



The Gateshead Housing Company Audit Committee

Tuesday, 14 January 2014 at 2pm
Board Room 2, The Gateshead Housing Company, Keelman
House, Fifth Avenue Business Park, Fifth Avenue, Team Valley
Trading Estate, Gateshead NE11 0XA
Agenda

Item	Business
1.	Apologies for Absence
2.	Declarations of Interest
3.	Membership To note the following membership of the committee: - <ul style="list-style-type: none">• George Clark (Chair)• Robert Buckley• Mick Davison• Eileen Gill• Helen Hall• Peter Mole• Joachim Moussounda Mouanda
4.	Appointment of Deputy Chair <p style="text-align: center;"><u>ITEMS FOR DECISION</u></p>
5.	Minutes (Pages 3-7) To approve as a correct record the minutes of the last meeting of the committee held on 16 October 2013

Item	Business
6.	Matters Arising
7.	Operational Risk Register – Corporate Services and Customers & Communities (Pages 8-78) Report of Head of Corporate Services
	<u>ITEMS FOR INFORMATION</u>
8.	2013/14 Internal Audit Plan – Progress Report (Pages 79-81) Report of Chief Internal Auditor, Gateshead Council
9.	Items for Future Agendas
10.	Date and Time of Next Meeting The next meeting of the committee will be held on Wednesday 16 April 2014 at 2pm.
11.	Exclusion of the Press and Public The committee may wish to consider excluding the press and public from the meeting during consideration of the remaining items in accordance with Category 4 of the company's Access to Information Rules.



AUDIT COMMITTEE

16 October 2013

PRESENT:

Directors

George Clark (Chair)
Sheila Bouitieh
Robert Buckley
Mick Davison
Eileen Gill
Helen Hall
Peter Mole

Advisers

Jon Mallen-Beadle	Managing Director
Natalie Hewitt	Head of Corporate Services
Jim Farquhar	Chief Internal Auditor, Gateshead Council
Deborah Clark	Audit and Risk Manager, Gateshead Council
Stuart Gibson	Governance and Risk Officer

Apologies

Joachim Moussounda Mouanda

23 APPOINTMENT OF VICE-CHAIR

RESOLVED – That the appointment of a Vice-Chair be deferred until the next meeting of the committee when the new membership will have been agreed.

24 MINUTES

The minutes of the meeting of the committee held on 3 July 2013 were approved as a correct record.

25 MATTERS ARISING – DRAFT DIRECTORS' REPORT AND FINANCIAL STATEMENTS – 2012/13

The Company is still discussing whether it could recover the £115,000 provision against amounts due as a result of fire damage.

26 INTRODUCTION TO INTERNAL AUDIT AND THE ROLE OF THE AUDIT COMMITTEE

The committee received a presentation from Jim Farquhar, Chief Internal Audit, Gateshead Council. In particular, the following were highlighted: -

- What is Internal Audit
- The Three Lines of Defence Model
- Internal Audit Strategy
- Work Programme
- Risk Assessment Tool
- Performance
- Priority of Recommendations
- Reporting Opinions
- The process
- Action Plans for Management
- Statement of Internal Control
- Special Investigations
- Audit Committee's Terms of Reference
- An Effective Audit Committee

RESOLVED – That the presentation be noted and posted on the TGHC website.

27 CODE OF GOVERNANCE

The committee received an update on progress meeting the actions identified in the action plan following agreement to adopt the National Housing Federation: Excellence in Governance as the Company's Code of Governance.

One of the actions identified as good practice was that consideration should be given to whether the Chair of the Board should be appraised by an independent third party or Chair of Audit Committee. The Chair is currently appraised by members of Resources Committee. In line with good practice, it was proposed that in future the Chair of the Board should be appraised by the Chair of Audit Committee and the Chair of Resources Committee. The committee felt that the Managing Director should also have an input.

The NHF guidance advises that Boards should consider any potential conflicts of interest and adopt policies limiting the number of board members who are the paid staff or board members of other housing providers. As previously reported in the action plan, there are no paid staff on the TGHC Board of Directors.

In respect of potential conflicts of interest regarding the number of board members of other housing providers, the Company has previously had directors who are board members of other housing providers and this has never proved an issue. The Company has in place appropriate mechanisms for recording and declaring any interests and therefore it was proposed that there is no need to amend the Recruitment Policy to reflect this.

The Committee did consider however that the application form for the appointment new Independent Directors should be reviewed.

The action plan recommends a more structured reporting mechanism in place between TGHC and Keelman Homes. Recently a number of reports have been considered by Keelman Homes and reported to the Board for information which addresses this issue. In addition, the TGHC and Keelman Homes Board Meetings in September 2013 were both held at Kibblesworth Lounge with a joint visit of the new build site. This also provided an opportunity for both Boards to interact with each other.

It was recommended that the Board receives the minutes of the Keelman Homes Board for information.

The company currently has an informal arrangement whereby the committee chairs are Board Champions for these areas. It was proposed that the Governance and Risk Officer carry out further investigations into arrangements within other organisations and report back to the next meeting of the committee.

A number of policies within the Governance Handbook were out of date and with the exception of the Senior Management Key Responsibilities and Delegation to Managers (which are currently being reviewed) have now been updated to reflect the current committee and senior management structures.

The Protocol for Meetings of the Board and its Committees is out of date and most of this is no longer relevant or is picked up elsewhere within the organisation. It was proposed that the Protocol be deleted from the Governance Handbook.

The current Board induction process has been in place since the Company was established. On appointment, new directors are provided with a comprehensive Induction Pack, a mentor is identified and training needs are identified. In addition, new directors have an informal meeting with the Chair of Board after six months of service to see how they are settling in and whether they have any issues.

The action plan recommended that a time limited task group be set up to look at this. It was proposed that volunteers to sit on the task group be sought at the Board Meeting in November.

The Code of Conduct for Directors of the Company was re-written by Arvinda Gohil, Housing Quality Network in line with best practice and agreed by the Board in July 2008. The Code of Conduct has not been reviewed since then.

The National Housing Federation: Excellence in Governance which the Company's Code of Governance is based on was also written by Arvinda Gohil. A review of the Code of Conduct has been carried out to ensure it complies with this. Consultation has also been carried out with other ALMOs to identify any good practice.

Following the review, it appears that the Company's Code of Conduct for Directors of the Company already complies with good practice. However,

updates are proposed in some areas, details of which were reported. An updated Code of Conduct was submitted.

In addition, the committee suggested some further amendments to paragraphs 13, 15.2 and 19 of the Code.

The NHF suggested that all Board Members should be provided with copies of the following publications in order to familiarise themselves with them: -

- Excellence in Governance: Code for Members
- Excellence in Standards of Conduct: Code for Members

A request has been made to the NHF for sufficient licences to post these on the Board Members Website and the cost of these is being awaited.

RESOLVED – That the following proposals be recommended to the Board for approval: -

- The Chair of the Board be appraised by the Chair of Audit Committee and Chair of Resources Committee, with input from the Managing Director.
- No amendments be made to the Recruitment Policy regarding the number of board members of other housing providers.
- The application form for the appointment of new Independent Directors be reviewed.
- Further investigations be carried out into arrangements around Board Champions within other ALMOs.
- The Protocol for Meetings of the Board and its Committees be deleted.
- The Board receive the minutes of Keelman Homes for information.
- Volunteers to sit on time limited task group to look at the current induction process be sought at the Board Meeting in November.
- The updated Code of Conduct for Directors of the Company be approved, subject to some amendments in relation paragraphs 13, 15.2 and 19 of the Code and these be highlighted in a different colour when reporting to the Board.
- The Action Plan be updated and posted on the Board Members Website after consideration by the Board.

28 2013/14 INTERNAL AUDIT PLAN – PROGRESS REPORT

Progress made by the Internal Audit Service against the audit plan for the financial year 2013/14 was reported.

As at 30 September 2013, four final and one draft reports had been issued and a further nine were currently in progress. The four final reports issued equated to 18% of audits planned for the year.

As at 30 September 2013, 63% of actual to planned hours had been completed. This was therefore well in excess of the profiled target of 48.63% of actual hours being completed by the end of quarter two and on course to

achieve the annual target of 97.25%. This included all time expended during the first two periods including audits completed in relation to the previous financial year and current year audits that were in progress.

The Chief Internal Auditor gave an assurance that all the internal audit reports currently in progress would be presented to the next meeting of the committee.

RESOLVED – (i) That the information be noted.

(ii) That future progress reports also include the risk score for each audit.

29 DATE AND TIME OF NEXT MEETING

The next meeting of the committee will be held on Tuesday 14 January 2014 at 2pm in Board Room 2.

30 EXCLUSION OF THE PRESS AND PUBLIC

RESOLVED – That the press and public be excluded from the meeting during consideration of the remaining business in accordance with the indicated categories of the Company's Access to Information Rules.



Report to Audit Committee

14 January 2014

Title: Operational Risk Register – Corporate Services and Customers & Communities Directorates

Report of: Head of Corporate Services

Purpose of Report

1. To agree an updated Operational Risk Register for the Corporate Services and Customers & Communities Directorates.

Background

2. The Board has previously approved an updated Risk Management Policy and one of the requirements within the Policy is that this committee will scrutinise an operational risk register for a directorate at each meeting as well as any critical/high risks that require any attention. The committee will also recommend to the Board any risks to be escalated to the strategic risk register.
3. The Resources and Audit Committee agreed, at its meeting held on 27 October 2011, an updated operational risk register based around the two broad areas of the new organisation structure: -
 - Corporate Services
 - Customers and Communities.
4. The committee also agreed that given how low they were, the green risks be removed from the register and monitored internally. Should the score increase for any of these risks in the future, they would go back on the register and be reported to committee.
5. Following recommendations in the last internal audit report of risk management, the committee agreed at its meeting held on 13 March 2013 that the following columns be added to the operational risk register: -
 - Residual likelihood after the future actions
 - Residual impact after the future actions
 - Impact of cost effectiveness of future actions (including any financial implications of implementing the actions)

Operational Risks

6. Operational risks are those which are encountered during the day to day running of the company.
7. The following four scale matrix has been used for impact and likelihood: -

