

LISTER HOUSING CO-OPERATIVE LTD

**STRATEGIC RISK MATRIX FOR LISTER**

v8 November 2019

Likelihood = likelihood of occurrence of event  
 Severity = potential severity of consequences should an event occur

<b>Risk category</b>	<b>Hazard</b>	<b>Risk</b>	<b>Likelihood</b>	<b>Severity</b>	<b>Control action</b>
Political	Change in housing benefit legislation (Westminster)	All tenants have to pay contribution to rent, causing rise in arrears and admin.	Medium	Medium	Everyone in the same situation, therefore lobbying through SFHA main focus.
	Change in housing legislation (Scottish parliament)	Adverse effect on organisation	Low	Low	Monitor and liaise through SFHA
	Change in priorities or resources of key partners (e.g. Scottish Housing Regulator, CEC Housing)	Reduction in funds for work such as Adaptations	Low	Low	Monitor closely and participate in SFHA / Edinburgh Affordable Housing Partnership. Lister does not depend on grant for its normal activities.
Economic	Rise in interest rates, Rise in inflation	Increased costs	Medium	Low	Rents can be changed to reflect interest rates. Volatility of rates reduced in recent years. Inflation hits tenants' incomes.
	Recession means tenants income reduce / more arrears	Reduction in income / cash flow/increase court work	Medium	Medium	We need to continue to monitor arrears and work with tenants closely
	Welfare reform changes	Impact on income and increase in staff time	High	Medium	Bedroom tax and changes to non-dep deductions introduced already. Universal Credit already producing many challenges.
Socio-demographic	Change in socio economic profile	Less demand for our housing	Low	Low	Unlikely to happen in near future
	Ageing population	More demand for adaptations and specialist services	Medium	Low	Lister has always looked to other agencies for specialist services as well as the individuals/families concerned. Adaptations are manageable so far.
	Less demand for shared flats and bedsits	Tenant dissatisfaction, higher voids	Medium	Low	Lister to monitor flat sizes and if appropriate in future, consider alterations

Technological	Growth of web based services	Reduction of service	Medium	Low	Lister to keep in touch with developments
	Reliance on bigger computing power	Reduction in service; need for investment	Medium	Low	It is the internet service/speed/reliability that is crucial rather than raw power.
Legislative	Legal action over Human Rights act	Cost and bad publicity of litigation. Demands on management time	Low	Medium	To keep close eye on developments.
	Freedom of Information (Scotland) 2002	Demands on time. Release of sensitive information	Low	Medium	To be proactive with our DPO consultant. To think 'It will be releasable' when writing
	GDPR data protection legislation	Accidental release of personal information - impact on regulation / fines. Loss tenant confidence.	Medium	Medium	We are planning as much as we can on this topic but there is a backlog on the deletions. We have a good DPO consultancy service assisting us.
Environmental	Damage to buildings due to natural disaster	Direct costs and any knock-on costs inc. temp rehousing	Low	Low	Less likely in city centre location. To monitor any structural problems
	Traffic congestion and pollution affect households	Reduction in health and quality of life of tenants	Medium	Low	Continue push for car-free schemes and public transport issues, as well as road safety issues.
	Road charging in city centre	Increase costs and increase difficulty of retaining contractors	Medium	Medium	Monitor situation and ensure tenants and contractors kept informed. Should help reduce traffic and pollution problems.
Competitive	Other HAs attract development funding	Lack of development activity	Low	Low	Lister has implicitly decided to not develop further unless special opportunity arises
	Lack of land for future development	Lack of development activity	High	Low	See above.
Tenant/Citizen	Drop in demand for less attractive flats	Loss of rental income, more voids/difficulty letting	Low	Low	Lister to address this if it becomes a serious problem
	Demand for better services coupled with less community involvement by tenants	More pressure on organisation but less support from tenant group	Low	Medium	To maintain high service standards and look at new ways of involving tenants
	More alienation by children at Lister and neighbouring children	More vandalism; loss of amenity; dissatisfaction by other tenants; staff demands	Low	Medium	Put resources into facilities and activities.

