

CORPORATE RISK REGISTER (PROPOSED NEW FORMAT)

January 2020

SPELTHORNE BOROUGH COUNCIL STAINES –UPON – THAMES

Evaluating risks and Risk Matrix

The Council evaluates its risks on a four-point scale on the likelihood of the risk occurring and the impact caused should the risk occur. Risks are evaluated with their controls in place. Risks are plotted on a risk matrix (see below) and prompt action is taken on those risks that fall into the red zone. Action is considered for “yellow” risks while “green” risks are regarded as acceptable. The mock risk example (Risk Reference 1- Housing) has been plotted on the graph below.

Impact	4 (Catastrophic)				
	3 (Major)		1		
	2 (Medium)				
	1 (Trivial)				
		1 (Rare)	2 (Unlikely)	3 (Likely)	4 (Almost certain)
		Likelihood (over 4 years)			

CORPORATE RISK REGISTER – SPELTHORNE BOROUGH COUNCIL - EXAMPLE OF RISK (PART 1)	
RISK REFERENCE	1
RISK TITLE	<p>Housing :</p> <ul style="list-style-type: none"> • Lack of affordable housing increases homelessness • Housing provision does not meet local resident needs
CORPORATE PRIORITY	<i>Delivering Housing that meets local needs</i>
CORPORATE OBJECTIVE (AIM)	To deliver housing with a wide range of tenure options to meet the needs of our residents locally, reducing homelessness, increasing affordable provision and helping to meet the overall need for additional homes in the Borough. (This encompasses the three strategic priorities for Housing)
CAUSES OF RISK	<ul style="list-style-type: none"> • Limited availability of suitable development land due to constraints such as designated greenbelt , flood risk, biodiversity within the borough • Affordability of accommodation (purchase/own) within Spelthorne remains challenging • Growing demand for affordable housing due to national and local demographic factors (such as growing/ageing population, high number of lone parent families within the borough), this being linked to promotion of independent living • Economic factors (planned Heathrow expansion will increase shorter term impacts from construction workers who require local accommodation for the term of the expansion (up to 2050)) • Proximity to London with some use of Spelthorne properties by London Boroughs • Lack of developments coming forward from Partners (registered providers) and heavy reliance on main provider • National government policy (welfare reform, financial austerity) • Housing has been reported as a significant fraud risk area nationally for Local Councils (National Fraud Initiative/CIPFA) .This includes tenancy fraud such as illegal subletting of social housing, application fraud (homelessness and housing register) and right to buy fraud.
CONSEQUENCES OF RISK	<ul style="list-style-type: none"> • Limited supply of existing and new build affordable properties • Unable to deliver housing need • Increasing numbers on the housing register • High rates of statutory homelessness (since 2014/15 Spelthorne's rates per 1,000 household have exceeded regional and national averages) • High use of emergency and temporary accommodation for homeless households which may become longer term placements, with increased costs • Increased demands on Service provision (Housing) may increase potential for legal challenge resulting in potential awards against the Council and reputation damage

	<ul style="list-style-type: none"> • If fundamental Housing needs are not met/maintained this may have a negative impact on the health and wellbeing of individuals/families affected, resulting in demand on other parts of the Council's and public sector's funds • Difficulties in recruiting and retaining key workers to support the delivery of vital public services • Housing fraud results in significant financial losses and reputation damage, reducing the level of public services available. (Spelthorne's fraud returns detected are referred to under Controls section) Fraudulent activity extends applicant waiting times on the Housing Register, increases temporary accommodation costs, and diverts social housing away from those who are in genuine need. The Annual fraud Indicator 2017 (National Fraud Initiative) highlights that housing tenancy fraud alone costs local government £1.83 million.
CURRENT CONTROLS	<ul style="list-style-type: none"> • Local Plan • Local Development scheme – sets timetable for delivery of Local Plan • Annual monitoring reports outline number of affordable dwellings granted • Housing Delivery test resulted in production of Housing Delivery Action Plan • Housing Delivery Programme; Knowle Green Estates (KGE) set up for the purpose of developing new affordable homes for rent and delivering a proportion of Spelthorne's Housing needs • KGE - business plan • Housing Strategy 2020 – 2025 • Homelessness Strategy 2020 – 2025 (Subject to approval) • Action plans arising from the Housing and Homelessness strategies encompass defined priorities for Housing • Quarterly monitoring of strategic action plans by designated Officers, reporting red and amber actions (requiring attention) to the Strategic Housing Group • Strategic Housing Group meets monthly with clearly defined Terms of Reference (monitoring mechanism) • Close working with Partners to support achievement of Housing aims • Progress of property development projects reported weekly to Development and Improvement Group (DIG) (monitoring mechanism) • Financial monitoring and management (significant costs arising from property development work) • Embedding of legislative requirements and associated processes, such as the 2018 Homelessness Reduction Act • Counter fraud awareness training delivered across teams for high risk public fraud. • Collaborative arrangements in place to support proactive and reactive counter fraud work, with quarterly reporting of fraud returns generated (cost savings/future losses prevented). Since 2015 Spelthorne's

	cumulative returns for Housing fraud detected exceed £1.1m. Achievements include reduced Housing Register through removal of false applications from waiting lists, some reduction in temporary accommodation costs and where social housing properties are recovered these can be reallocated to those in genuine need.
OWNERS	MAT member assigned or relevant Group Head
LIKELIHOOD OF RISK (1-4)	2 (Unlikely)
IMPACT OF RISK (1-4)	3 (Major)
RESIDUAL/CURRENT RISK SCORE	Yellow Risk (Defined as “Action to be considered” in accordance with the proposed Risk Management Policy) Please refer to the top of this document to see the ‘Risk Matrix’ and plotting of this particular risk
(RAG-rated to indicate if risk score is inside or outside the risk appetite)	RAG RATING will need to follow once the Councils risk appetite statement has been determined/agreed
CROSS REFERENCE	(SEE SEPARATE RISK ACTION PLAN (PART 2) BELOW RELATING TO THIS RISK CATEGORY)

CORPORATE RISK REGISTER – SPELTHORNE BOROUGH COUNCIL RISK ACTION PLAN – (PART 2)					
Risk Reference & Title	Actions (SMART)	Date Action Added	Lead Officer	Timeline for Delivery (Month and year)	Status (Implemented or Outstanding)
1.Housing	1.Member approval of the Housing Strategy (incorporates action plan) covering the period 2020 – 2025	January 2020	Housing Strategy and Policy Manager (David Birley)	April 2020	All actions will be reviewed at the next review of the CRR (applies to all actions)
	2. Approval of the Homelessness Strategy (incorporates action plan) covering the period 2020 – 2025.	January 2020	Housing Strategy and Policy Manager (David Birley)	May 2020	

	3. Following action 2 above, set up a homelessness strategy working group to support achievement of aims	January 2020	Housing Strategy and Policy Manager (David Birley)	August 2020	
	4. Establish and approve clearly defined Terms of Reference for the Homelessness Strategy working group to support achievement of aims	January 2020	Housing Strategy and Policy Manager (David Birley)	December 2020	
	5. Service Level Agreement to be put in place with registered providers to take forward cases of alleged tenancy fraud.	January 2020	Housing Strategy and Policy Manager (David Birley)	June 2020	

	6. Preparation and adoption of New Local Plan to meet future need and strengthen affordable housing policy	January 2020	Strategic Planning Manager (Ann Biggs)	March 2022	
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