



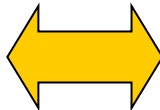


Strategic Risk Management Register 2017/2018

Quarter 2

KEY

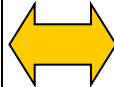
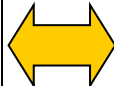
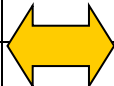
Risk Score Bands


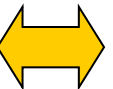

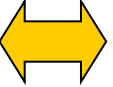

HIGH	Over 75
MED/HIGH	over 50 – 75
MED	over 30 - 50
MED/LOW	15 - 30
LOW	Under 15

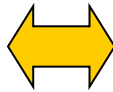
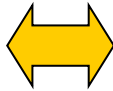
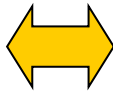
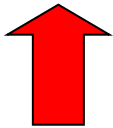
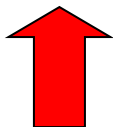

Total Strategic Risks					
20	New/Emerging Risks (0)	Increased Risk (2)	No Movement (18)	Reduced Risk (0)	Deleted Risk (0)






Risk Prioritisation	HIGH	MEDIUM/HIGH	MEDIUM	MEDIUM/LOW	LOW
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Strategic Risks

No	Hazard – Threat or Danger	Specific Risk	Risk Category / Type	Raw Risk High, Medium/High, Medium, Medium/Low Low	Controls Key Controls used to Mitigate the Risk	Residual Risk High, Medium/High, Medium, Medium/Low Low	Risk Score & Rank (Per Residual Risk Score)	Associated Strategic Objective	Dept / Officer / Responsible	Movement in Period
1.	Developing New Housing	Various Risks Failure to deliver the Associations development aspirations. "Challenge" from lack of public tender process. Additional Costs. Potential Impact on Rent Levels. Challenge re Tender Process. Increased SHR scrutiny.	Development	HIGH	<ul style="list-style-type: none"> ➤ Appointed experienced RSL development partner ➤ Follow RSL development partners tried and tested processes and procedures where appropriate ➤ Engage experienced and reputable contractors (use development partners frameworks etc already in place) ➤ Apply appropriate tendering procedures (use development partners frameworks etc already in place) ➤ Developments which require substantially higher rents than those charged for existing properties will not be approved 	HIGH	100	<u>Strategic Objective 4:</u> <i>To contribute to the supply of high quality, accessible, secure, affordable and sustainable homes where financially viable</i>	Director	
2.	Implications of Welfare Reform	High / Increasing Rent Arrears/Bad Debts	Financial Viability	HIGH	<ul style="list-style-type: none"> ➤ Regular liaison and meetings with local authority. ➤ Encouraging tenants to set up direct transfer of HB amount to the Association to ensure rent account remains in credit / not in debit. ➤ Monitor housing press for information on forthcoming HB changes ➤ "Stress test" financial projections for sensitivity to increased arrears arising from HB changes ➤ Lobby representative bodies ➤ Arrears Policy & Procedures in place ➤ Ensure staff understand the importance of rent to the Associations financial position ➤ Robust monitoring regime to be in a position to respond quickly to developing situation ➤ Quarterly management report to Committee highlights current position against previous period and previous year to determine trend ➤ Benchmarking with peers to monitor trends ➤ Good external relations with LA, CAB etc in assisting tenants to obtain debt advise ➤ In house tenancy sustainment service introduced 	HIGH	100	<u>Strategic Objective 2:</u>	Head of Customer Services	
3.	Reactive Maintenance Service	Associated with sole contractor	Customer Services (Technical)	HIGH	<ul style="list-style-type: none"> ➤ Apply our repairs pre and post inspection process. 	HIGH	100	<u>Strategic Objective 1</u>	Head of Customer Services /	

		<ul style="list-style-type: none"> ➤ Quality ➤ Contractor Insolvency ➤ Tenant Satisfaction 	Governance		<ul style="list-style-type: none"> ➤ Contractor paid through regular invoices under our normal financial procedures. ➤ Monthly progress meetings will be used to monitor financial performance. ➤ All tenants will be notified of the change in service provision ahead of any change. ➤ Customer Satisfaction exercises will be undertaken more frequently 				Director	
4.	Inadequate IT system	<ul style="list-style-type: none"> ➤ Inefficient working practices ➤ Increased costs to the Association ➤ Disruption to service deliver ➤ Vulnerability to system attack 	Technological	HIGH	<ul style="list-style-type: none"> ➤ Implement the internal audit management actions ➤ Ensure systems security is maintained. ➤ Systems & procedures in place and adhered to. ➤ IT services contract in place with reputable and experienced company ➤ Disaster recovery procedures; system back-up process in place ➤ Ensure staff are aware of increased threat from "rogue" emails through regular communication 	MED/HIGH	75	Strategic Objective 5	Head of Finance & Corporate Services	
5.	Increased number of void properties	Loss of Rental income	Housing Management	HIGH	<ul style="list-style-type: none"> ➤ Quarterly management reports to Committee ➤ Benchmarking with peers ➤ Inter departmental liaison on tenancy terminations / allocations etc ➤ Apply strict timetable for void repairs from contractors ➤ Minimise the impact of statutory agency involvement in the process. 	MED/HIGH	75	Strategic Objectives 1 & 2	Head of Customer Services	
6.	Implications of higher Inflation	Potential to impact on tenant's income, the rent we charge and the Associations costs.	Financial Viability	HIGH	<ul style="list-style-type: none"> ➤ Short medium, long term budgets in place; ➤ Management Accounts reporting ➤ Appropriate insurance & review arrangements, financial control & internal audit procedures in place ➤ Keep up to date with economic forecasts and information and factor into decision making across the Association 	MED/HIGH	75	Strategic Objective 5	Head of Finance & Corporate Services	
7.	Poor Customer Satisfaction Results	Reputational Increased Scrutiny from SHR	Customer Services	HIGH	<ul style="list-style-type: none"> ➤ Deliver action plan 	MED/HIGH	75	Strategic Objective 2: <i>To provide a comprehensive and responsive customer service to tenants, sharing and factored owners which supports sustainable tenancies and delivers customer satisfaction</i>	Head of Customer Services	
8.	Continuing Implications of 2013 Staff restructure	Effective delivery of service	Human Resources	HIGH	<ul style="list-style-type: none"> ➤ Investigate cause/s ➤ Undertake a further Staffing Structure review ➤ Manage issues effectively 	MED/HIGH	75	Strategic Objective 5: <i>To ensure that the Association's work is underpinned by effective</i>	Director	

