA • HRA budget monitoring ongoing • Business Continuity Plans in place and to be reviewed. • Annual review of rent and service charges • Annual Report for tenants published for transparency of performance and spend <p>Further actions</p> <ul style="list-style-type: none"> • HRA Business Plan to go to Cabinet for adoption in following consultation with key stakeholders, including Sandwell Community Information and Participation Service (SCIPs) – February 2023 • Proposals for rent and service charge increases to be put forward for Cabinet decision as Business Plan is built on rent and service charge income – December 2022 • Detailed review of service charges to be completed – June 2023
03	<p>Management of Private Finance Initiative (PFI) project and Tenant Management Organisations (TMOs) If appropriate governance and contract monitoring arrangements are not in place to manage and monitor the PFI contract and relationships with the TMOs then there is a risk to:</p> <ul style="list-style-type: none"> • Quality and effectiveness of service provided to tenants • Robust and effective decision making 	6 (green)		6 (green)	6 (green) Achieved	<p>Current and ongoing controls</p> <ul style="list-style-type: none"> • 25-year contract and monitoring arrangements in place with Riverside Housing for delivery of the PFI project (Hawthorns Estate) • Service agreements in place with Cotterills Farm Housing Management Cooperative Ltd and Boscobel Estate TMO Ltd • Rolling programme of audits of PFI delivery is in place and undertaken by Internal Audit


Risk Ref	Risk Title and Description	Previous score	Movement in score	Current score (Oct 22)	Target score and date	Progress to Date (incl. current risk mitigating controls and further actions to be taken to manage risk)
	<ul style="list-style-type: none"> Quality of the housing provided Safety of residents Value for money being achieved <p>Risk owner – Director of Housing with Principal Accountant, Regeneration and Growth</p> <p>Priorities impacted: 5</p>					<p>Further actions</p> <ul style="list-style-type: none"> Review service agreements and monitoring arrangements with the TMOs to ensure accountabilities are clear and understood by both parties – 31/3/23
04	<p>Homelessness and Temporary Accommodation</p> <p>An increase in demand for Temporary Accommodation is realised due to the increase in the numbers of households who approach the Council in housing crisis. This is further exacerbated by the implications of the current economic environment.</p> <p>If the council does not have appropriate arrangements and housing policies in place, then it will be unable to serve those in most need of housing and use limited resources ineffectively by spending on expensive short term temporary accommodation arrangements.</p> <p>Risk owner – Service Manager, Housing Management</p> <p>Priorities impacted: 1, 2.</p>	12 (red)		8 (amber)	4 (green) December 2022	<p>Current and ongoing controls</p> <p>The service has a range of mitigating actions in place and underway to reduce the number of people who present as homeless escalating into relief duty and requiring temporary accommodation.</p> <ul style="list-style-type: none"> New Homelessness and Rough Sleeper Strategy adopted 2022 New service operating model introduced in 2022 to focus on early intervention and prevention Private Rental Sector (PRS) Secure and Sustain model to increase the available properties for our customers Call Before You Serve model in place to reduce the volume of presentations from the PRS Protocols in place with Children’s Trust to implement early intervention and prevention model for care leavers and young people Housing First methodology embedded into the complex hub operating model providing sustainable accommodation for rough sleepers Applewood Grove providing 21 high quality temporary accommodation units to homeless households and avoiding the need for higher cost spot purchases. Opening of Complex Hub accommodation and assessment centre for single homeless people at Holly Grange



Risk Ref	Risk Title and Description	Previous score	Movement in score	Current score (Oct 22)	Target score and date	Progress to Date (incl. current risk mitigating controls and further actions to be taken to manage risk)
						Further actions <ul style="list-style-type: none"> Manifoldia Grange due to open to provide in-house temporary accommodation for families in November 2022 Re-procurement of hotels for use as TA due to be completed December 2022
05	Housing Rental Income If a reduction in housing rental income is experienced as a result of rent arrears; voids; welfare reform and the current economic environment and cost of living crisis, then this may lead to budgeted levels of income not being achieved and a shortfall in the housing funds available to the Council, thereby impacting on the HRA short and medium term plans. Risk owner – Service Manager, Housing Management Priorities impacted: 5	4 (green)		8 (amber)	4 (green) 30/6/23	Current and ongoing controls <ul style="list-style-type: none"> Performance indicators for rent collection are in place and monitored monthly. Digital Transformation, enhancing the customer experience, reducing avoidable contact and creating efficiency across Income & Money Advice Services. Income Management are working with CAPITA (Open Housing) to improve the Rent Accounting Module. Extension of contract with Mobyssoft software that enables early intervention with tenants struggling to pay rent. Partnership working with the West Midlands Best Practice Group, DWP, Six Towns Credit Union and Citizens Advice Bureau. Direct referral to Welfare Rights Team to secure welfare benefits and maximise income for residents. HRA is used to top up the Discretionary Housing Payments budget and assist tenants at risk of homelessness. Digital access for customer to manage their rent account and make payments via My Sandwell Regular write-off of bad debt in compliance with corporate debt and tenant arrears write-off