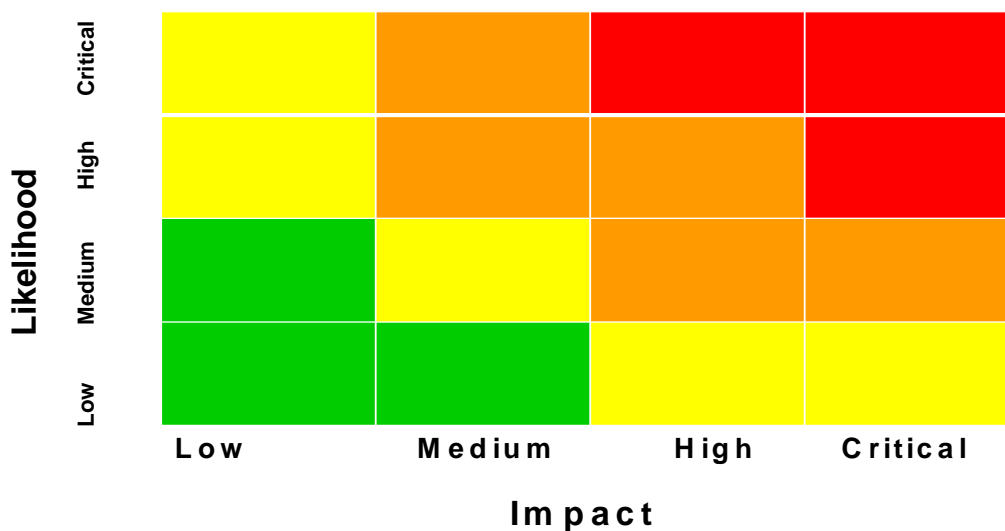
Likelihood

Scoring	Definition	Timing of occurrence
4	Almost certain	Less than 3 months
3	Likely	3 – 6 months
2	Moderate	6 – 12 months
1	Unlikely	In excess of 12 months

Impact

Scoring	Definition	Example of impact
4	Critical	Total service loss for significant period Fatality Financial loss over £200,000 Government / Council intervention
3	High	Significant service disruption Major/disabling injury Financial loss over £50,000 Adverse national media coverage
2	Medium	Service disruption Loss time injury Financial loss over £25,000 Adverse local media coverage / lots of service user complaints
1	Low	Minor service disruption / short term inconvenience Minor injury Financial loss under £25,000 Isolated service user complaints

8. The following four scale matrix demonstrates how the risks will be assessed using a traffic light system: -



Operational Risk Register

9. The Operational Risk Register for both the Corporate Services and Customers & Communities Directorates has been reviewed and an updated Register is attached at the Appendix to this report. Registers detailing exactly what changes have been made will be posted on the Board Members website.
10. The following risk is now green and will removed from register and monitored internally: -
 - Managers not managing sickness in accordance with Policy
11. The risk register for Asset Management has been moved from the Corporate Services to Customers and Communities Register.

Link to Values

12. This report links to the following company values: -
 - Being a listening and learning organisation
 - Being honest, accountable and transparent
 - Being motivated, trained and committed
 - Being customer focused, innovative and professional

Risk Management Implications

15. The risk management implications are identified throughout this report.

Financial Implications

16. There are no financial implications directly arising from this report.

Equality and Diversity Implications

17. There are no equality and diversity implications arising from this report.

Health Implications

18. Although there are no health implications directly arising from this report, the successful implementation of the recommendations will have a positive impact on the health and well being of Gateshead residents.

Environmental Implications

19. There are no environmental implications directly arising from this report.

Value for Money Implications

20. There are no value for money implications directly arising from this report.

Consultation carried out

21. The Risk Management Group have scrutinised the risks in detail before presenting the updated register for the Corporate Services Directorate to the committee for approval.

Impact on Customers

22. An effective risk management process will maintain the delivery of services to customers.

Recommendation

23. The committee is recommended to approve the updated operational risk registers for the Corporate Services and Customers & Communities Directorates.

Corporate Services Operational Risk Register (As at January 2014)

Almost Certain				
Likely	1		1	
Moderate		7	11	2
Unlikely		1	9	1
	Low	Medium	High	Critical

Likelihood

Scoring	Definition	Timing of occurrence
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Scoring	Definition	Example of impact
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1	Low	Minor service disruption / short term inconvenience Minor injury Financial loss under £25,000 Isolated service user complaints

Risk No	Risk	Like-likelihood	Impact	Owner
Communications				
CO1	Negative press and PR, including use of social media (such as facebook and twitter etc)	2	3	Ian Clarkin
Equality & Diversity				
ED1	Failure to meet the legislative requirements of the Equality Act 2010 and future equality legislation	2	3	Louise Taylor
Finance				
FI1	Increasing occurrence and cost of third party insurance claims	3	3	Natalie Hewitt
FI2	Quality and financial checks on suppliers are not carried out on an annual basis of	2	2	Mark Banks
FI3	Procurement process not being carried out in accordance with the Financial Regulations	2	3	Natalie Hewitt
FI4	Pension liabilities may increase and become unserviceable	2	3	Natalie Hewitt/ Jennifer Aston
FI5	Service level agreements not reviewed	2	2	Natalie Hewitt
Governance and Risk				
GR1	Data protection issues	2	3	Ian Clarkin / Mark Birch
GR2	Inappropriate response to Council leading to negative findings against the company from Local Government Ombudsman	1	3	Stuart Gibson
GR3	Failure to comply with a Governance Code of Conduct	1	3	Stuart Gibson
GR4	Failure to comply with the Freedom of Information / Data Protection Act	1	3	Stuart Gibson
GR5	Breach of Data Protection Act 1998	2	2	Jennifer Aston
GR6	Inability to fill vacancies or retain directors on the Board or a Board without the right mix of skills	1	3	Stuart Gibson
Health & Safety				
HS1	Failure to manage asbestos in non residential areas of the housing stock or prior to work in a domestic dwelling	2	3	Roberto D'Emidio
HS2	Unsafe Working practices on increasing number of Decommissioned Sites across the Borough Staff entering properties potentially exposed to risks i.e. debris, sharps, asbestos	2	3	Roberto D'Emidio
HS3	Failure to comply with risk assessments	1	3	Roberto D'Emidio
HS4	Failure to comply with the management of fire precautions in the workplace, high risk buildings and communal areas	2	4	Roberto D'Emidio
HS5	Failure to manage the safety of passenger's lifts and lifting equipment	1	4	Roberto D'Emidio
HS6	Non compliance with health, safety and fire arrangements in sheltered schemes, communal lounges and high rise buildings.	1	3	Roberto D'Emidio
Human Resources				

Risk No	Risk	Like-lihood	Impact	Owner
HR1	Claims to Employment Tribunals against the company as an employer	2	2	Jennifer Aston
HR2	Personal injury claims from employees	2	2	Jennifer Aston
HR3	Managers not managing sickness in accordance with Policy	1	2	Jennifer Aston
HR4	Equal Pay Claims	1	3	Jennifer Aston
HR5	Risk of attack, threat and/or verbal abuse on employees by service users at any time and/or within the office in attending training or involvement events	2	2	Roberto D'Emidio
HR6	Absence due to an epidemic	1	3	Jennifer Aston
HR7	Industrial action	1	3	Jennifer Aston
HR8	Inventories at Keelman House and TGHC occupied premises being out of date or not complete	3	1	Phil Gallagher
ICT				
IT1	ICT Systems Failure	2	4	Mark Birch
Leasehold				
LH1	Leasehold Valuation Tribunal being undertaken and losing the tribunal	2	3	Janice Adams
LH2	Works could be undertaken at Leasehold properties without undertaking the appropriate consultation	2	3	Janice Adams
LH3	Managing other tenures	2	3	Janice Adams
LH4	Non payment of service charges	2	2	Janice Adams
Performance				
PF1	Inaccurate performance reporting through inaccurate working papers	2	2	Mark Banks

Corporate Services – Communications

Risk No	Risk	Controls	Likelihood	Impact	Owner	Future Actions	Timescale	Residual Likelihood	Residual Impact	Cost Effectiveness of Future Actions
CO1	Negative press and PR, including use of social media (such as facebook and twitter etc) leading to a reduction in the reputation of company (internally and externally)	<p>Regular press releases to local and trade media.</p> <p>TGHC and HC newspapers. Updatable website. Use of social media.</p> <p>Internal communications – HomeWork and Weekly HW. Articles in Council News.</p> <p>Communications Manager available 24/7 for press comment.</p> <p>Links to GC Communications on events and press enquiries.</p> <p>Increased PR around community activities, new-build.</p> <p>Established links with new repairs contractor to ensure any third-party communications reflect positively on the housing company.</p>	2	3	Ian Clarkin	<p>Media/Crisis Management Training – Management Team (Action in recent Communications Audit) <i>Some estimates received but want to liaise with Council so that training mirrors what they do.</i></p> <p>Social Media Policy to be rolled out in conjunction with ICT policy <i>Not yet finalised</i></p>	June 2014	2	3	

Risk No	Risk	Controls	Likelihood	Impact	Owner	Future Actions	Timescale	Residual Likelihood	Residual Impact	Cost Effectiveness of Future Actions
		<p>Use (and monitoring) of social media Limited access to TGHC social media platforms.</p> <p>Communications signed up to a number of Google and social mention alerts that flag up any mentions of TGHC Linked to Gateshead Council.</p> <p>Training for Communications Team on the use of social media as part of other communications has been undertaken.</p> <p>Review and Learn from press enquiries</p> <p>ICT Policy updated in March 2012 to reflect increasing use of social media and the risks associated.</p>								

Risk No	Risk	Controls	Likelihood	Impact	Owner	Future Actions	Timescale	Residual Likelihood	Residual Impact	Cost Effectiveness of Future Actions
		<p>Internal Audit of Equality undertaken in December 2012 with no recommendations.</p> <p>Service managers identified as Equality Champions.</p> <p>Have signed up as part of a Housing Quality Network Diversity Exchange. As part of this group will received 3 equality briefings per year of relevant changes. This will be used to brief board members of responsibilities.</p>								

Corporate Services – Finance

Risk No	Risk	Controls	Likelihood	Impact	Owner	Future Actions	Timescale	Residual Likelihood	Residual Impact	Cost Effectiveness of Future Actions
F11	<p>Increasing occurrence and cost of third party insurance claims leading to additional payments out to successful claimants and an increase in premium costs borne by the Housing Company.</p>	<p>Insurance cover for a number of policies including:- Public Liability, Employers, Motor, Directors and Officers, Fidelity, Professional Indemnity.</p> <p>Broker to obtain best price in the market and enter long term agreements for insurance cover.</p> <p>Stop loss of £257,500 per year and a policy excess on public liability of £20,000.</p> <p>Provision for the cost of insurance and undertake regular monitoring.</p> <p>Long Term Agreement from 01/01/2011 for a 3 year period with optional 2 years.</p> <p>New procedure for 3rd party claims issued to all</p>	3	3	Natalie Hewitt	Review of the insurance procedure process has commenced to ensure that this is fit for purpose.	February 2014	2	3	