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**OPERATIONAL RISK MATRIX FOR LISTER**

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Professional	Neighbourhood disputes	Community safety; adverse effects on image, community confidence	Low	Medium	To maintain good housing management role and be pro-active if possible.
	Anti-social tenants	Pressure on staff resources; effect on neighbours	Low	Medium	As above; Publicise complaints charter and good neighbour advice
	Crime/disorder	Injury to tenants; Damage to buildings and contents; increase insurance risk	Low	Medium	Use good design to tackle issue where possible. Continue good links with community and police.
Financial	Increase in arrears/reducing rent receipts	Increasing arrears; higher debt for tenants; pressure on staff resources	Medium	Medium	Maintain close contact and control over high risk tenants.
	Introduction of Universal Credit impacts on arrears and income flows	Higher arrears, lower income, greater staff time, more court action, legal cost	Medium	Medium	Staff training; Information and advice to tenants; Liaison with DWP, JobCentre Plus organisations; links with advice agencies.
	Failure to claim grants / make insurance claims / gain income	Loss of income; adverse effect on project if dependent upon grant	Low	Low	Good policies and procedures reduce this risk considerably.
	High number/amount of claims affect premiums	Much higher premiums - higher costs.	Medium	Medium	We have had a good claims record but two high claims (two fires) had increased premiums. To be ever vigilant.
Physical	Violence to staff/tenants	Injury; Compensation claims.	Low	High	Security alterations at office to help reduce risks. Training important.
	Staff stress	Health of staff; sick leave	Low	Medium	Monitor closely
	Vandalism	Damage to property and contents	Medium	Low	Action taken quickly to restore vandal damage, to restore normality
	Security of void flats	Damage; delays to letting times	Low	Low	Low voids and sensible security measures taken already

	Fire in property	Injury/death to occupants; damage to building	Low	High	Installed mains operated smoke detectors. Publicise good fire safety advice.
Contractual / Procurement	Sub contractor failures	Threat to service; Tenant dissatisfaction; staff time	Low	Medium	We work with well established contractors normally but to monitor closely
	Contractor goes bankrupt	As above	Low	Medium	As above
	Procurement activity has legal challenge	Adverse impact on ability to proceed with contract. Impact of any litigation. Reputational risk	Low	Medium to high	We take professional advice where appropriate and use approved procurement channels. Keep staff training and skill levels as good as possible.
	Procurement procedures not followed and regulatory queries raised	As above but regulatory impacts	Low	Medium	We document decisions made regarding procurement. We review and update procedures regularly.
	Asbestos affect contractor's employee	Threat of legal action, damages, bad publicity	Low	Medium	We have an Asbestos management system and all known asbestos recorded.
Technological	System/server failure	Disruption to service; staff time; cost new equipment	Low	Medium	Use good quality equipment. Investigate any faults
		Software failure/corruption	Low	Medium	Continue back up strategy. Investigate options for improving software
	Disaster (IT or otherwise)	Disruption to staff, service, performance etc	Low	High	To maintain our Business Continuity Plan
Environmental	Inefficient insulation etc of flats	Costs to tenants of heat loss, cost of heating flats	Low	Low	We try and go for any practical, cost effective energy efficiency measure that can be done in the flats.
	Effect on tenants from injurious product	Injury; Compensation claim	Low	Low	We are careful about products used.
	Effect on tenant from asbestos at Lister	Legal risk, compensation, bad publicity	Low	Medium	We have an Asbestos management system and all known asbestos recorded
Personnel	Key staff injured/ill/die	Disruption to service; Effect on morale/external bodies; Expertise lost	Low	High	Good record keeping and training of other staff, including rotation of tasks can help, but effect on small organisation could be high
	Key staff leave	As above; Costs and disruption of recruitment	Low	Low	Team morale is good and stability good too

	Staff fraud/embezzlement	As top	Low	Low	Good procedures and regulations continue to minimise this risk, plus internal and external audit overview these areas.
	Number of Committee members reduce	Loss of confidence and expertise in remaining ones	Medium	Medium	To continue to build expertise of current Committee and recruit new members.
Governance	Poor Committee performance	Loss of direction of organisation; Involvement of Scottish Housing Regulator; Disaffection of staff / tenants	Low	High	To continue with training, effectiveness events and efforts to recruit more new Committee members.
	Poor 'change management'; poor management information	Inability of organisation to change to best serve in the future.	Low	Medium	To keep staff and Committee trained and committed and involved.
	Inappropriate structure	As above	Low	Low	To keep under review regularly
Legal/ Compliance	Health & safety breach	Injury or death; Prosecution by HSE; insurance claims	Low	Medium	To have an active and well managed H+S policy / procedures, audited every 2 years
	Breach of duties e.g. asbestos regulations	Risk of action by HSE; Adverse publicity	Low	Medium	To manage the issue and the risk. To undertake training to follow best practice
	Equal opportunities / discrimination claims	Insurance / legal claims; adverse publicity; effect on victim(s)	Low	Medium	To continue with good policies and procedure; to follow best practice through keeping informed and training
	Freedom of Information demands	Staff time impacts	Low	Medium	Keep on top of the issue
	GDPR data breach	Bad publicity, regulation, fine. Loss tenant confidence	Medium	Medium	Use DPO consultancy and follow their advice

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