Risk Ref	Risk Title and Description	Previous score	Movement in score	Current score (Oct 22)	Target score and date	Progress to Date (incl. current risk mitigating controls and further actions to be taken to manage risk)
						<p>policies and procedures</p> <p>Further actions</p> <ul style="list-style-type: none"> Promoting Direct Debit as preferred and secure option for tenants - ongoing Working in partnership corporately to identify a telephony solution which will support outbound dialling and text options to reduce abortive work from manual contacts. Summer 2023.
06	<p>Compliance with Building Safety Act 2022, the Fire Safety Regulations 2022 and building safety requirements.</p> <p>If the Council does not put in place appropriate processes and controls to ensure compliance with Building Safety regulations and guidance, then this could result in:</p> <ul style="list-style-type: none"> A risk of injury and even death to tenants, leaseholders and members of the public Reputational harm Exposure to regulatory action including corporate manslaughter and financial penalties to Council The triggering of investigations and sanctions by the Building Safety Regulator and/or Regulator of Social Housing Risk of individuals being prosecuted as well as the council itself <p>Risk owner – Interim Assistant Director, Asset Management and Improvement</p>	8 (amber)		8 (amber)	4 (green) April 2023	<p>Current and ongoing controls</p> <ul style="list-style-type: none"> Programme of work in place under Building Safety (officer) Group including monitoring of compliance dashboard and improving robustness of the data that sits below KPIs. Building Safety Board in place, chaired by Lead Member for Housing. Building safety training being delivered to teams. Home checks are being rolled out to identify tenants with vulnerabilities. Capital programme delivering major refurbishments and upgrades to blocks. External improvement programme in place to insulate with external wall insulation /cavity wall insulation to increase the energy performance certificate rating, also helping to reduce fuel costs and progress decarbonisation. <p>Further actions</p> <ul style="list-style-type: none"> Remedial actions arising from Fire Risk Assessments are being reviewed and remedial actions followed up where not actioned within date – 31/10/22 Restructuring of Asset Management and Improvement service is being carried out and will reflect new building safety and energy

Risk Ref	Risk Title and Description	Previous score	Movement in score	Current score (Oct 22)	Target score and date	Progress to Date (incl. current risk mitigating controls and further actions to be taken to manage risk)
	Priorities impacted: 5					efficiency/climate change duties and accountabilities – 31/3/23 <ul style="list-style-type: none"> Electrical Installation Condition Reports to be brought within 5 year requirement by December 2022 following self-referral to the Regulator of Social Housing in 2022 – 31/12/22 Building Safety Programme progress reporting to be overseen by Housing Transformation Board – 31/12/23 Develop a Compliance Strategy that sets out how our legislative responsibilities will be met including how we will develop digital records for all properties – 31/3/23 Collate required information on high risk buildings that will be required by the BSR from April 2023 Identify role competences and put training in place, if required, to ensure relevant roles/officers can demonstrate the required competences – 31/3/23
07	Compliance with the Social Housing (Regulation) Bill, including the Consumer Standards If the council does not put in place measures and actions to comply with the new regulatory framework there is a risk of: <ul style="list-style-type: none"> Not delivering services to the standards required or in line with tenant/leaseholder priorities Inability to report against the prescribed tenant satisfaction measures (TSMs) Non-compliance resulting in intervention by the Regulator of Social Housing and/or Building Safety Regulator Harm to residents 	8 (amber)		8 (amber)	4 (green) 31/3/23	Current and ongoing controls <ul style="list-style-type: none"> Training programme in place Stock condition surveys being procured to inform stock improvements including safety and energy efficiency improvements Tenant satisfaction survey has been commissioned and is being rolled out October 2022 with results available in December 2022 KPIs being monitored and reviewed Annual Report published Summer 2022. Further actions <ul style="list-style-type: none"> Work to be done to improve systems for recording and reporting on all KPIs including safety measures. This may require procurement of a new system. Project to commence in

Risk Ref	Risk Title and Description	Previous score	Movement in score	Current score (Oct 22)	Target score and date	Progress to Date (incl. current risk mitigating controls and further actions to be taken to manage risk)
	<ul style="list-style-type: none"> Low levels of tenant and leaseholder satisfaction Poor rating by the RoSH following inspection Reputational damage and loss of resident confidence <p>Risk owner – Service Manager, Housing Management</p> <p>Priorities impacted: 4, 5.</p>					<p>November 2022, timescales for completion to be confirmed once scope agreed.</p> <ul style="list-style-type: none"> Prepare for ‘mock’ inspection to test preparedness for actual RoSH inspection and implement the learning including areas for improvement - Autumn 2023
08	<p>Housing Disrepair and Stock Conditions</p> <p>If the Council does not have effective and robust arrangements in place to identify the condition of its housing stock, and carry out the necessary repairs and improvements, including energy efficiency improvements, then this will result in:</p> <ul style="list-style-type: none"> Poor and inefficient housing stock Non-compliance with the Homes (Fit for Habitation) Act 2018 Housing disrepair claims being made against the Council and Withholding of rent payments. <p>Risk owner – Interim Assistant Director, Asset Management and Improvement</p>	12 (red)		12 (red)	8 (amber) 31/3/23	<p>Current and ongoing controls</p> <ul style="list-style-type: none"> HRA capital programme in place to deliver stock improvements programmes including increasing the energy performance certificate rating of homes and helping to reduce fuel costs and progress towards decarbonisation. New contracts for repairs in place from 1 October 2022 to address the backlog. Disrepair claims being managed by Asset Management and Improvement Service to ensure priority repairs are fast-tracked. <p>Further actions</p> <ul style="list-style-type: none"> 14,000 (50% of total stock) stock conditions surveys about to be procured following the Cabinet’s decision in September 2022. This data will inform future improvement programmes. Consider engaging external resource to deal with disrepair claims – 31/12/22