					<ul style="list-style-type: none"> ➤ Consider appropriate Management Development Advice/Training 			financial, administrative, and management processes set within a framework of effective corporate governance		
9.	Service Delivery / Staff Resources	Insufficient staff resources to undertake the range of services expected	Service Delivery	HIGH	<ul style="list-style-type: none"> ➤ Review staff structure against the range of services expected 	MED/HIGH	75	Strategic Objective 6: <i>To ensure that OVHA recruits and retains sufficiently trained and experienced Committee members and suitably qualified staff and satisfies all health, safety and environmental requirements and legislation.</i>	Director	
10.	Failure to follow approved policies and procedures	<ul style="list-style-type: none"> ➤ Incorrect / inconsistent decision making ➤ Poor morale ➤ Poor tenant satisfaction ➤ Increased regulatory scrutiny 	Corporate Governance	HIGH	<ul style="list-style-type: none"> ➤ Regular staff training on policy and procedures ➤ Departmental service plans ➤ Departmental / team meetings ➤ Individual staff actions monitored by managers ➤ Internal Audit & regular Reviews of Policy & Procedures 	MED/HIGH	75	Strategic Objective 6	Director	
11.	Compliance with EESSH	Failure to Achieve EESSH by 2020	Customer Services (Technical)	HIGH	<ul style="list-style-type: none"> ➤ Deliver programme of works prior to 31st March 2020 	MED/HIGH	75	Strategic Objective 1 <i>To invest in its existing housing stock to ensure that the Association provides the highest standard of accommodation possible</i>	Head of Customer Services	
12.	Lack of Committee skills / poor Committee composition	<p>Poor decision making</p> <p>Increased regulatory scrutiny</p>	Corporate Governance	HIGH	<ul style="list-style-type: none"> ➤ Implement Committee Training Needs Analysis and Plan. ➤ Committee Induction and support ➤ Committee training programme ➤ H&S Awareness Training for HSE Committee 	MED/HIGH	75	Strategic Objective 6:	Director	
13.	Breaches of Legislation (other than H&S)	<ul style="list-style-type: none"> ➤ Fines, imprisonment ➤ Reputational damage ➤ Increased regulatory scrutiny 	Corporate Governance	HIGH	<ul style="list-style-type: none"> ➤ Appointment of experienced solicitors and advisers ➤ Adhering to advice in decision making ➤ Meeting legal deadlines for submissions 	MED/HIGH	75	Strategic Objective 5	Director	
14.	Potential Extension of Freedom of Information Act (FOI)	<p>Costs both direct in terms of legal costs and indirect in terms of staff costs</p> <p>Impact on</p>	Governance	HIGH	<ul style="list-style-type: none"> ➤ Assist SFHA lobby against ➤ Take part in the SFHA consultation on the FOI 	MED	48	Strategic Objective 2:	Director	

		service delivery								
15.	Potential Impact of Brexit	Unknown		HIGH	Unknown	MED/LOW	27	Strategic Objective 5:	Director	
16.	Inaccurate property information	Inability to properly plan, monitor and control the finances of the Association due to inaccurate property maintenance information	Property Management Financial Management	HIGH	<ul style="list-style-type: none"> ➤ Experienced and qualified finance staff ➤ External Audit ➤ Internal Audit ➤ Reporting to Committee ➤ Reporting to Regulator ➤ Reporting to Lenders ➤ Regular review of long term financial projections. ➤ Accurate Planned maintenance information ➤ Introduction of new Property Management Software 	MED/LOW	27	Strategic Objective 1:	Head of Customer Services	
17.	Failure to adhere to Health & Safety Legislation or Regulations (not Staff / Tenants)	Financial Cost of fines Reputational Damage	Health & Safety/ Reputational	HIGH	<ul style="list-style-type: none"> ➤ Appointment of H&S Adviser, 6 monthly review of H&S Manual ➤ Appoint CDM Coordinator on all appropriate contracts and engage competent contractors ➤ Maintain training on landlord's requirements; strict monitoring of process for gaining access ➤ Regular checks of office fire extinguishers and equipment ➤ Risk assessments in place and monitored regularly 	MED/LOW	27	Strategic Objective 6	Director	
18.	SHQS Compliance	Failure to Achieve	Customer Services (Technical)	HIGH	<ul style="list-style-type: none"> ➤ Deliver programme of works 	LOW	12	Strategic Objective 1	Head of Customer Services	
19.	Reclassification of Scottish RSLs as 'Public Non-Financial Corporations'	Loss of Independence	Governance	HIGH	Assist SFHA lobby against	LOW	12	Strategic Objective 5:	Director	
20.	Employee Pension Arrangements	Unaffordable Costs Staff Morale	Financial Management	HIGH	<ul style="list-style-type: none"> ➤ Revised pension obligations factored into long term financial planning 	LOW	12	Strategic Objective 5:	Head of Finance & Corporate Services	

George Tainsh
Director

19th October 2017