

Decent Homes Risk assessment

At the beginning of 2010/11 the Housing Risk register showed that there a very high risk that the decent homes standard would not be achieved.

This individual risk assessment has been produced to control that risk

The situation has now changed with the award of the backlog funding and work in progress shows that decency can be reached by the end of \March 2015. However, risks still need to be managed.

| ID | Risk | Risk owner | Risk Cause (as a result of) | Risk Impact (which may result in) | Inherent Risk Scores (assume no controls) | | | Mitigation Actions and Controls | Actual Risk Scores (current position) | | | Residual Risk Scores (after mitigating actions and controls) | | | Action Owner | Action Due Date | Progress update and estimated completion date | Date Action Completed |
|----|---|------------------|--|---|--|-------------------|---------------|--|--|-------------------|---------------|---|-------------------|---------------|------------------|-----------------|--|--|
| | | | | | Impact (1-5) | Probability (1-5) | Score (I x P) | | Impact (1-5) | Probability (1-5) | Score (I x P) | Impact (1-5) | Probability (1-5) | Score (I x P) | | | | |
| 1 | Decent Homes not achieved | Christine Ansell | Withdrawal of backlog funding. The funding is guaranteed for 2012/13 but indicative for 2013/14 and 2014/15. If government faces more economic pressures than it anticipated this could result in backlog funding being withdrawn. | Decency would be delayed until 2017 and would have to be financed from the HRA. This would reduce funding for other projects, such as regeneration. This could have a detrimental effect upon Tenant satisfaction | 4 | 4 | 16 | Ensure spend of grant in 2012/13. Poor performers may be targeted for reductions if government finances are under pressure. Ensure that returns to government are made on time and with the detail required. This will maintain the government's positive view of NBC performance in this area. | 4 | 3 | 12 | 4 | 2 | 8 | Christine Ansell | End March 2013 | All returns have been submitted on time to government. Contractors are already in place to deliver work for 2012/13 | Partially complete - remainder not yet due |
| 2 | Decent Homes not achieved | Christine Ansell | Contractors not in place to deliver the programme | Government backlog funding could be delayed or withdrawn | 4 | 4 | 16 | Contractors already in place for 2012/13. Procurement timetable in place for recruitment of contractors by OJEU process. Progress monitored by Housing Finance Programme meeting. | 3 | 2 | 6 | 3 | 1 | 4 | Christine Ansell | End March 2013 | Procurement will commence in September for external recruitment of contractors. | Partially complete - remainder not yet due |
| 3 | Programme not delivered to time | Christine Ansell | Delayed start to contracts | Underspend resulting in risk of government funding being withdrawn | 4 | 4 | 16 | Ensure contractors are allowed sufficient setting up time and that contracts awarded well in advance of start dates. | 2 | 1 | 3 | 1 | 1 | 1 | Christine Ansell | Dec-13 | Contracts in place and work taking place under these for 2011/12 and 2012/13. Procurement programme in place for 2013/14 and 2014/15 | Partially complete - remainder not yet due |
| 4 | Tenants not fully engaged | Christine Ansell | Tenants not included in planning for Decent Homes | Tenants unhappy with specification or unhappy with contractors because their expectations have not been identified or met. Potential for damage to Council's reputation. | 4 | 3 | 12 | Tenants were involved in procurement of current contracts and will be involved in procurement process in terms of specifying the contract, visiting potential contractors and giving their views to be taken into account as part of the valuation process. | 3 | 2 | 6 | 3 | 1 | 4 | Christine Ansell | Dec-12 | Tenants involved in current phase and tenant steering group being set up. | Partially complete - remainder not yet due |
| 5 | Insufficient staff to support the delivery of the programme | Christine Ansell | Over the next four years approximately £50m will be spend on Decent Homes. Existing resources insufficient to manage the programme | Risk of delay to works taking place, resulting in loss or reduction of government grant; insufficient financial controls in place to manage budget. | 5 | 4 | 20 | Backlog funding bid includes 30% for on costs to cover costs such as these. Need for additional staff identified and in place. This will increase in 2012. Additional resources in place for asbestos surveys. | 3 | 3 | 9 | 3 | 1 | 4 | Christine Ansell | Jul-12 | Job descriptions completed and evaluated; four additional staff in place already. Remainder will be in place next year. | Partially complete - remainder not yet due |
| 6 | Contractors fail to deliver according to the contract terms | Christine Ansell | Poor performance by contractors. Insufficient monitoring and management of contracts. | Detrimental impact on tenant satisfaction. Impact on Council's reputation. Spend not achieved resulting in loss or reduction of govt funding. | 5 | 4 | 20 | Robust procurement process to ensure contractors have capacity and ability to deliver a programme of this size. More than one contractor in place so that delays by one can be covered by another. Key performance indicators to identify progress ; regular meetings with contractor's directors at the Decent Homes Core Group (meetings) to examine performance, spend, discuss progress. Regular site meetings with contractors by Housing Asset management staff; Clear management responsibilities designating lead personnel to manage each contract. | 3 | 2 | 6 | 3 | 2 | 6 | Christine Ansell | on going | Arrangements already in place for contract for £22m awarded last year to two contractors. Decent Home governance process in place. Monthly core group meetings held with Directors of the contractors. | on going. |
| 7 | Budget over or under spend | Christine Ansell | Lack of financial control | Budget not monitored with potential for over or under spend. Inaccurate payments made. | 4 | 4 | 16 | Lead officer identified for each contract. Budget profiled over year. Regular site visits and post inspections of all works by NBC before payment made. Procedures in place for contract management. Monthly monitoring and projection of spend. | 3 | 1 | 4 | 3 | 1 | 4 | Christine Ansell | on going | Processes in place for current contract | on going. |
| 8 | Ineffective communication with contractors | Christine Ansell | Poor communication with contractors | Delays in work; potential for underspends and overspends. Issues not resolved as they arise and develop into major problems. Risk to Council's reputation | 4 | 4 | 16 | Clear lines of communication and responsibility specified. Structure of meetings set up with contractors at a range of level to monitor and to aid communication. Meetings take place at site level and also with contract directors and the Head of Service | 3 | 2 | 6 | 2 | 1 | 3 | Christine Ansell | on going | Governance and meeting structure set up | on going. |