

RISK REGISTER
(Report by the Audit & Risk Manager)

1. INTRODUCTION

- 1.1 In line with the Council's Risk Management Strategy, a risk register has been developed that holds details of the significant risks faced by the Council. Details of progress made in identifying and managing risks is reported regularly to the Corporate Governance Panel.
- 1.2 The Risk Management Strategy requires the Cabinet to consider each of the very high or 'red' residual risks to identify whether they should be further mitigated by cost-effective and affordable actions.

2. RISK 238 : OPTION FORM

- 2.1 One emerging 'red' risk that falls across the service areas of affordable housing and homelessness is attached for review and consideration.
- 2.2 The Heads of Planning and Customer Services have both considered the controls already in place as listed on the option form. They have also considered what, if any, cost effective controls could be introduced to further mitigate the risk.

The option form summarises the issues that these service areas are facing in trying to manage the risk. The Portfolio Holder's are aware of these issues and the challenges the Council is facing in successfully dealing with the risk.

- 2.3 The options to mitigate the risk of increasing homelessness and subsequent costs associated with an increase in the use of bed and breakfast are:
- a) To prevent homelessness in the first instance including using a new power to discharge the homelessness duty in the private rented sector. This is limited by the lack of available/willing landlords coupled with the unaffordability of private sector rents which means that this is unlikely to have a significant impact on our ability to manage demand.
 - b) To increase other types of temporary accommodation so that the use of bed and breakfast is minimised. Officers are currently negotiating with housing association partners to develop schemes that provide properties that can be used as temporary accommodation. An example of this is a scheme with Stonham housing association to use of a number of their properties as temporary accommodation. Although this will increase the number of temporary properties available to the Council the use of bed and

breakfast is likely to continue at relatively high rates. This is due to the current climate of increasing homelessness and a reduced number of social rented properties being delivered through the new build programme.

- 2.4 The two Heads of Service consider that without a substantial injection of further targeted resources into this potentially highly emotive service area, that no further controls can be introduced.

3. RECOMMENDATION

- 3.1 Cabinet is recommended to note the option form for risk 238 and consider what action, if any, it wishes to take to further mitigate the risk

BACKGROUND INFORMATION

Risk Register

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Risk Treatment Option Form - 238

Risk Treatment – Action Plan					
Description of risk from register:	Risk ID No:	238	Current residual risk score: Likelihood x Impact	5	5
<p>The economic downturn and emerging changes to Government Policy potentially weaken the Council's ability to seek affordable housing on new development sites. Whilst we continue to seek up to 40% affordable housing, if sites are found to be financially unviable to develop, we will increasingly have to accept a lesser contribution to enable development to proceed.</p> <p>In 2012/13 onwards, we already predict a downturn in the completions levels experienced in recent years (55 completions planned in 2012/13 compared to 288 in 2011/12 and 367 in 2010/11) due to where we are within the planning cycle.</p> <p>In turn this reduction in potential provision leads to a reduction in the numbers of people being housed, the need for longer stays in temporary accommodation and increased use of B&B becomes inevitable.</p>					
<p>Controls already in place as listed on the risk register:</p> <p><i>Increase supply:</i></p> <ul style="list-style-type: none"> Identify alternative provision opportunities on non-section 106 sites to boost the affordable housing programme. If a developer contends that their affordable housing requirement (Section 106) is not economically viable for them to deliver we would scrutinise the inputs to the development to assess overall site viability. If proven we would look to renegotiate an appropriate lower percentage of affordable housing, or we would revise the tenure split of the site to enable a viable development to proceed. Tackling under occupation and illegal sub-letting in partnership with housing associations. <p><i>Manage demand:</i></p> <ul style="list-style-type: none"> Review and increase the provision of temporary accommodation as an alternative to B&B. Assist people to access private rented housing through the use of a rent deposit scheme and discretionary housing payments 					
Are these controls operating effectively? Yes/No					
Risk Action Plan (All actions listed in priority order)					
Proposed actions to reduce risk using existing resources	New residual risk score ¹			Extra resources required ²	
	L	I			
a.					
b.					
c.					
Actions requiring additional resources					
1.					
2.					
3.					
Decision					
Agreed Option:	Implementation Date		Risk Owner		
Decision taken by:	on:				

¹ **New Residual Risk Score:** after the action has been introduced

² **Extra Resources:** only complete if extra resources will be required to allow the proposed action to be introduced e.g. financial costs and staff time