Risk No	Risk	Controls	Likelihood	Impact	Owner	Future Actions	Timescale	Residual Likelihood	Residual Impact	Cost Effectiveness of Future Actions
		housing managers and posted on managing tenancies section of Intranet. Insurance cover with Travelers extended to March 2015								
FI2	Quality and financial checks on suppliers are not carried out on an annual basis Suppliers providing a poor quality service or who are in financial difficulties may still be used by the Housing Company and this could damage reputation or increase the risk of financial failure.	No checks are currently carried out annually. However, the main suppliers are Local Environmental Services and Mears – both of whom are regularly monitored. Other suppliers trading with the housing company are less of a risk as in most instances we could switch suppliers at any time if necessary.	2	2	Mark Banks	The Council are implementing an upgrade to the Agresso Finance System which will enable more comprehensive reviews to be undertaken on suppliers, therefore, a system will be implemented once the new finance system has been implemented.	March 2014	2	2	The controls focus on maintenance of current systems and preventative measures rather than significant changes, therefore the residual score remains the same
FI3	Procurement process not being carried out in accordance with the Financial Regulations could lead to a legal challenge from a supplier or a contract being awarded	Financial Regulations are in place and tender limits are in place to ensure that any larger procurement activities are carried out appropriately. OJEU requirements followed for any procurement which meets these limits.	2	3	Natalie Hewitt	Upgrade to the Agresso system will have new approval levels which link to procurement approval.	March 2014	2	3	The controls focus on maintenance of current systems and preventative measures rather than significant changes, therefore the residual score remains the same

Risk No	Risk	Controls	Likelihood	Impact	Owner	Future Actions	Timescale	Residual Likelihood	Residual Impact	Cost Effectiveness of Future Actions
	incorrectly.	<p>Updated Financial Regulations and Contract Procedure Rules were approved by Resources Committee on 14 February 2013.</p> <p>Regular communication with staff will ensure that they are aware of the financial regulations and the procurement procedures.</p>								
FI4	<p>Pension liabilities may increase and become unserviceable affecting the ability to offer and pay pensions</p>	<p>The Company uses Hewitts as pension actuaries.</p> <p>The pension scheme is administered by South Tyneside Council. Contributions to the scheme are reviewed annually once the actuary report is obtained and amended to take into account any fluctuations.</p> <p>Changes to the pension scheme including increased member contributions and auto-enrolment is monitored by HR and the Council's payroll section.</p>	2	3	Natalie Hewitt/ Jennifer Aston			2	3	The controls focus on maintenance of current systems and preventative measures rather than significant changes, therefore the residual score remains the same

Risk No	Risk	Controls	Likelihood	Impact	Owner	Future Actions	Timescale	Residual Likelihood	Residual Impact	Cost Effectiveness of Future Actions
		<p>The Council is ultimately responsible for administering the scheme and for ensuring that the contributions are serviceable.</p> <p>Continue to monitor on an ongoing basis</p>								
F15	<p>Service level agreements not reviewed could lead to a reduction in the quality of the service being provided.</p>	<p>Regular reviews of the service level agreements in place are carried out.</p> <p>The majority of our service level agreements are with Gateshead Council.</p> <p>Meetings regarding Finance are held monthly with the Head of Finance and regarding Legal are held quarterly with the Director of Customers and Communities.</p> <p>Annual reviews will be carried out on service level agreements to determine whether they need to be reassessed and renegotiated.</p>	2	2	Natalie Hewitt	<p>Continue to monitor on an ongoing basis and review annually.</p> <p>All HRA SLAs to be reviewed as part of budget-setting for 2014/15.</p>	<p>Annually</p> <p>March 2014</p>	2	2	The controls focus on maintenance of current systems and preventative measures rather than significant changes, therefore the residual score remains the same

Corporate Services – Governance and Risk

Risk No	Risk	Controls	Likelihood	Impact	Owner	Future Actions	Timescale	Residual Likelihood	Residual Impact	Cost Effectiveness of Future Actions
GR1	<p>Data protection issues</p> <p>1. Legal action against TGHC or TGHC receiving fines from the Information Commissioner after sending sensitive or incorrect information about themselves or others via mailings.</p> <p>2. Legal action against TGHC or TGHC receiving fines from the Information Commissioner after contacting customers without their consent.</p>	<p>All centrally-coordinated mailing jobs are proofed and signed off by Communications and other teams where applicable before posting</p> <p>Following a successful trial – use of a secure data transfer method (dropbox) in January is now being used by the Communications Team.</p> <p>Customers 'opting in' to receiving information from TGHC and partners as part of customer profile (full version and also smaller version sent with rent statements)</p> <p>All centrally-coordinated address lists are generated via Northgate</p> <p>Northgate Data Management group established</p> <p>Mailing House test</p>	2	3	Ian Clarkin / Mark Birch	None		2	3	

Risk No	Risk	Controls	Likelihood	Impact	Owner	Future Actions	Timescale	Residual Likelihood	Residual Impact	Cost Effectiveness of Future Actions
		<p>analysis of addresses and other data compared to Royal Mail and census information shows high quality of address data. Ongoing - Mailing House will 'repair' any addresses that are not correct and supply back to us to amend Northgate.</p> <p>Main correspondence addresses are now used on all mailing lists.</p> <p>New corporate website, launched Aug 2013 updated with more information around privacy and data protection as well as the rights of customer.</p> <p>All TGHC employees successfully undertaken CBT on data protection April 2012.</p>								
GR2	Inappropriate response to Council leading to negative findings against the company from Local Government	<p>Officers provide Council's Customer Services Manager the company's response/information requested for Ombudsman cases</p> <p>Responses are</p>	1	3	Stuart Gibson	None		1	3	Impact of complaints to the Housing Ombudsman still not clear as there has been no complaints made to him to date.

Risk No	Risk	Controls	Likelihood	Impact	Owner	Future Actions	Timescale	Residual Likelihood	Residual Impact	Cost Effectiveness of Future Actions
	Ombudsman / Housing Ombudsman	scrutinised by relevant head of service before submission to the Council and will be held centrally by Governance and Risk Officer								
GR3	Failure to comply with a Code of Governance resulting in ineffective and inefficient governance of the company at the highest level	Adoption of National Housing Federation Excellence in Governance Annual training by a consultant on the role of the Board, including joint training with other local ALMOs Annual governance reviews	1	3	Stuart Gibson	Completion of all actions in Code of Governance Action Plan <i>Only outstanding action to review induction process</i>	March 2014	1	2	The score will be reduced to reflect the strategic risk around failure to manage effective corporate governance and the successful completion of all the actions in the Governance Action Plan
GR4	Failure to comply with the Freedom of Information / Data Protection Act leading to an investigation by the Information Commissioner or legal action being taken against the company	Freedom of Information Publication Scheme Timescales for responding to requests Central point for all requests Advice from Council's Legal Services Staff made aware of protocol within the company for dealing with Freedom of Information /	1	3	Stuart Gibson	Staff to be reminded of protocol within the company for dealing with Freedom of Information / Data Protection requests	March 2014	1	3	

Risk No	Risk	Controls	Likelihood	Impact	Owner	Future Actions	Timescale	Residual Likelihood	Residual Impact	Cost Effectiveness of Future Actions
		Data Protection requests								
GR5	Breach of Data Protection Act 1998 Impact is related to compensatory awards that may be paid to employees if successful in a claim against the company. There is an additional impact of officer time to prepare, present and attend a case hearing.	Data protection policy. Data Protection Team Brief (July 10) Compliance check carried out by managers. Requests for personal employee information related to 'protected characteristics' to be approved by HR Manager. Internal grievance policy and procedure. Prompt Investigation of allegations. Disciplinary policy. Legal advice from EEF consultants. TGHC employees have been given access to completed mandatory Data Protection E-Learning package (2012-13)	2	2	Jennifer Aston	Source Data Protection E-Learning package for 2014-2015	March 2014	2	2	

Risk No	Risk	Controls	Likelihood	Impact	Owner	Future Actions	Timescale	Residual Likelihood	Residual Impact	Cost Effectiveness of Future Actions
GR6	<p>Inability to fill vacancies or retain directors on the Board or a Board without the right mix of skills resulting in</p> <ul style="list-style-type: none"> the company not meeting its target for a Board that represents Gateshead and a knock on effect on the quality of decisions taken an unstable Board with decisions being taken by less experienced directors the Board not making informed decisions. 	<p>Board Members Recruitment, Retention and Succession Plan</p> <p>Board recruitment campaigns via company newspaper, company and Housing News websites, local media</p> <p>Board payment and Directors' Expenses Scheme</p> <p>Induction Programme</p> <p>Board appraisal and Training and Development Programme</p> <p>Term of office of 10 consecutive years or four consecutive terms, whichever is lesser</p> <p>Board appraisals</p> <p>Annual training on roles and responsibilities</p> <p>Skills audit updated and better use made of when recruiting new directors</p> <p>Board Members Website to keep directors up to</p>	1	3	Stuart Gibson	None		1	3	The Board now has a full composition of directors with a wide range of different skills and experience.

Risk No	Risk	Controls	Likelihood	Impact	Owner	Future Actions	Timescale	Residual Likelihood	Residual Impact	Cost Effectiveness of Future Actions
		<p>date with relevant information</p> <p>Opportunities for Board Members to attend conferences and other events</p> <p>Annual governance reviews</p>								

Corporate Services – Health and Safety

Risk No	Risk	Controls	Likelihood	Impact	Owner	Future Actions	Timescale	Residual Likelihood	Residual Impact	Cost Effectiveness of Future Actions
HS1	<p>Failure to manage asbestos in non residential areas of the housing stock or prior to work in a domestic dwelling</p> <p>This may lead to exposure to dangerous materials with a serious risk to health.</p>	<p>Asbestos Management Plan reviewed annually and available to employees and contractors.</p> <p>Annual review of policy and procedures</p> <p>Periodical review of the asbestos register by MIS Environmental Services.</p> <p>Compliance with CDM regulations</p> <p>Contractor's briefings and progress meetings.</p> <p>Construction operations regulated by pre-information packs including asbestos survey of all areas likely to be disturbed the contract works.</p> <p>Attending master classes and CDP.</p> <p>Annual asbestos training to operational employees.</p>	2	3	Roberto Demidio	<p>Internal Audit of Asbestos Management <i>Recommendations currently being implemented</i></p> <p>Implementation of any recommendations following internal audit</p> <p>Review of Asbestos E-Learning Training</p>	<p>Complete</p> <p>March 2014</p> <p>March 2014</p>	2	3	

Risk No	Risk	Controls	Likelihood	Impact	Owner	Future Actions	Timescale	Residual Likelihood	Residual Impact	Cost Effectiveness of Future Actions
		Keystone asset management database External audit of H&S and Asbestos								
HS2	Unsafe Working practices on increasing number of Decommissioned Sites across the Borough. Staff entering properties potentially exposed to risks i.e. debris, sharps, asbestos.	Clear decommissioning procedure in place, recently revised to provide clarity around roles and responsibilities. Asbestos Awareness training for front line staff All staff issued with PPE and training on how to use Demolition schemes are regularly monitored for HS and discussed at the Central HS Advisory Group. CDM procedures	2	3	Roberto Demidio	Review training to raise awareness	March 2014	2	3	
HS3	Failure to comply with risk assessments in the following areas: Workplace risk assessments Manual Handling COSHH	Training for senior managers and managers in a) managing H&S in the workplace, b) the principle and practices of risk assessments. Advice and support from H&S advisors.	1	3	Roberto Demidio	HS training matrix reviewed and gap analysis being carried out	March 2014	1	3	