Risk Ref	Risk Title and Description	Previous score	Movement in score	Current score (Oct 22)	Target score and date	Progress to Date (incl. current risk mitigating controls and further actions to be taken to manage risk)
	Priorities impacted: 5, 6					
09	<p>Right to Buy (RTB), Replacement of Housing Stock and Supply of Affordable Housing</p> <p>If there is a continuing and significant number of RTBs and reduced availability of affordable housing (private rented and social housing) then this will result in:</p> <ul style="list-style-type: none"> • An increased erosion of social housing stock and longer waiting lists • Increase in temporary accommodation costs • Increases in housing benefit costs • Increased risk of homelessness • Impact on the viability of contracts with TMOs and the PFI. <p>Risk owner – Director of Housing</p> <p>Priorities impacted: 1, 2.</p>	8 (amber)		8 (amber)	8 (amber) 31/3/23	<p>Current and ongoing controls</p> <ul style="list-style-type: none"> • Housing Needs Assessment 2022 produced to identify housing demands and needs for greater supply of affordable housing, by housing type/size. • RTB assumptions (250 pa) and need for land acquisitions and a new build programme built in to new 30-year HRA Business Plan. • New build council housing programme underway (target 195 homes, to start on site by March 2023). Programme is informed by needs of households on the housing register (waiting list). <p>Further actions</p> <ul style="list-style-type: none"> • Further develop relationships with private sector landlords and incentive schemes in order to access properties for households in need – 31/3/23 • Adopt and implement the Empty Homes Strategy to bring more empty homes in to use – December 2022 • Review the council's voids process to minimise turnaround times – 31/3/23 • Review of stock to identify properties that may be exempt from RTB to provide clarity to tenants on the status of those properties before applications are submitted – 31/3/23

Risk Ref	Risk Title and Description	Previous score	Movement in score	Current score (Oct 22)	Target score and date	Progress to Date (incl. current risk mitigating controls and further actions to be taken to manage risk)
10	<p>Inflation, supply chain resilience and workforce capacity</p> <p>There is a risk that the current and forecast levels of inflation, constraints in the job market and our workforce profile will impact upon:</p> <ul style="list-style-type: none"> • The successful delivery of the existing contracts in place • The cost of procuring future services and contracts within the expected and budgeted values • The resilience of the directorate's key supply chains • The directorate's ability to recruit and retain staff, particularly trades and technical roles <p>Risk owner – Interim Assistant Director, Asset Management and Improvement</p> <p>Priorities impacted: 5</p>	8 (amber)		12 (red)	8 (amber) 31/3/23	<p>Current and ongoing controls</p> <ul style="list-style-type: none"> • Strategic Investment Unit assesses contract costs and value for money. • Contingency amounts built into contract costs to allow for justifiable increases that can be approved using delegated powers. <p>Further actions</p> <ul style="list-style-type: none"> • Review and improve compliance with CDM (Construction, Design and Management) to ensure effective management of major programmes and reduce risk of slippage and escalating costs – 31/3/23 • Review roles for job-evaluation to reflect market rates and better compete with the private sector – 31/12/22 • Ongoing Investment in the wellbeing of staff with Occupational Health Initiatives to manage sickness absence, morale and productivity – 31/3/23
11	<p>Security of assets/ stores</p> <p>There is a risk that a lack of robust, adequate and effective controls in place at Stores could result in inaccurate and poor stock control systems, impact on service delivery, the loss of stock and fraud.</p> <p>Risk owner – Interim Assistant Director, Asset Management and Improvement</p>	6 (green)		6 (green)	3 (green) 30/6/23	<p>Current and ongoing controls</p> <ul style="list-style-type: none"> • Regular stock-takes performed and any significant variances between book and physical stock are investigated. <p>Further actions</p> <ul style="list-style-type: none"> • Review and improve arrangements for use of Stores by external contractors, reducing risks of non-payment where contract fails, or contractor ceases trading – June 2023

Risk Ref	Risk Title and Description	Previous score	Movement in score	Current score (Oct 22)	Target score and date	Progress to Date (incl. current risk mitigating controls and further actions to be taken to manage risk)
	Priorities impacted: 5					