

Appendix D – Risk Assessment

FIGURE 1 The risks associated with the implementation of the (subject) decision :							
No.	RISK Threat to achievement of the key objectives of the report	INHERENT RISK (Before controls)		RISK CONTROL MEASURES Mitigation (ie controls) and Evaluation (ie effectiveness of	CURRENT RISK (After controls)		RISK OWNER
		Impact	Probability		Impact	Probability	
1	Tenancy failure leading to the household becoming homeless again. If found intentionally homeless there is a risk of cost shunting to Early Help.	High	Medium	St Mungo's have an excellent track record in tenancy sustainment through direct support to households and linking to other services that can assist e.g. with welfare benefits advice. In London 99% of tenancies were being effectively sustained at 6 months.	High	Low	Gillian Douglas
2	Homelessness clients refuse a suitable offer of a Real Lettings property. There is a risk we will then end the homelessness duty and of cost shunting to EH.	High	Medium	There have been very few refusals by homeless households because of the high quality of the properties and the management and support offered by St Mungo's. The protocol between Housing Options and Early Help is also being applied in order to ensure joint messaging and that family homelessness is prevented.	High	Low	Gillian Douglas
3	Anticipated investment returns are not achieved - for example: <ul style="list-style-type: none"> No increase in LHA over life of Fund Capital growth may falter –property prices fall The fund yield is lower than 2.4% 	Medium	Medium	Regular monitoring reports will be required. <ul style="list-style-type: none"> The Fund is modelled at zero growth in LHA to account for this. Capital growth is modelled at a prudent rate. Updates on performance of fund includes the capital value of the overall asset. Any fluctuations would be spread across the life of the fund, which may be extended by agreement of its stakeholders. Property prices tend to rise over the medium to long term so could re-invest in a follow-up fund until the market conditions improve. St Mungo's are responsible for collecting rent and enabling households to make housing benefits claims and also any bad debt in collecting rental income.	Medium	Low	Neil Sinclair
4	St Mungo's and households accommodated in Real Lettings are unable to find affordable private rented sector accommodation to move on to.	Medium	Medium	A key performance indicator in the Nomination Agreement with St Mungo's is training tenants to save for deposits and supporting them into the PRS. Housing Options has a new Lettings Negotiation Team that will also offer advice and assistance where necessary. No household will be made homeless at the 2 year mark if they are unable to move on but it would limit the benefits for other households who need to be moved on from TA.	Medium	Medium	Gillian Douglas
5	Slow Property Acquisition. Resonance are unable to find properties within the price ranges needed to	Medium	Low	There is some flexibility to allow an increased proportion of the properties acquired to be outside the BCC boundary. All properties	Low	Low	Gillian Douglas

develop the portfolio by 30 properties within the agreed timescale			offered to homeless households will be checked for suitability against the needs of that particular household e.g. travel to work, access to schools.			
--	--	--	---	--	--	--

FIGURE 2

The risks associated with not implementing the (subject) decision:

No.	RISK Threat to achievement of the key objectives of the report	INHERENT RISK		RISK CONTROL MEASURES Mitigation (ie controls) and Evaluation (ie effectiveness of mitigation).	CURRENT RISK		RISK OWNER
		(Before controls)			(After controls)		
		Impact	Probability		Impact	Probability	
1	Increasing numbers of households in TA for extended periods with the associated costs to BCC and impacts on families. Real Lettings is a modest contribution to the supply of affordable housing but an important one.	High	High	Move on from TA is dependent on the supply of affordable housing. There is a shortage of affordable housing in Bristol and Real Lettings increases the supply for homeless households.	High	Medium	Gillian Douglas
2	A negative perception of the private rented sector among homeless households (in terms of affordability and security of tenure) limits our ability to prevent homelessness and to support families to self-serve in to the PRS. This results in increasing numbers of households joining a long queue for social housing and remaining homeless for longer.	High	High	Real Lettings is affordable, high quality PRS accommodation that comes with a housing management and tenant support function. Most tenants have a very positive experience of Real lettings and are better disposed to the sector. Without Real Lettings we are more limited in our ability to assist households in to the PRS in the long term.	High	Medium	Gillian Douglas