Risk No	Risk	Controls	Likelihood	Impact	Owner	Future Actions	Timescale	Residual Likelihood	Residual Impact	Cost Effectiveness of Future Actions
	Road Risk Reported Accidents First Aid Provisions Water Hygiene Fire Safety Electrical Safety This will lead to poor H&S standards and increased accidents in the workplace. Injuries at work may increase and this will lead to a higher level of insurance claims from employees	Mandatory H&S induction for all employees H&S policies and procedures and compliance with legislation and regulation Monitoring and Review of compliance with Occupational Health and Safety and training Reporting Procedures for accidents, near misses and violent incidents accessible to all employees via the company intranet. IOSH Safety for Senior Executives and Board members				Review of the Corporate HS induction, with the introduction of e-learning training and testing of understating and assessing the operational risk.	To be completed by March 2014			
HS4	Failure to comply with the management of fire precautions in the workplace, high risk buildings and communal areas may lead to fire, damage and fatality.	Control Measure agreed with TWFRS and action plan agreed Workplace inspections by responsible managers. Reports to H&S advisors Mandatory Fire Safety Training Level 1 for all employees and Level 2 for Managers and	2	4	Roberto Demidio	Fire Safety remedial works programme in multis, sheltered schemes and low-medium rise- Extension agreed with TWFS on deadline for Sheltered Schemes	March 2014 March 2014	1	4	Major investment in fire safety remedial works during 2012 and 2014 will have a significant impact on the reduction of loss of property and lives. Reduction of risk from enforcement and prosecution under the FSO2005, fines to

Risk No	Risk	Controls	Likelihood	Impact	Owner	Future Actions	Timescale	Residual Likelihood	Residual Impact	Cost Effectiveness of Future Actions
		<p>Supervisors.</p> <p>Fire drills and emergency evacuations</p> <p>Fire Risk Assessments</p> <p>Weekly testing of alarm and emergency lights systems.</p> <p>Evacuation plans developed</p> <p>Offices and workplaces inspected and then audited for health and safety fire compliance and remedial action Joint working with Gateshead Council in shared premises</p> <p>Installation of bespoke sprinkler system in Regent Court (one property not complete)</p>				<p>Review of the Company Fire Safety Strategy and Partnership Agreement with TWFRS.</p> <p>Review of Fire Risk Assessment for all Managed Premises in line with PAS79</p> <p>Review of workplace fire logbooks and Fire Safety Monitoring.</p>	<p>March 2014</p> <p>March 2014</p> <p>March 2014</p>			individuals and the organisation and loss of key Employees as result of custodial sentence.
HS5	Failure to manage the safety of passenger's lifts and lifting equipment may lead to accidents, damage and fatality.	<p>Bi-annual inspections.</p> <p>Monthly performance progress meeting with lift maintenance company.</p> <p>Lifts inspected to EN80-81 standard.</p>	1	4	Roberto Demidio	Asset Management Team to review all lifts to assess future viability and investment needs. Priority Lift Refurbishments taking place.	March 2014	1	4	<p>Cost of future actions can be met from existing budgets.</p> <p>This will reduce future maintenance costs and disruption to services. In addition, the cost of</p>

Risk No	Risk	Controls	Likelihood	Impact	Owner	Future Actions	Timescale	Residual Likelihood	Residual Impact	Cost Effectiveness of Future Actions
		<p>24/7 responsive repair maintenance contract</p> <p>Inspection schedule monitored by Gateshead Council</p> <p>Risk Management Section and TGHC cyclical maintenance regime.</p> <p>Lift safety in accordance with the HSE guidance and legal requirements. Contractor performance indicators and Services Standards</p> <p>Risk Assessment for all lifts and lift rooms</p> <p>Specifications developed for refurbishment of lifts and plant rooms.</p> <p>Three year engineering inspection insurance contract with Zurich (2012-2015)</p> <p>Action card in Business Continuity Plan</p>				<p>Review of lifts emergency communications systems.</p> <p>Review of lifts specification for the refurbishment and upgrade of lifts.</p> <p>Review and tender of Lifts Maintenance Contract</p> <p>Appointment of new Lift Consultant to advise the organisation on future strategies and technical and inspection of lift installations</p> <p>Staff Training to raise the awareness on the Landlord's duty to manage lifts and transport of passengers.</p>	<p>March 2014</p> <p>March 2014</p> <p>March 2014</p> <p>March 2014</p> <p>March 2014</p>			accidents and civil actions against the company.

Risk No	Risk	Controls	Likelihood	Impact	Owner	Future Actions	Timescale	Residual Likelihood	Residual Impact	Cost Effectiveness of Future Actions
HS6	<p>Non compliance with health, safety and fire arrangements in sheltered schemes, communal lounges and high rise buildings.</p> <p>This may lead to hazardous conditions for customers and our employees and risk of accidents to vulnerable people</p>	<p>Meetings with Older People Service, Care Call Consultation on fire safety arrangements and staff training.</p> <p>DDA improvements implemented. CCTV monitoring in SS communal areas and lifts.</p> <p>Fire audits with action plans</p> <p>Tunstall system linked back to Care Call. Out of hours emergency procedures in place and emergency planning by Gateshead Council.</p>	1	3	Roberto Demidio	<p>Review of roles and responsibilities and training needs to be carried out in advance of fire safety works being undertaken.</p> <p>Fire Safety Improvement works to improve, fire alarms, compartmentalisation, of communal areas and tenant's flats.</p> <p>Review of Fire Safety arrangements for all Sheltered Housing. Fire log books, evacuation plans, fire drills.</p>	<p>March 2014</p> <p>March 2014</p> <p>March 2014</p>	1	3	

Corporate Services – Human Resources

Risk No	Risk	Controls	Likelihood	Impact	Owner	Future Actions	Timescale	Residual Likelihood	Residual Impact	Cost Effectiveness of Future Actions
HR1	<p>Claims to Employment Tribunals against the company as an employer</p> <p>Impact is related to compensatory awards that may be paid to employees if their case is successful. There is an additional impact of officer time to prepare, present and attend a case.</p>	<p>Clear terms and conditions.</p> <p>Policies and Procedures that have been tested for compliance</p> <p>Appeals process</p> <p>Partnership working with unions to resolve employee issues</p> <p>HR advice and support to support decision making. Training events. Legal advice from consultants EEF CIPD alerts.</p> <p>Monitoring and evaluation of Management information to understand triggers for ET1. Use learning points to develop actions that minimise future risks. Use management information to understand employee satisfaction, engagement and wellbeing</p>	2	2	Jennifer Aston	<p>Learning from all employment tribunal cases</p> <p>Training for members of the Resources Appeals committee</p>	<p>March 2014</p> <p>February 2014</p>	1	1	

Risk No	Risk	Controls	Likelihood	Impact	Owner	Future Actions	Timescale	Residual Likelihood	Residual Impact	Cost Effectiveness of Future Actions
HR2	<p>Personal injury claims from employees</p> <p>Impact is related to compensatory awards that may be paid to employees if successful. There is an additional impact of officer time to prepare, present and attend a case.</p>	<p>Induction programme</p> <p>H&S compliance checks. Policies and procedures</p> <p>Implementing learning from previous claims.</p> <p>Employee Handbook</p> <p>Inspection regime for communal areas; tenancy agreements for the reporting of defects within curtilage of their home</p> <p>Legal advice and representation from EEF</p> <p>Insurance cover</p> <p>IOSH Safety training for Board and management team (June 13)</p> <p>Travelers, our Insurers cover the cost of any employer liability claims</p>	2	2	Jennifer Aston	None		2	2	
HR3	<p>Managers not managing sickness in accordance with Policy</p> <p>This would impact on our ability to</p>	<p>An absence management policy approved in July 12</p> <p>Absence minded training for managers (Jan 13)</p>	1	2	Jennifer Aston	To be removed from register and monitored internally		1	2	

Risk No	Risk	Controls	Likelihood	Impact	Owner	Future Actions	Timescale	Residual Likelihood	Residual Impact	Cost Effectiveness of Future Actions
	deliver the same level of services to our customers	<p>Sickness absence policy monitored for compliance and reported to senior managers HR Advice and support</p> <p>KPI – pattern and trends</p> <p>Induction process</p> <p>Occupational Health service referral</p> <p>Health and wellbeing meetings attended by trained advocates with responsibility to develop programme of initiatives</p> <p>Work and family policies Stress at work training course</p> <p>Appraisal, 1-2-1 and reviews to support managers and employees at work</p> <p>Access to work</p> <p>Legal and HR specialist advice</p>								

Risk No	Risk	Controls	Likelihood	Impact	Owner	Future Actions	Timescale	Residual Likelihood	Residual Impact	Cost Effectiveness of Future Actions
		Portfolio for North East Health and Wellbeing Assessment submitted. Managers hold a case review meeting with HR advisor prior to absence review meetings								
HR4	Equal Pay Claims Awards that may be paid to employees if successful in a claim against the company. There is an additional impact of officer time to prepare, present and attend a case hearing regardless of the outcome. <i>Claims can be brought by employees to September 2015 although compensation reduces over time.</i>	All jobs are evaluated There is a job evaluation appeals panel that includes trade union representation. Compliance with Equality Act 2010 Pay transparency Evaluating jobs where there is any significant change in duties and responsibilities Face to face meetings with Council HR Advisor to discuss JE grading and regrading	1	3	Jennifer Aston	To develop skills within the HR team to better understand the equal pay scheme by working closely with Gateshead Council who provide the job evaluation service	March 2014	1	3	
HR5	Risk of attack, threat and/or verbal abuse on employees by service users at any time and/or within the office in attending training	Health and safety policies and procedures. Warning markers on Northgate. Lone worker policy.	2	2	Roberto Demidio	None		2	2	

Risk No	Risk	Controls	Likelihood	Impact	Owner	Future Actions	Timescale	Residual Likelihood	Residual Impact	Cost Effectiveness of Future Actions
	<p>or involvement events This could lead to sickness absence or claims against the company.</p>	<p>Mobile phone and emergency numbers.</p> <p>Occupational Health. Stress awareness training, dealing with difficult situations and customer care training</p> <p>Personal attack alarms.</p> <p>Testing of alarms</p> <p>Customer profile checked before any events to flag up any NRT issues.</p> <p>Health and Safety notified of attendees at any event including any special needs.</p> <p>CCTV camera in use at offices</p> <p>Violence at work policy and procedure Training needs in relation to officer safety reviewed following appraisal.</p> <p>Monitor, evaluation and reporting on the number of incidents quarterly through Resources</p>								

Risk No	Risk	Controls	Likelihood	Impact	Owner	Future Actions	Timescale	Residual Likelihood	Residual Impact	Cost Effectiveness of Future Actions
		<p>Committee and the Employee Forum</p> <p>Conflict Management and Personal Safety Training reviewed</p>								
HR6	<p>Absence due to an epidemic This could lead to reduced levels of service and increased salary costs. Employees in work could become de-motivated resulting in reduced performance and level of service we are able to provide to customers.</p>	<p>Occupational Health service.</p> <p>Health and wellbeing at work initiatives</p> <p>Health updates to employees via email</p> <p>Signage</p> <p>Hand wash</p> <p>Learning and development to build flexibility in the workforce</p> <p>Cross service working to support with absence</p> <p>Recruitment from agencies as a last resort</p> <p>Flu vaccine has been delivered to employees</p>	1	3	Jennifer Aston	Flu vaccinations carried out by Occupational Health Nurse	Annually	1	3	Residual impact score could reduce depending on outcome of work of health and wellbeing advocates

Risk No	Risk	Controls	Likelihood	Impact	Owner	Future Actions	Timescale	Residual Likelihood	Residual Impact	Cost Effectiveness of Future Actions
		<p>Flu vaccines offered to employees</p> <p>Business Continuity Plan in place for major incidents</p>								
HR7	Industrial action leading to reduced number of employees to deliver essential services.	<p>Consultation with Trade Unions</p> <p>Collective bargaining</p> <p>Monthly meetings with Trade Union Representatives</p> <p>Employee Forum</p> <p>Cross service working to support with service delivery.</p> <p>IIP Gold award</p> <p>Weekly meetings with unions to address employee issues and discuss new initiatives</p> <p>Open door approach to unions and employees</p> <p>Evaluate feedback from The Sunday Times Best</p>	1	3	Jennifer Aston	None		1	3	

Risk No	Risk	Controls	Likelihood	Impact	Owner	Future Actions	Timescale	Residual Likelihood	Residual Impact	Cost Effectiveness of Future Actions
		<p>100 companies, surveys and other management information to understand the level of employee engagement and wellbeing</p> <p>Continue to work collaboratively with unions on service reviews</p> <p>Business Continuity Plan in place for major incidents</p>								
HR8	Inventories at Keelman House and TGHC occupied premises being out of date or not complete resulting in loss of assets and potentially unnecessary purchases.	Standard inventory procedure in place for Housing Office Network.	3	1	Phil Gallagher	Work with ICT to Develop a corporate wide asset matrix, which identifies equipment with post. i.e. PC, Mobile phone, specialist equipment etc.	March 2014	2	1	

Corporate Services – ICT

Risk No	Risk	Controls	Likelihood	Impact	Owner	Future Actions	Timescale	Residual Likelihood	Residual Impact	Cost Effectiveness of Future Actions
IT1	ICT Systems Failure - – failure of ICT systems in part or entirety affecting internal and customer processes and transactions.	<p>Council SLA and 3rd Party support agreements –</p> <p>Systems updates – GC systems are updated periodically using automated processes.</p> <p>In House Daily Systems Checks – TGHC ICT carry out a broad set of thorough daily checks to ensure systems and process are running successfully and available.</p> <p>Northgate Process Monitoring system – Kirona system emails ICT team if identified Northgate processes fail</p> <p>Helpdesk – a fully functional helpdesk systems allows control and administration of ICT issues avoid incidences becoming problems.</p>	2	4	Mark Birch	Business Continuity Plan currently being updated. Team Brief to then be issued to all employees before going live. (delayed due to Move to Civic Centre)	June 2014	2	3	

Corporate Services – Leasehold Services

Risk No	Risk	Controls	Likelihood	Impact	Owner	Future Actions	Timescale	Residual Likelihood	Residual Impact	Cost Effectiveness of Future Actions
LH1	Leasehold Valuation Tribunal being undertaken and losing the tribunal which would mean we could not charge the leaseholders for the items gone to tribunal over and reputational issues.	<p>We ensure that we retain all paperwork in accordance with the terms of the lease. We ensure that we can substantiate all charges in relation to the invoices raised to leaseholders.</p> <p>We obtain legal advice from Gateshead Council regarding the leases.</p> <p>Training courses in relation to Leasehold Valuation Tribunals and future legal changes</p>	2	3	Janice Adams	None		2	3	
LH2	Works could be undertaken at Leasehold properties without undertaking the appropriate consultation which could restrict the amount of income which could be collected.	<p>Section 20 Consultation is undertaken for all works costing over £250 per property.</p> <p>Leasehold sections undergo training from external providers regarding consultation annually.</p>	2	3	Janice Adams	<p>Procedural guide for surveyors has been developed and training has been delivered to Call centre staff, Buildings Surveyors and property inspectors.</p> <p>A review of the repairs and leasehold Northgate Administration</p>	Review of admin units to be completed by Feb 2014 with a view to implementation by April 2014.	2	1	The score will reduce when appropriate processes and procedures are implemented to ensure consultation is carried out.

Risk No	Risk	Controls	Likelihood	Impact	Owner	Future Actions	Timescale	Residual Likelihood	Residual Impact	Cost Effectiveness of Future Actions
						Units is to be undertaken to enable identification of costs above £250.00 to be automatically, through workflow, directed to leasehold services to carry out consultation.				
LH3	Managing other tenures such as Shared Ownership properties and Rent to Buy Properties could lead to reduced income for the Housing Company and could lead to an number of tenancy issues if tenancy agreements and lease agreements are not set up appropriately.	<p>Meetings are taking place with our Homebuy agents Isos to ensure we understand our responsibilities in relation to the new tenure properties.</p> <p>Meetings with legal and legal have produced tenancy and lease agreements.</p> <p>The Homes and Communities Agency Capital Funding Guide is being reviewed to ensure we understand the requirements set out by the HCA.</p> <p>Procedures have been developed to support</p>	2	3	Janice Adams	<p>Briefings and training will take place for officers of the housing company so they are aware of the new tenures and how they should be managed.</p> <p>Shared ownership policy drafted and procedural guides are in development.</p>	<p>March 2014</p> <p>Policy to be agreed by end of March 2014.</p>	2	3	

Risk No	Risk	Controls	Likelihood	Impact	Owner	Future Actions	Timescale	Residual Likelihood	Residual Impact	Cost Effectiveness of Future Actions
		<p>customers to purchase additional equity in shared ownership properties.</p> <p>Income management procedure has been developed.</p>								
LH4	Non payment of service charges which would increase the arrears and reduce the actual income collected with the expenditure having been incurred.	<p>An arrears procedure is in existence with the back stop of a legal charge being placed on the property, although this would not be payable until the property is sold.</p> <p>Arrears collection is monitored on a monthly basis and performance is discussed with customers at the leasehold SIG every quarter. Performance is reported to senior management quarterly, through the performance report.</p>	2	2	Janice Adams	<p>Arrears procedure was reviewed in Dec 2012 and will continue to be reviewed every 2 years along side the service improvement group.</p> <p>The new procedure now includes a section on 'disputes' as recommended by the audit review.</p>	Dec 2014	2	2	

Corporate Services – Performance

Risk No	Risk	Controls	Likelihood	Impact	Owner	Future Actions	Timescale	Residual Likelihood	Residual Impact	Cost Effectiveness of Future Actions
PF1	Inaccurate performance reporting through inaccurate working papers which could lead to inaccurate customer expectations of service provision and damage the reputation of the Company and lead to inappropriate decisions being taken in relation to incorrect data.	<ul style="list-style-type: none"> - Performance management team monitor and audit the performance data which is reported on a monthly and quarterly basis – Each quarter a more detailed scrutiny takes place upon information provided by external contractors. - Working papers are required to be added to performance point and audited for all performance data. - Performance data is signed off by management team and Board before it is reported to customers - Meeting have been held with the Mears to ensure the performance information is produced to meet the correct PI definitions – Monthly monitoring meetings are being held with discuss the performance results and look at ways to improve performance. 	2	2	Mark Banks	Consider whether performance point and the reporting mechanisms are currently fit for purpose and evaluate the alternatives that are available.	March 2014	2	2	Performance point was an in house development that may not be best suited to meeting the performance needs of the company going forward, and is not seen as being user friendly by many managers who are required to use it.

Customers and Communities Operational Risk Register (As at January 2014)

Almost Certain			1	2
Likely		3	2	
Moderate	6		1	4
Unlikely				7
	Low	Medium	High	Critical

Likelihood

Scoring	Definition	Timing of occurrence
4	Almost certain	Less than 3 months
3	Likely	3 – 6 months
2	Moderate	6 – 12 months
1	Unlikely	In excess of 12 months

Impact

Scoring	Definition	Example of impact
4	Critical	Total service loss for significant period Fatality Financial loss over £200,000 Government / Council intervention
3	High	Significant service disruption Major/disabling injury Financial loss over £50,000 Adverse national media coverage
2	Medium	Service disruption Loss time injury Financial loss over £25,000 Adverse local media coverage / lots of service user complaints
1	Low	Minor service disruption / short term inconvenience Minor injury Financial loss under £25,000 Isolated service user complaints

Risk No	Risk	Like-lihood	Impact	Owner
Asset Management				
AM1	Future investment needs may be incorrectly allocated if asset management plans do not provide the correct information to allocate funds where they are required	2	3	Simon Chrisp
Voids				
VO1	Not achieving the agreed Lettable Standard for voids or not achieving in required timescale	3	2	Phil Hogg
VO2	Vandalism/damage to void properties	2	2	Phil Hogg
Lettings				
LE1	Properties becoming difficult to let	4	3	Jackie Armstrong
LE2	Lack of availability of properties in demand	3	2	Jackie Armstrong
Rent and Income				
RI1	Reduction in customers' Housing Benefit entitlement due to government reforms	4	4	Jonathan Graham
Gas Servicing				
GS1	Customers sleeping temporarily/permanently in a room with an open flued gas appliance, including overcrowded property	2	4	Gary Stirling
GS2	Failure to comply with gas safety legislation and regulation in non-residential buildings	2	4	Gary Stirling
GS3	Non-compliance with the Gas Safety (Installation and Use) Regulations 1998 for all flues to be suitable for the appliance concerned and to be in a proper condition for the safe operation of the appliance by December 2012	1	4	Gary Stirling
GS4	Fatality due to gas related incidents or Carbon Monoxide poisoning incidents	2	4	Gary Stirling
New GS5	Customers installing their own cookers	1	4	Gary Stirling
New GS6	Customers installing their own cookers in high rise properties	1	4	Gary Stirling
Improvement Works				
IW1	Injury/fatality to public	1	4	Jim Charlton
IW2	Increase in complaints from customers, councillors and other stakeholders	2	2	Carole Nicholson
Repairs				
RE1	Inclement weather	3	2	Russell Urwin
RE2	Overspending repairs budget	4	4	Russell Urwin
RE3	Inability to manage Cyclical Maintenance	3	3	Russell Urwin

Risk No	Risk	Like-lihood	Impact	Owner
RE4	Unsafe working practices	1	4	Russell Urwin
RE5	Principal contractor liquidation	1	4	Russell Urwin
RE6	Loss of contractor office/depot facilities	2	2	Russell Urwin
RE7	Financial disputes	3	3	Russell Urwin
RE8	Failure to deliver repairs to published standards and timescales	2	2	Phil Hogg
Tenancy and Estate Management				
TE1	Risk of fires/tripping hazards/safety in communal areas in multi-storey accommodation, low rise and sheltered accommodation	2	4	Julie McCartney
TE2	Reduced customer satisfaction with living in neighbourhood due to lack of funding for estate and environmental projects	2	2	Neighbourhood Services Manager
TE3	Grounds maintenance service not delivered to agreed published standards	2	2	Julie McCartney
TE4	Not reporting Safeguarding Adult or Children issues	1	4	Deborah Ewart

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Customers and Communities Operational Risk Register

Asset Management Operational Risk Register

Risk No	Risk	Controls	Likelihood	Impact	Owner	Future Actions	Timescale	Residual Likelihood	Residual Impact	Cost Effectiveness of Future Actions
AM1	<p>Future investment needs may be incorrectly allocated if asset management plans do not provide the correct information to allocate funds where they are required</p> <p>Properties may become non-decent and fall into disrepair if they are not invested in on a timely basis.</p>	<p>Keystone Asset Management Database holds data in relation to properties and when works have been carried out to them and the types of works carried out (such as dates new kitchens were installed etc). The database is able to provide scenario planning where we can review the investment needs should we decide to undertake certain works at certain points in time. This can then be used to produce the most cost effective and appropriate investment plan.</p> <p>Interpretation of R&M data improved, including changes to SOR's to aid identification of work to key components.</p>	2	3	Simon Chrisp	Additional validation work to five estates following analysis of the gaps within Keystone data	Ongoing	2	3	<p>Actions will reduce the occurrences of omitted works within the Housing Capital Programme. Preventing abortive time and cost.</p> <p>Continued improvements in data quality will have a positive impact upon the 30 year plan.</p>

Customers and Communities – Voids, Lettings, Rent & Income

Risk No	Risk	Controls	Likelihood	Impact	Owner	Future Actions	Timescale	Residual Likelihood	Residual Impact	Cost Effectiveness of Future Actions
	VOIDS									
VO1	<p>Not achieving the agreed Lettable Standard for voids (safe, secure, clean, in good condition). Or – not achieving in required timescale.</p> <p>Impact on</p> <ul style="list-style-type: none"> • Customer satisfaction • Customer safety (injury could lead to a claim) • Offer refusals / increased void rent loss / increased relet period 	<p>Safe to view procedure / Lettable Standard training / 'Check and Test' final inspection.</p> <p>Weekly operational meetings with Contractor. Including weekly fails discussed with Mears and Void Officers.</p> <p>Monthly performance review meetings, including fail trends.</p> <p>Satisfaction monitoring</p> <p>Monthly budget monitoring / monitoring level of work requests compared to notional programme for annual budget</p>	3	2	Phil Hogg	<p>Ongoing void inspections and weekly Voids performance meeting with Mears</p> <p>Relet budget monthly meeting</p> <p>Review of Mears void procedures and resources in light of increased volume of work (linked to welfare reform). Need to reduce level of "fails".</p>	<p>Weekly</p> <p>Monthly</p> <p>March 2014</p>	2	2	<p>Timescales for returning void properties have increased - linked to the increase in tenancy turnover (welfare reform). Mears have been advised that turnover is unlikely to decrease in the short term, and so resources and procedures need to respond to the increased workload. Resources will be focused on lettable properties. Reducing the number of incidences where Mears fail to meet the lettable standard will help to reduce avoidable work.</p>

Risk No	Risk	Controls	Likelihood	Impact	Owner	Future Actions	Timescale	Residual Likelihood	Residual Impact	Cost Effectiveness of Future Actions
VO2	Vandalism / damage to void properties leading to additional expenditure, and damaging the reputation of an estate. Risk includes damage to properties held for options appraisal or awaiting demolition	“Security matrix” showing for every street if security would be needed – and what type (Last reviewed April 2013) Demolition properties: – decommissioning process, including drain down of heating system, removal of meters.	2	2	Phil Hogg	Matrix reviewed annually and during the year if there is any increase in incidents	April 2014	1	2	
LETTINGS										
LE1	Properties becoming difficult to let Lack of demand / few or no bids received / high level of refusals All leading to increase in void rent loss	Quarterly monitoring of demand for properties on Tyne and Wear Homes. Six monthly analysis of impact of welfare reform. Low demand properties highlighted to council. Estate Matrix	4	3	Jackie Armstrong	Continued monitoring of demand for properties, and highlighting of low demand (e.g. 2 bed flats in blocks) Review approach to marketing of low demand properties Respond to any future development of mitigations against welfare reform (eg	Quarterly March 2014 Throughout 2014 as council develops	4	2	Residual impact to be reviewed again as options to mitigate welfare reform develop

Risk No	Risk	Controls	Likelihood	Impact	Owner	Future Actions	Timescale	Residual Likelihood	Residual Impact	Cost Effectiveness of Future Actions
		produced twice a year shows estate by estate profile including turnover and void period				age limits for low demand 1 bed older persons properties; potential redesignation of some 2 or 3 bed flats)	options			
LE2	<p>Lack of availability of properties in demand</p> <p>Potential reductions in availability due to demolition / estate regeneration; from Right to Buy; from lack of certain property types in some locations</p> <p>Increased demand for some property types due to welfare reform</p>	<p>Monitoring of progress of estate clearance / demolition – monthly</p> <p>Monitoring of Housing Register – quarterly</p> <p>Potential for new build schemes / new properties under management</p> <p>Monitoring of impact of welfare reform</p>	3	2	Jackie Armstrong	<p>Monitoring of progress of estate clearance / demolition</p> <p>Monitoring of Housing Register</p> <p>Potential for new build schemes / new properties under management</p> <p>Monitoring of impact of welfare reform – considerations include changes to eligibility for some properties</p>	<p>Monthly</p> <p>Quarterly</p> <p>As opportunities arise</p> <p>Information to be fed in by TGHC every six months</p>	2	2	<p>Risk has been reviewed and now classed as less likely than previously.</p> <p>Impact of welfare reform has not to date resulted in large increase in demand for smaller properties (although it has produced a lack of demand for some 2 and 3 bed flats)</p>

Risk No	Risk	Controls	Likelihood	Impact	Owner	Future Actions	Timescale	Residual Likelihood	Residual Impact	Cost Effectiveness of Future Actions
	RENT & INCOME									
RI1	<p>Increase in rent arrears</p> <p>Particularly as a result of reductions in customers' Housing Benefit entitlement due to welfare reform.</p> <p>(Links to Strategic Risk)</p>	<p>Arrears prevention / income maximisation advice</p> <p>Programme of information, contacts and visits to customers affected by welfare reform</p> <p>Assistance provided to tenants with applications for Discretionary Housing Payments (DHP)</p> <p>Impacts of welfare reform monitored and fed into joint working groups.</p> <p>Restructure of Rent and Income team approved – enabling retention of two Advice and Support Officers (otherwise only funded by the council until March 2013)</p>	4	4	Jonathan Graham	<p>Continue to monitor impact of the benefit reforms and feed in to working groups.</p> <p>Roll out restructure of Rent and Income Team</p> <p>Cabinet have approved a “top-up” to DHP for council tenants. Assist council to allocate this to tenants.</p>	<p>Ongoing</p> <p>March 2014</p> <p>March 2014</p>	4	3	Actions will reduce the impact, but the financial loss for arrears alone will still be over £200k.

Customers and Communities – Gas Servicing Operational Risk Register

Risk No	Risk	Controls	Likelihood	Impact	Owner	Future Actions	Timescale	Residual Likelihood	Residual Impact	Cost Effectiveness of Future Actions
GS1	<p>Customers sleeping temporary/permanent in a room with a open flued gas appliance, including overcrowded property</p> <p>Fatality due to Carbon Monoxide Poisoning incident. Spillage of fumes in domestic properties while sleeping in the same room as the gas appliance</p>	<p>TGHC GAS SAFE Registered</p> <p>Risk Assessed Procedure initiated Carbon Monoxide detector Every three month a gas service is initiated</p> <p>Records/Data kept. All contractors are GAS SAFE competent registered</p> <p>All contractors and employees are checked for registration annually. Raise Awareness to employees, contractors and customers e.g. Press, company magazines etc. Work Closely with general hospitals/care workers/social</p>	2	4	Gary Stirling	Adequate controls in place		2	4	

Risk No	Risk	Controls	Likelihood	Impact	Owner	Future Actions	Timescale	Residual Likelihood	Residual Impact	Cost Effectiveness of Future Actions
		<p>services</p> <p>Raise Awareness of risk to customers.</p> <p>Monitor Regulations for any changes</p> <p>Working with family relatives social services, local hospitals, care workers</p>								
GS2	<p>Failure to comply with gas safety legislation and regulation in non-residential buildings</p> <p>This will result in exposure to dangerous conditions which may lead to fatality, loss of company reputation and insurance claims</p>	<p>Gas safety policy with employees briefing to communicate changes.</p> <p>Register of trained engineers renewal of registration</p> <p>Audit checks for compliance. Reported accidents investigated. All properties inspected to GAS SAFE standards</p> <p>Court injunctions for the hard to</p>	2	4	Gary Stirling	Adequate controls in place		2	4	

Risk No	Risk	Controls	Likelihood	Impact	Owner	Future Actions	Timescale	Residual Likelihood	Residual Impact	Cost Effectiveness of Future Actions
		<p>reach residents</p> <p>Dangerous appliances isolated and meter capped in all instances</p> <p>Liaising with Carers and other agencies for access to the properties as required from a care plan assessment</p> <p>Monitor Regulations for any changes</p>								
GS3	Non-compliance with the Gas Safety (Installation and Use) Regulations 1998 for all flues to be suitable for the appliance concerned and to be in a proper condition for the safe operation of the appliance by 31 December	<p>All pre-assembled concealed flues in voids risk assessed during a gas repair, service or survey</p> <p>Risk assessed as per new gas regulations to determine if flue pipe is installed and connected in a safe manner</p>	1	4	Gary Stirling	Adequate controls in place		1	4	

Risk No	Risk	Controls	Likelihood	Impact	Owner	Future Actions	Timescale	Residual Likelihood	Residual Impact	Cost Effectiveness of Future Actions
	2012 resulting spillage of fumes from gas appliance due to concealed flue pipe and a potential fatality due to carbon monoxide poisoning	<p>Void structure has access panels fitted for inspection of gas appoint flue joints</p> <p>If panels are not viable, the flue must be repositioned to allow access for inspection</p> <p>If flue is not repositioned, gas boiler and flue are repositioned or renewed to give access to flue connections</p> <p>Tender to renew new boilers where flue access is denied</p> <p>Maintenance and surveys through risk assessments</p> <p>Inspections to install access panels</p> <p>Gas boilers which fail risk</p>								

Risk No	Risk	Controls	Likelihood	Impact	Owner	Future Actions	Timescale	Residual Likelihood	Residual Impact	Cost Effectiveness of Future Actions
		assessment now classed as 'ID' and to be replaced / renewed to new gas regulations or access panels fitted with CO detectors and CO cut off valves Asset Management to change all "at risk" boilers								
GS4	Fatality due to gas related incidents/Solid Fuel or Carbon Monoxide Poisoning incidents Explosion ignited by gas escapes in properties and surrounding properties from installation pipe work, gas appliances and all domestic ancillary gas fittings. Spillage of fumes from solid fuel or gas appliances in	TGHC GAS SAFE Registered Annual gas service initiated HETAS solid fuel registered contractors initiate work TGHC are now HETAS registered Bi-annual solid fuel service initiated. Risk Assessed Procedure for No Access	2	4	Gary Stirling	Adequate controls in place		2	4	

Risk No	Risk	Controls	Likelihood	Impact	Owner	Future Actions	Timescale	Residual Likelihood	Residual Impact	Cost Effectiveness of Future Actions
	domestic properties, including surrounding properties	<p>Properties Records/Data kept. Weekly and Monthly performance audits</p> <p>5% collectively of all Gas Servicing, Installations and Repairs Audited Yearly</p> <p>All contractors are GAS SAFE competent registered</p> <p>All contractors and employees are checked for registration annually</p> <p>Raise Awareness to employees, contractors and customers e.g. Press, company magazines etc</p> <p>Carbon Monoxide detectors installed to 98% of Council</p>								

Risk No	Risk	Controls	Likelihood	Impact	Owner	Future Actions	Timescale	Residual Likelihood	Residual Impact	Cost Effectiveness of Future Actions
		<p>properties with gas appliances.</p> <p>Carbon Monoxide detectors installed to all properties with solid fuel appliances installed</p> <p>Change customer's actions and views to allow us to initiate an annual gas service.</p> <p>Initiated zero tolerance to no access. Risk managed in accordance with Best Practice.</p> <p>Continue to install Carbon Monoxide detectors to remaining high risk gas appliances of Council properties.</p>								

Risk No	Risk	Controls	Likelihood	Impact	Owner	Future Actions	Timescale	Residual Likelihood	Residual Impact	Cost Effectiveness of Future Actions
		<p>Continue with programmed replacement of open flued boilers.</p> <p>A programme of works to change all existing solid fuel appliances to Gas appliances</p> <p>Continue to install Carbon Monoxide detectors to remaining high risk gas appliances of Council properties.</p> <p>Out of date detectors being changed to all properties best practice</p> <p>Test and maintain in Bi-annual service</p>								
GS5	Customers installing their own cookers resulting in fatality due to gas	Gas safety check customers cooker in annual gas service.	1	4	Gary Stirling	Adequate controls in place		1	4	

Risk No	Risk	Controls	Likelihood	Impact	Owner	Future Actions	Timescale	Residual Likelihood	Residual Impact	Cost Effectiveness of Future Actions
	<p>related incidents/Carbon Monoxide Poisoning incidents</p> <p>Explosion ignited by gas escapes in properties and surrounding properties from Customers own gas cooker appliances.</p> <p>Spillage of fumes from gas cooker appliances in domestic properties, including surrounding properties</p>	<p>Gas service, cleaning and repairs of customers cooker is there responsibility Advise customers of there obligation to have there gas cookers serviced</p> <p>Install safety controls to cut off gas supply for our vulnerable tenants</p> <p>Raised awareness of risk to customers through customer forums, local newspapers, company booklets and magazines.</p> <p>Ongoing programme of works to install cut off valves/good practice</p>								

Risk No	Risk	Controls	Likelihood	Impact	Owner	Future Actions	Timescale	Residual Likelihood	Residual Impact	Cost Effectiveness of Future Actions
GS6	<p>Customers own cookers in High Rise properties</p> <p>Fatality due to gas related incidents/Carbon Monoxide Poisoning incidents</p> <p>Explosion ignited by gas escapes in properties and surrounding properties from Customers own gas cooker appliances.</p> <p>Spillage of fumes from gas cooker appliances in domestic properties, including surrounding flats</p>	<p>Gas safety check customers cooker in annual gas service.</p> <p>Gas service, cleaning and repairs of customers cooker is there responsibility</p> <p>Advise customers of there obligation to have there gas cookers serviced</p> <p>All new cooker installations in multi storey properties MUST have safety devices on all burners</p> <p>Install safety controls to cut off gas supply for our vulnerable tenants</p> <p>Raise awareness of risk to customers through customer</p>	1	4	Gary Stirling	Adequate controls in place		1	4	

Risk No	Risk	Controls	Likelihood	Impact	Owner	Future Actions	Timescale	Residual Likelihood	Residual Impact	Cost Effectiveness of Future Actions
		<p>forums, local newspapers, company booklets and magazines.</p> <p>TGHC option changing tenants gas cookers for electric cookers to reduce risk (Regent court, Park, Peareth, Priory) Good practice</p> <p>Ongoing program of works to install cut off valves/good practice</p>								

Customers and Communities – Improvement Works Operational Risk Register

Risk No	Risk	Controls	Likelihood	Impact	Owner	Future Actions	Timescale	Residual Likelihood	Residual Impact	Cost Effectiveness of Future Actions
IW1	Injury / fatality to public – potential litigation, HSE investigation and criminal investigation.	Health & Safety plan in place for every site Method statements for work to mitigate risk to public Regular site inspections by partner and TGHC	1	4	Jim Charlton	Adequate controls in place.		1	4	No change
IW2	Increase in complaints from customers, Councillors and other stake holders resulting in a loss of confidence / public image for TGHC and partners.	Targeted 85% satisfaction survey returns Quarterly performance reporting Dissatisfaction Survey to explore negative feedback Early intervention and discussion with partner Learn from satisfaction /dissatisfaction and implement changes to improve future delivery	2	2	Carole Nicholson		Ongoing	2	2	No change

Customers and Communities – Repairs Operational Risk Register

Risk No	Risk	Controls	Likelihood	Impact	Owner	Future Actions	Timescale	Residual Likelihood	Residual Impact	Cost Effectiveness of Future Actions
RE1	Inclement weather resulting in increased property defects and delay in delivering reported repairs – repair costs / customer dissatisfaction / litigation and associated costs (S 11 Cases) / poor KPI performance	<p>Winter contingency plan now a formal part of Contractors BCP.</p> <p>Staff and contractors have increased awareness and proactively review resources accordingly to meet increased service demand.</p> <p>Specification change implemented for external condensate.</p> <p>Winter working group developed to review plans/controls while also managing working methods during winter periods.</p> <p>Annual assessment of internal / contractors</p>	3	2	Russell Urwin	Review of LES construction operations critical service plan notifications to TGHC	April 2014	2	1	

Risk No	Risk	Controls	Likelihood	Impact	Owner	Future Actions	Timescale	Residual Likelihood	Residual Impact	Cost Effectiveness of Future Actions
		procedures, staffing and contacts in preparation for seasonal change.								
RE2	Overspending repairs budget resulting in an inability to carry out core function - asset degradation / customer dissatisfaction	<p>Live variations process in place. Provides enhanced clarity of works in progress and contract expenditure.</p> <p>Weekly financial review of orders raised /variations to analyse trends of expenditure.</p> <p>Implementation of additional budget heads in Northgate.</p> <p>Monthly financial forecast prepared by Repairs Contractor, reviewed at fortnightly Commercial meetings.</p> <p>Credit process in place and reviewed fortnightly.</p>	4	4	Russell Urwin	<p>Further development of SOR range to reduce usage of Dayworks claims, to reduce drain on officer time to check and evaluate.</p> <p>Roll out with partnership to reduce misinterpretation of SOR</p> <p>Implementation of Northgate/TASK interface to control orders to LES and give increased budget monitoring. <i>Orders placed December 2013</i></p> <p>Budget profiling across a full financial year to improve understanding of spend in anticipation of price per property model. <i>Awaiting report development by ICT</i></p>	<p>Complete</p> <p>Jan 2014</p> <p>Jun 2014</p> <p>April 2014</p>	3	3	

Risk No	Risk	Controls	Likelihood	Impact	Owner	Future Actions	Timescale	Residual Likelihood	Residual Impact	Cost Effectiveness of Future Actions
RE3	Inability to manage Cyclical Maintenance Resulting in inability to meet legislative requirements/ inadequate control of contractor outputs and quality/ asset degradation or closure / financial loss.	Principal management undertaken by LES on behalf of client. Introduction of a Cyclical Manager. Improved audit controls of LES monthly statutory works Introduction of Electrical Auditor December 2013 Improve contractor competency checking/vetting procedures.	3	3	Russell Urwin	Review management arrangements Development of SLA with LES and other service providers required. Review of existing management systems and data. Assessment of tendered/non tendered maintenance agreements and warranty availability / requirements. Implementation of Northgate/TASK interface to control orders to LES / 3 rd party contractors and reduce abortive officer time. Incorporate warranties information into Northgate	April 2014 April 2014 April 2014 Jun 2014 Feb 2014	2	3	Delayed due to lack of information passed down from completed schemes. Impact of other ICT priorities will affect ability to enable warranty management.

Risk No	Risk	Controls	Likelihood	Impact	Owner	Future Actions	Timescale	Residual Likelihood	Residual Impact	Cost Effectiveness of Future Actions
						Schedule periodic market testing of non statutory works	June 2014			Actions will eliminate use of unsuitable contractors and reduce expenditure on works outside of tendered agreements.
RE4	Unsafe working practices resulting in injury and death of persons - loss of key personnel / litigation and associated costs / negative corporate image	Annual review of H&S risk assessments and method statements for all works and associated activities Secondment of dedicated H&S officer into Repairs Service. Review of H&S procedures for Mears Partnership	1	4	Russell Urwin	Implementation of service wide training schedule to streamline training requirements and align risk assessments. Training and briefs to be implemented to suit structure changes	April 2014 April 2014	1	3	Schedule now complete, all risk assessments to be completed in time for move to civic. Training to follow, with focus on in-house where ever practical to reduce cost.
RE5	Principal contractor liquidation resulting in inability to carry out core function - asset degradation / customer dissatisfaction / litigation and associated costs / negative	Close links with Local Environmental Services will provide a contingency and the use of additional contractors for specialist works to ensure that essential services can be provided	1	4	Russell Urwin	Development of a company wide approved contractor register in conjunction with Asset and Procurement. Implementation of Northgate/TASK interface to control orders to LES / 3 rd party contractors and reduce abortive officer time.	July 2014 Jun 2014	1	4	Links to Procurement and cannot be completed by Repairs as stand-alone.

Risk No	Risk	Controls	Likelihood	Impact	Owner	Future Actions	Timescale	Residual Likelihood	Residual Impact	Cost Effectiveness of Future Actions
	corporate image / financial loss	Ongoing contract register review to identify the extent to which the service could be covered Monitoring of principal contractor financial management and invoicing procedures				Overhaul of warranties and guarantee provision by main contractor / supply chain.	Jan 2015			
RE6	Loss of contractor office / depot facilities resulting in inability to carry out core function - asset degradation / customer dissatisfaction / litigation and associated costs / negative corporate image / financial loss	Contractor staff are able to operate from multiple locations therefore ensuring a continuation of service provision. Login facilities available at Keelman and Civic Centre. Development of Mears Business Continuity Plan with regular reviews built in	2	2	Russell Urwin			2	2	
RE7	Financial disputes resulting in escalation of unresolved	Enhanced contract conditions as part of repairs re-tendering. Live variations	3	3	Russell Urwin	Production of a monthly financial report from Northgate to allow increased understanding of	April 2014	3	3	

Risk No	Risk	Controls	Likelihood	Impact	Owner	Future Actions	Timescale	Residual Likelihood	Residual Impact	Cost Effectiveness of Future Actions
	disputes – litigation and associated costs / negative corporate image	process in place. Provides enhanced clarity of works in progress and contract expenditure. Monthly financial review meeting with Mears to evaluate variations process.				spend.				
RE8	Failure to deliver repairs to published standards and timescales resulting in customer dissatisfaction / negative corporate image	Enhanced performance information available on demand through contractors repairs interface enables closer monitoring. Fortnightly operational meeting to review performance. Weekly joint meeting / review of call back orders. Full review of performance definitions and confirmation of KPI and development of additional suite of MPI's.	2	2	Phil Hogg	Development of TGHC reporting model utilising Northgate to assist in audit of Mears performance data. Implement quarterly monitoring for repairs and voids (currently weekly and monthly to increase understanding)	Jan 2014 April 2014	2	1	

Risk No	Risk	Controls	Likelihood	Impact	Owner	Future Actions	Timescale	Residual Likelihood	Residual Impact	Cost Effectiveness of Future Actions
		<p>Scheduled performance meetings and reporting criteria to be developed by Core Group.</p> <p>Enhancement of Mears report specification to give clarity on accuracy of data.</p> <p>Implemented trial changes to a selection of repairs categories.</p> <p>Changes to repairs categories agreed by Mears as part of tender.</p>								

Customers and Communities – Tenancy and Estate Management Operational Risk Register

Risk No	Risk	Controls	Likelihood	Impact	Owner	Future Actions	Timescale	Residual Likelihood	Residual Impact	Cost Effectiveness of Future Actions
TE1	Risk of fires/tripping hazards/safety in communal areas in multi storey accommodation, low rise and sheltered accommodation resulting in risk of injury or fatality to staff and customers	<p>Multi storey check system in place to remove hazards</p> <p>Furniture replacement programme in place to remove non compliant furnishings in sheltered accommodation</p> <p>Fire Safety works programme in MSB's delivered</p>	2	4	Julie McCartney	<p>Piloted approach to communal area inspection in low and medium rise blocks currently being evaluated following which it will be rolled out</p> <p>Deliver fire safety work in sheltered schemes</p>	<p>April 2014</p> <p>March 2014</p>	2	4	
TE2	Reduced customer satisfaction with living in neighbourhood due to lack of funding for estate & environmental projects resulting in reduced customer satisfaction in neighbourhoods could lead to	<ul style="list-style-type: none"> • Established partnership arrangements in place • Access to funding via community groups in place • EO toolkit outlining current resources available to maximise implementation of schemes. 	2	2	Neighbourhood Services Managers			2	2	

Risk No	Risk	Controls	Likelihood	Impact	Owner	Future Actions	Timescale	Residual Likelihood	Residual Impact	Cost Effectiveness of Future Actions
	increase in tenants moving out and reduced demand for properties	<ul style="list-style-type: none"> Neighbourhood Pride and Designing out crime budget allocated and schemes in development Explore & Identify other external funding resources 								
TE3	Grounds Maintenance Service not delivered to agreed published standards resulting in customer and councillor satisfaction with neighbourhoods and reduced demand for homes due to visual look of estates	<ul style="list-style-type: none"> Joint working arrangements established and in place Monthly and quarterly performance monitoring meetings held with customers and partners to scrutinise performance Annual review of Service Agreement with customer involvement is undertaken 	2	2	Julie McCartney	Annual review of Grounds Maintenance Service Agreement with customer involvement Update customers on revised service standards	March 2014 June 2014	2	2	

Risk No	Risk	Controls	Likelihood	Impact	Owner	Future Actions	Timescale	Residual Likelihood	Residual Impact	Cost Effectiveness of Future Actions
TE4	<p>Not reporting Safeguarding Adult or Children issues resulting in risk of serious injury or fatality to a child or adult and potential risk of legal challenge if we are found to be at fault</p>	<ul style="list-style-type: none"> • Policy and procedures in place & reviewed annually • Staff training is reviewed annually & refreshed every 3 years through appraisals • Referrals and cases are monitored through NRT • Training is provided through multi agency Safeguarding Boards & through TGHC • Specialist housing safeguarding children training for company held Jan-March 2011 & has been included in annual training directory • Staff briefing on revised 	1	4	Deborah Ewart	Safeguarding alerter training rolled out to staff	Ongoing	1	4	

Risk No	Risk	Controls	Likelihood	Impact	Owner	Future Actions	Timescale	Residual Likelihood	Residual Impact	Cost Effectiveness of Future Actions
		procedures issued in May 2013 & with Mears contractors in June 2013								



Report to Audit Committee

14 January 2014

Title: 2013/14 Internal Audit Plan – Progress Report

Report of: Chief Internal Auditor, Gateshead Council

Purpose of Report

1. This report outlines progress made by the Internal Audit Service against the audit plan for the financial year 2013/14.

Summary

2. The Audit Plan for 2013/14 was agreed by this Committee on 15 May 2013. Progress against the plan is detailed in Appendix 1. As at 31st December 2013, nine final and six draft reports have been issued and a further two audits are currently in progress.
3. The Internal Audit Strategy 2013-16 was agreed by the Committee on 3 July 2013 and details our performance management targets. The table below sets out the current position against each target.

Performance Indicator	Actual Position at 31/12/13	Annual Target
Actual hours against planned hours achieved in 2013/14	93%	97.25%
Number of audit assignments completed against annual plan	9 (41%)	22 (100%)
Number of audit recommendations implemented	74%	75%
Audits completed within agreed time	90%	90%
Customer satisfaction levels	100%	97.5 – 99%

4. As at the 31st December 2013 93% of actual to planned hours have been completed. This is therefore well in excess of the profiled target of 73% of actual hours being completed by the end of quarter three and on course to achieve the annual target of 97.25%. This includes all time expended during the first three quarters including audits completed in relation to the previous financial year and current year audits that are in progress.

Link to values

5. This report links to the following company values: -
- Being honest, accountable and transparent
 - Being motivated, trained and committed.

Risk Management Implications

6. The perceived risk of each audit is based on a thirteen point assessment taking into account such areas as materiality, complexity of the system, potential for fraud and sensitivity. Based on a score derived from the assessment, audits are categorised as high, medium and low priorities. This informs the frequency in which audits will be carried out.

Financial Implications

7. The cost of the internal audit work plan is fully provided for in the 2013/14 budget.

Equality and Diversity Implications

8. There are no Equality and Diversity implications associated with this report.

Value for Money implications

9. The delivery of the 2013/14 audit plan and the implementation of internal audit recommendations will assist in identifying efficiencies and achieving value for money.

Health Implications

10. There are no Health implications associated with this report.

Environmental Implications

11. There are no Environmental implications associated with this report.

Impact on Customers

12. Implementation of the recommendations will provide our customers with a better service in terms of customer care.

Consultation carried out

13. The audit plan was developed following consultation with all relevant stakeholders within the Company.

Recommendation

14. The views of the committee are sought on whether it is satisfied with progress to date with the 2013/14 Internal Audit Plan.

Appendix 1

Internal Audit Plan 2013/14	Risk		Planned Days	Planned Report to Committee	Progress at end December 2013	Opinion
	Rating	Score				
CORPORATE SERVICES						
1 TGHC Capital Programme	High	258	10.7	1	Final Report Issued	Operating Well
2 TGHC Counter Fraud Arrangements	Medium	178	6.7	1	Final Report Issued	Satisfactory
3 TGHC Performance Framework	Medium	157	6.7	1	Final Report Issued	Operating Well
4 TGHC Governance	Medium	153	5.3	1	Final Report Issued	Satisfactory
5 TGHC Asbestos Management	Medium	152	9.3	1	Final Report Issued	Satisfactory
6 TGHC Business Continuity Arrangements	Medium	159	5.3	2	Draft Report Issued	
7 TGHC Human Resources	Medium	155	9.3	2	Draft Report Issued	
8 TGHC Complaints	Low	93	6.7	2	Final Report Issued	Satisfactory
9 TGHC Creditors	High	255	10.0	3	In Progress	
10 TGHC Budget Setting and Monitoring	High	250	5.3	3	Final Report Issued	Operating Well
11 TGHC Main Accounting	High	266	5.3	3	Draft Report Issued	
12 TGHC Information Security Management	Medium	195	9.3	3	Draft Report Issued	
13 TGHC Health and Safety	Medium	151	4.0	3	Final Report Issued	Satisfactory
14 TGHC Company Payroll	High	255	6.7	4	Draft Report Issued	
15 TGHC Insurance Arrangements	High	218	3.3	4		
16 TGHC Corporate IT	High	239	1.3	4		
			105.3			
CUSTOMERS & COMMUNITIES						
17 TGHC Keelman Homes	High	227	13.3	1	Final Report Issued	Satisfactory
18 TGHC Rent Arrears	High	252	20.0	2	Draft Report Issued	
19 TGHC Rent Collection	High	235	9.3	3	In Progress	
20 TGHC Tenancy Allocation and Lettings	High	270	13.3	4		
21 TGHC Repairs	High	269	12.0	4		
22 TGHC Housing Establishments	High	266	12.0	4		
			80.0			
GENERAL						
TGHC Audit Committee			6.7			
TGHC General Advice, Consultancy and Systems Review			4.0			
			10.7			

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Risk Score Categories:

High: >210

Medium: 150-210

Low: 0 - 149